RED HERRING PROSPECTUS
Dated January 8, 2018
Please read Section 32 of the Companies Act, 2013
Book Built Offer

AMBER ENTERPRISES INDIA LIMITED

Our Company was incorporated as Amber Enterprises India Private Limited on April 2, 1990 at Jalandhar, Punjab as a private limited company under the Companies Act, 1956. Our Company was converted to a public limited company pursuant to a special resolution passed by our shareholders on September 20, 2017 and a fresh certificate of incorporation dated September 22, 2017 was issued by the Registrar of Companies, Chandigarh, consequently, the name of our Company was changed to Amber Enterprises India Limited. For further details of change in the name and Registered Office of our Company, see "*History and Certain Corporate Matters*" on page 164.

Registered Office: C-1, Phase – II, Focal Point, Rajpura Town – 140 401, Punjab; **Tel:** +91 1762 232126; **Fax**: +91 1762 232127
Corporate Office: Universal Trade Tower, 1st Floor, Sector – 49, Sohna Road, Gurgaon – 122 018; **Tel**: +91 124 3923000; **Fax**: +91 124 3923016
Contact Person: Konica Yadav, Company Secretary and Compliance Officer; **E-mail:** info@ambergroupindia.com; **Website**: www.ambergroupindia.com
Corporate Identity Number: U28910PB1990PLC010265

OUR PROMOTERS: JASBIR SINGH AND DALJIT SINGH

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF AMBER ENTERPRISES INDIA LIMITED ("OUR COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●]* PER EQUITY SHARE ("OFFER PRICE") AGGREGATING UP TO ₹ 6,000 MILLION, COMPRISING A FRESH ISSUE OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 4,750 MILLION ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 1,250 MILLION, COMPRISING AN OFFER FOR SALE OF UP TO [●] EQUITY SHARES BY JASBIR SINGH AGGREGATING UP TO ₹ 625 MILLION, AND UP TO [●] EQUITY SHARES BY DALJIT SINGH AGGREGATING UP TO ₹ 625 MILLION (JASBIR SINGH AND DALJIT SINGH COLLECTIVELY, THE "PROMOTER SELLING SHAREHOLDERS"), (THE "OFFER FOR SALE" AND TOGETHER WITH THE FRESH ISSUE, THE "OFFER"). THE OFFER INLUDES A RESERVATION OF UP TO [●] EQUITY SHARES AGGREGATING TO ₹ [●] MILLION FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (AS DEFINED HEREIN) ("EMPLOYEE RESERVATION PORTION"). THE OFFER LESS EMPLOYEE RESERVATION PORTION IS REFERRED TO AS THE NET OFFER. THE OFFER AND NET OFFER WILL CONSTITUTE UP TO [●]% AND [●]%, RESPECTIVELY OF OUR POST OFFER PAID-UP EQUITY SHARE CAPITAL.
THE FACE VALUE OF EACH EQUITY SHARE IS ₹ 10 EACH. THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND, THE EMPLOYEE RESERVATION PORTION, THE EMPLOYEE DISCOUNT, IF ANY, AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY AND THE PROMOTER SELLING SHAREHOLDERS IN CONSULTATION WITH THE BRLMs AND WILL BE ADVERTISED IN ALL EDITIONS OF BUSINESS STANDARD - ENGLISH (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), ALL EDITIONS OF BUSINESS STANDARD - HINDI (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER) AND THE PATIALA EDITION OF CHARHDIKALA (A WIDELY CIRCULATED PUNJABI DAILY NEWSPAPER) AT LEAST FIVE WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE", AND TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR UPLOADING ON THEIR RESPECTIVE WEBSITES.
** Employee Discount of ₹ __ per Equity Shares to the Offer Price may be offered to the Eligible Employees Bidding in the Employee Reservation Portion.*

In case of any revision to the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days after such revision of the Price Band, subject to the total Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the website of the BRLMs and at the terminals of the other members of the Syndicate and intimation to SCSBs, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents.

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("**SCRR**"), and in accordance with Regulation 26(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "**SEBI Regulations**"), this Offer is being made through the Book Building Process, wherein not more than 50% of the Net Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**") (the "**QIB Portion**"), provided that our Company and the Promoter Selling Shareholders in consultation with the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis ("**Anchor Investor Portion**"). One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI Regulations subject to valid Bids being received at or above the Offer Price. Further, up to [●] Equity Shares shall be offered for allocation and Allotment on a proportionate basis to the Eligible Employees Bidding in the Employee Reservation Portion, conditional upon valid Bids being received from them at or above the Offer Price. All potential Bidders, other than Anchor Investors, are mandatorily required to participate in the Offer through the Application Supported by Blocked Amount ("**ASBA**") process by providing details of their respective bank account which will be blocked by the Self Certified Syndicate Banks ("**SCSBs**"). Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA Process. For details, see "*Offer Procedure*" on page 493.

RISK IN RELATION TO THE FIRST OFFER

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 Floor Price is [●] times the face value and the Cap Price is [●] times the face value. The Offer Price (determined and justified by our Company and Promoter Selling Shareholders in consultation with the BRLMs as stated under "*Basis for Offer Price*" on page 95) 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.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 16.

ISSUER'S AND PROMOTER SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, each Promoter Selling Shareholder severally accepts responsibility and confirms that this Red Herring Prospectus contains all information about them as Promoter Selling Shareholders and the Equity Shares offered by each Promoter Selling Shareholder in the context of the Offer for Sale and further severally assume responsibility for statements in relation to them included in this Red Herring Prospectus and the Equity Shares offered by them in the Offer and that such statements are true and correct in all material respects and not misleading in any material respect.

LISTING

The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on the BSE and the NSE. Our Company has received an 'in-principle' approval from the BSE and the NSE for the listing of the Equity Shares pursuant to letters dated October 25, 2017 and October 26, 2017, respectively. For the purposes of the Offer, the Designated Stock Exchange shall be BSE. A copy of this Red Herring Prospectus and the Prospectus shall be delivered for registration to the RoC in accordance with Section 26(4) of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of this Red Herring Prospectus up to the Bid/ Offer Closing Date, see "*Material Contracts and Documents for Inspection*" on page 545.

BOOK RUNNING LEAD MANAGERS				REGISTRAR TO THE OFFER
Edelweiss Financial Services Limited 14th Floor, Edelweiss House Off. C.S.T Road, Kalina Mumbai 400 098 Tel: +91 22 4009 4400 Fax: +91 22 4086 3610 E-mail: amber.ipo@edelweissfin.com Investor grievance e-mail: customerservice.mb@ edelweissfin.com Website: www.edelweissfin.com Contact Person: Kunal Malkan/Gyayak Jain SEBI Registration No.INM0000010650	**IDFC Bank Limited** Naman Chambers, C – 32, G Block Bandra Kurla Complex Bandra (East) Mumbai 400 051 Tel: +91 22 7132 5500 Fax: +91 22 6622 2501 E-mail: amber.ipo@idfcbank.com Investor grievance e-mail: mb.ig@idfcbank.com Website: www.idfcbank.com Contact Person: Gaurav Goyal SEBI Registration No.:MB/INM000012250	**SBI Capital Markets Limited** 202, Maker Tower 'E' Cuff Parade Mumbai 400 005 Tel: +91 22 2217 8300 Fax: +91 22 2218 8332 E-mail: amber.ipo@sbicaps.com Investor grievance e-mail: investor.relations@sbicaps.com Website: www.sbicaps.com Contact Person: Aditya Deshpande SEBI Registration No.: INM000003531	**BNP Paribas** BNP Paribas House 1 North Avenue, Maker Maxity Bandra-Kurla Complex Bandra (East) Mumbai 400 051 Tel: 91 22 3370 4000 Fax: 91 22 6196 5194 E-mail: dl.ipo.amber@asia.bnpparibas.com Investor grievance e-mail: indiainvestors.care@asia.bnpparibas.com Website: www.bnpparibas.co.in Contact Person: Bhumika Chauhan SEBI Registration No.: INM000011534	**Karvy Computershare Private Limited** Karvy Selenium Tower B Plot 31 and 32, Gachibowli Financial District, Nanakramguda Hyderabad 500 032 Tel: +91 40 6716 2222 Fax: +91 40 2343 1551 E-mail: amber.ipo@karvy.com Investor grievance e-mail: einward.ris@karvy.com Website: www.karishma.karvy.com Contact Person: M. Murali Krishna SEBI Registration No.: INR000000221

BID/OFFER PROGRAMME	
BID/OFFER OPENS ON	**JANUARY 17, 2018, WEDNESDAY***
BID/OFFER CLOSES ON	**JANUARY 19, 2018, FRIDAY**

** Our Company and the Promoter Selling Shareholders may, in consultation with the BRLMs, consider participation by Anchor Investors in accordance with the SEBI Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date.*

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

This Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act or regulation, as amended from time to time.

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

Notwithstanding the foregoing, terms used in the sections entitled "Statement of Tax Benefits", "Restated Financial Statements", "Main Provisions of Articles of Association", "Outstanding Litigation and Material Developments", "Regulations and Policies" and "Offer Procedure – Part B" on pages 98, 199, 536, 460, 161 and 499, respectively, shall have the meaning ascribed to such terms in such sections.

General Terms

Term	Description
"our Company", "the Company" or "the Issuer"	Amber Enterprises India Limited, a company incorporated under the Companies Act, 1956 and having its Registered Office at C-1, Phase – II, Focal Point, Rajpura Town, 140 401, Punjab and Corporate Office at Universal Trade Tower, 1st Floor, Sector – 49, Sohna Road, Gurgaon – 122 018
"we", "us" or "our"	Unless the context otherwise indicates or implies, our Company, together with its Subsidiaries, on a consolidated basis

Company Related Terms

Term	Description
Appserve	Appserve Appliance Private Limited
Articles of Association or AoA	Articles of Association of our Company, as amended
Ascent	Ascent Investment Holdings Pte. Limited
Audit Committee	The audit committee of our Company, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, as described in "*Our Management*" on page 181
Auditors/Statutory Auditors	Statutory auditors of our Company, namely, Walker Chandiok & Co LLP, Chartered Accountants
Board/Board of Directors	Board of directors of our Company or a duly constituted committee thereof
CCDs	Tranche I compulsorily convertible debentures of the Company of face value of ₹ 50.00 million each
CCPS	Compulsorily convertible preference shares of face value of ₹ 10 each
CFO	Chief Financial Officer of our Company
Corporate Office	The corporate office of our Company located at Universal Trade Tower, 1st Floor, Sector – 49, Sohna Road, Gurgaon – 122 018
Corporate Social Responsibility Committee	The corporate social responsibility committee of our Company, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, as disclosed in "*Our Management*" on page 186
Daikin	Daikin Airconditioning India Private Limited
Director(s)	Director(s) on the Board of our Company
Equity Shares	Equity shares of our Company of face value of ₹10 each
Executive Directors	Executive Directors of our Company
Group Companies	Companies which are covered under the applicable accounting standards and other companies as considered material by our Board, for details, see "*Our Group Companies*" on page 194
Hitachi	Johnson Controls-Hitachi Air Conditioning India Limited

Term	Description
IDBI Bank	IDBI Bank Limited
IL JIN	IL JIN Electronics (India) Private Limited
IL JIN SHA	Shareholders' Agreement dated November 11, 2017 between our Company, IL JIN, Mr. Hyun Chul Sim and Ms. Su A. Lee. For details, see "*History and Certain Corporate Matters*" on page 168
IL JIN SPA	Share Purchase Agreements dated November 11, 2017 between our Company, IL JIN, Mr. Hyun Chul Sim and Ms. Su A Lee. For details, see "*History and Certain Corporate Matters*" on page 167
IPO Committee	The committee of the Board of Directors as described in "*Our Management*" on page 187
Key Management Personnel	Key management personnel of our Company as disclosed in *"Management – Key Management Personnel"* from pages 189 to 190
LG	LG Electronics India Private Limited
Memorandum of Association or MoA	Memorandum of Association of our Company, as amended
Nomination and Remuneration Committee	The nomination and remuneration committee of our Company, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, as disclosed in "*Our Management*" on page 184
Panasonic	Panasonic India Private Limited
Promoter Group	The persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(zb) of the SEBI Regulations. For details see "*Our Promoter and Promoter Group*" on page 191
Promoters	The promoters of our Company namely, Jasbir Singh and Daljit Singh. For details, see "*Our Promoter and Promoter Group*" on page 191
Purchase and Buyback Agreement	Purchase and Buyback Agreement dated December 23, 2016 between the Company, Ascent and Jasbir Singh and Daljit Singh to be read along with the letter pertaining to the conversion of CCDs, dated September 26, 2017, as amended. For details, see "*History and Certain Corporate Matters*" from pages 168 to 169
Registered Office	The registered office of our Company located at C-1, Phase – II, Focal Point, Rajpura Town - 140 401, Punjab
Registrar of Companies/RoC	Registrar of Companies, Chandigarh
Relevant Period	The last five financial years and any stub period in respect of which, restated audited financial statements are included in the relevant offer documents in connection with the proposed initial public offering of equity shares of the Company
Restated Financial Statements	Collectively, the Restated Consolidated Financial Statements and Restated Standalone Financial Statements
Restated Standalone Financial Statements	Our Company's restated standalone summary statements of assets and liabilities as at March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016, March 31, 2017 and September 30, 2017 and our Company's restated standalone summary statements of profit and loss and cash flow for each of the financial years ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016, March 31, 2017 and six month period ended on September 30, 2017, together with the annexures and notes thereto and the examination report thereon
Restated Consolidated Financial Statements	Our restated consolidated summary statements of assets and liabilities as at March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016, March 31, 2017 and September 30, 2017 and our restated consolidated summary statements of profit and loss and cash flow for each of the financial years ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016, March 31, 2017 and six month period ended on September 30, 2017, together with the annexures and notes thereto and the examination report thereon
SHA	Shareholders' agreement dated December 23, 2016 as amended on September 20, 2017, between the Company, Ascent, Jasbir Singh and Daljit Singh. For details, see "*History and Certain Corporate Matters*" on page 169
SPA 1	Share Purchase Agreement dated August 13, 2013 between our Company, IFCI Venture Capital Funds Limited (acting for and on behalf of Green India Venture Fund) and

Term	Description
	Sukhmani Lakhat. For details, see "*History and Certain Corporate Matters*" on page 168
SPA 2	Share Purchase Agreement dated August 13, 2013 between Reliance Alternative Investments Fund – Private Equity Scheme –I acting through its trustee Reliance Alternative Investment Services Private Limited and represented by Reliance Equity Advisors (India) Private Limited, Sukhmani Lakhat and Daljit Singh. For details, see "*History and Certain Corporate Matters*" on page 168
SPA 3	Share Purchase Agreement dated December 23, 2016 between our Company, Reliance Alternative Investments Fund – Private Equity Scheme – I, Ascent, Jasbir Singh, Daljit Singh, and Kartar Singh. For details, see "*History and Certain Corporate Matters*" on page 168
SPA 5	Share purchase agreement dated December 8, 2017 between our Company, Ascent and DF International Private Partners For details, see "*History and Certain Corporate Matters*" on page 169
SPA 6	Share purchase agreement dated December 8, 2017 between our Company, Ascent, Aadi Financial Advisors LLP, Profitex Shares & Securities Private Limited and Akash Manek Bhanshali For details, see "*History and Certain Corporate Matters*" on page 169
SPA 7	Share purchase agreement dated December 8, 2017 between our Company, Ascent and GMO Emerging Domestic Opportunities Fund, A Series of GMO Trust For details, see "*History and Certain Corporate Matters*" on page 169
SPA 8	Share purchase agreement dated December 8, 2017 between our Company, Ascent and Edelweiss Crossover Opportunities Fund For details, see "*History and Certain Corporate Matters*" on page 169
SSA	Share Subscription Agreement dated December 23, 2016 between the Company, Ascent and Jasbir Singh and Daljit Singh. For details, see "*History and Certain Corporate Matters*" on page 168
Stakeholders' Relationship Committee	The stakeholders' relationship committee of our Company, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, described in "*Our Management*" on page 185
Subsidiaries	Subsidiaries of our Company namely, PICL (India) Private Limited, Appserve Appliance Private Limited and IL JIN Electronics (India) Private Limited. For details, see "Our Subsidiaries" beginning on page 172
Whirlpool	Whirlpool of India Limited

Offer Related Terms

Term	Description
Acknowledgement Slip	The slip or document issued by a Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form
Allot/Allotment/Allotted	Unless the context otherwise requires, allotment of Equity Shares pursuant to the Fresh Issue and transfer of Equity Shares offered by the Promoter Selling Shareholders pursuant to the Offer for Sale to the successful Bidders
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI Regulations and this Red Herring Prospectus
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors in terms of this Red Herring Prospectus and the Prospectus, which will be decided by our Company and the Promoter Selling Shareholders, in consultation with the BRLMs

Term	Description
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of this Red Herring Prospectus and Prospectus
Anchor Investor Bid/Offer Period	The day, being one Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to Anchor Investors shall be completed
Anchor Investor Escrow Account	Account opened with the Escrow Collection Bank and in whose favour the Anchor Investors will transfer money through NACH/direct credit/NEFT/RTGS in respect of the Bid Amount when submitting a Bid
Anchor Investor Offer Price	Final price at which the Equity Shares will be Allotted to Anchor Investors in terms of this Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price The Anchor Investor Offer Price will be decided by our Company and the Promoter Selling Shareholders, in consultation with the BRLMs
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bid/Offer Period, and in the event the Anchor Investor Allocation Price is lower than the Offer Price, not later than two Working Days after the Bid Offer Closing Date.
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company and the Promoter Selling Shareholders in consultation with the BRLMs, 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 Anchor Investor Allocation Price
Application Supported by Blocked Amount or ASBA	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorize an SCSB to block the Bid Amount in the ASBA Account
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders which will be considered as the application for Allotment in terms of this Red Herring Prospectus and the Prospectus
ASBA Account	A bank account maintained with an SCSB and specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the ASBA Form
Banker(s) to the Offer/Escrow Collection Bank(s)	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Escrow Accounts will be opened, in this case being IDFC Bank Limited
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Offer and which is described in "*Offer Procedure*" on page 493.
Bid	An indication to make an offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/Offer Period by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares of our Company at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI Regulations and in terms of this Red Herring Prospectus and the Bid cum Application Form. The term "Bidding" shall be construed accordingly
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the Bidder, less the Employee Discount, as the case may be, upon submission of the Bid. However, Eligible Employees applying in the Employee Reservation Portion can apply at the Cut-Off Price and the Bid amount shall be Cap Price net of Employee Discount, multiplied by the number of Equity Shares Bid for by such Eligible Employee and mentioned in the Bid cum Application Form
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires
Bid Lot	[●] Equity Shares in the multiples of [●] Equity Shares

Term	Description
Bid/Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being January 19, 2018 Our Company and the Promoter Selling Shareholders may, in consultation with the BRLMs, consider closing the Bid/Offer Period for the QIB Category one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI Regulations
Bid/Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being January 17, 2018
Bid/Offer Period	Except in relation to Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof
Bidder	Any prospective investor who makes a Bid pursuant to the terms of this Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor
Bidding Centers	Centers at which at the Designated Intermediaries shall accept the ASBA Forms, i.e, Designated Branch for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
BNP	BNP Paribas
Book Building Process	Book building process, as provided in Schedule XI of the SEBI Regulations, in terms of which the Offer is being made
Book Running Lead Managers or BRLMs	The book running lead managers to the Offer namely, Edelweiss Financial Services Limited, IDFC Bank Limited, SBI Capital Markets Limited and BNP Paribas
Broker Centres	Broker centres notified by the Stock Exchanges where Bidders can submit the ASBA Forms to a Registered Broker The details of such Broker Centres, along with the names and contact details of the Registered Broker are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
CAN/Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bid/Offer Period
Cap Price	The higher end of the Price Band, above which the Offer Price and the Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted
Cash Escrow Agreement	Agreement dated January 6, 2018 entered into by our Company, the Promoter Selling Shareholders, the Registrar to the Offer, the BRLMs, the Escrow Collection Bank and the Refund Bank for collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account and where applicable, refunds of the amounts collected from Anchor Investors, on the terms and conditions thereof
Client ID	Client identification number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Cut-off Price	Offer Price, finalised by our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, which shall be any price within the Price Band Only Retail Individual Bidders and Eligible Employees are entitled to Bid at the Cut-off Price. QIBs and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price
Demographic Details	Details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation and bank account details
Designated Date	The date on which funds are transferred from the Anchor Investor Escrow Account and the instructions are given to the SCSBs to unblock the ASBA Accounts and transfer the amounts blocked by the SCSBs from the ASBA Accounts, as the case may be, to the Public Offer Account or the Refund Account, as appropriate, in terms of this Red Herring Prospectus and the aforesaid transfer and instructions shall be issued only after finalisation of Basis of Allotment in consultation with the Designated Stock Exchange

Term	Description
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Intermediaries	Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorized to collect ASBA Forms from the ASBA Bidders, in relation to the Offer
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes Intermediaries or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange	BSE
Draft Red Herring Prospectus or DRHP	The Draft Red Herring Prospectus dated September 29, 2017, issued in accordance with the SEBI Regulations, which did not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer
Edelweiss	Edelweiss Financial Services Limited
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the ASBA Form and this Red Herring Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares
Eligible Employee	A permanent and full-time employee of our Company or its Subsidiaries (excluding such employee not eligible to invest in the Offer under applicable laws, rules, regulations and guidelines), as on the date of registration of this Red Herring Prospectus with the RoC, who are Indian nationals and are based, working and present in India and continued to be on the rolls of our Company or its Subsidiaries as on the date of submission of their ASBA Form and Bidding in the Employee Reservation Portion.
Employee Discount	A discount of up to [●]% (equivalent of up to ₹ [●]) on the Offer Price, which may be offered by our Company and the Promoter Selling Shareholders, in consulation with the BRLMs to Eligible Employees Bidding in the Employee Reservation Portion, subject to the Bid Amount not exceeding ₹ 500,000, and which shall be announced at least five Working Days prior to the Bid/Offer Opening Date.
Employee Reservation Portion	The portion of the Offer, being up to [●] Equity Shares has been reserved for allocation and Allotment to Eligible Employees on a proportionate basis, as detailed in "Offer Procedure" on page 493 pursuant to resolution dated [●] as passed by our Board. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹ 500,000 on a net basis. However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹ 200,000 (which will be less Employee Discount). Only in the event of under-subscription in the Employee Reservation Portion post the initial allotment, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹ 200,000, subject to the total Allotment to an Eligible Employee not exceeding ₹ 500,000 (which will be less Employee Discount).
Escrow Account	No-lien and non-interest bearing account opened with the Escrow Collection Bank(s) and in whose favour the Bidders (excluding the ASBA Bidders) will transfer money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount when submitting a Bid
First Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted

Term	Description
Fresh Issue	The fresh issue of up to [●] Equity Shares aggregating up to ₹ 4,750 million by our Company.
General Information Document/GID	The General Information Document prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI, suitably modified pursuant to the circulars (CIR/CFD/POLICYCELL/III/2015) dated November 10, 2015 and SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and included in "*Offer Procedure*" on page 503
IDFC	IDFC Bank Limited
Maximum RIB Allottees	Maximum number of RIBs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot, subject to valid Bids being received at or above the Offer Price
Mutual Fund Portion	5% of the QIB Portion (excluding the Anchor Investor Portion), or [●] Equity Shares which shall be available for allocation to Mutual Funds only
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Net Offer	The Offer less Employee Reservation Portion.
Net Offer Proceeds	Proceeds of the Fresh Issue less our Company's share of the Offer expenses For further information about use of the Net Offer Proceeds and the Offer expenses, see "*Objects of the Offer*" on page 86
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors
Non-Institutional Bidder/NIBs	All Bidders that are not QIBs or Retail Individual Bidders or Eligible Employees and who have Bid for Equity Shares for an amount more than ₹200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Offer being not less than 15% of the Offer consisting of [●] Equity Shares which shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Offer Price
Non-Resident	A person resident outside India, as defined under FEMA and includes a non-resident Indian, FPIs and FVCIs
Offer	The public issue of up to [●] Equity Shares of face value of ₹10 each for cash at a price of ₹ [●] each, aggregating up to ₹ 6,000 million comprising the Fresh Issue and the Offer for Sale. The Offer comprises the Net Offer and the Employee Reservation Portion
Offer Agreement	The agreement dated September 29, 2017 among our Company, the Promoter Selling Shareholders and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Offer
Offer for Sale	The offer for sale of up to [●] Equity Shares by Promoter Selling Shareholders at the Offer Price aggregating up to ₹ 1,250 million in terms of this Red Herring Prospectus, comprising of offer for sale of up to [●] Equity Shares aggregating up to ₹ 625 million by Jasbir Singh and of up to [●] Equity Shares aggregating up to ₹ 625 million by Daljit Singh
Offer Price	The final price at which Equity Shares will be Allotted to Bidders other than Anchor Investors. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price in terms of this Red Herring Prospectus. An Employee Discount of up to [●]% (equivalent of up to ₹ [●]) on the Offer Price, may be offered by our Company and the Promoter Selling Shareholders, in consulation with the BRLMs to Eligible Employees Bidding in the Employee Reservation Portion , subject to the Bid Amount not exceeding ₹ 500,000. The Offer Price will be decided by our Company and the Promoter Selling Shareholders, in consultation with the BRLMs on the Pricing Date
Offer Proceeds	The proceeds of the Offer that are available to our Company and the Promoter Selling Shareholders
Price Band	Price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum price of ₹ [●] per Equity Share (Cap Price) including any revisions thereof

Term	Description
	The Price Band and the minimum Bid Lot size for the Offer will be decided by our Company and the Promoter Selling Shareholders in consultation with the BRLMs, and will be advertised, at least five Working Days prior to the Bid/Offer Opening Date, in all editions of Business Standard - English (a widely circulated English national daily newspaper), all editions of Business Standard – Hindi (a widely circulated Hindi national daily newspaper) and the Patiala edition of Charhdikala (a widely circulated Punjabi daily newspaper), Punjabi being the regional language of Punjab, where our registered office is located
Pricing Date	The date on which our Company and the Promoter Selling Shareholders in consultation with the BRLMs, will finalise the Offer Price
Prospectus	The Prospectus to be filed with the RoC after the Pricing Date in accordance with Section 26 of the Companies Act, 2013, and the SEBI Regulations containing, *inter alia*, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto
Public Offer Account(s)	Bank account to be opened with under Section 40(3) of the Companies Act, 2013 to receive monies from the Anchor Investor Escrow Account and ASBA Accounts on the Designated Date
Public Offer Bank	Bank which is a clearing member and registered with SEBI as a banker to an issue and with whom the Public Offer Account will be opened, in this case being HDFC Bank Limited
QIB Category/QIB Portion	The portion of the Offer (including the Anchor Investor Portion) being not more than 50% of the Net Offer consisting of [●] Equity Shares which shall be Allotted to QIBs (including Anchor Investors) subject to valid Bids being received at or above the Offer Price.
Qualified Institutional Buyers or QIBs or QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(zd) of the SEBI Regulations
Red Herring Prospectus or RHP	This Red Herring Prospectus dated January 8, 2017 issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI Regulations, which does not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer, including any addenda or corrigenda thereto This Red Herring Prospectus will be registered with the RoC at least three days before the Bid/Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date
Refund Account(s)	The account opened with the Refund Bank, from which refunds, if any, of the whole or part of the Bid Amount to the Anchor Investors shall be made
Refund Bank(s)	Bank which is a clearing member and registered with SEBI as a banker to an issue and with whom the Refund Account will be opened, in this case being IDFC Bank Limited
Registered Brokers	Stock brokers registered with the stock exchanges having nationwide terminals, other than the BRLMs and the Syndicate Members and eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 4, 2012 issued by SEBI
Registrar Agreement	Agreement dated September 28, 2017 entered into amongst our Company, the Promoter Selling Shareholders and the Registrar to the Offer, in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Issue
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registrar to the Offer/Registrar	Karvy Computershare Private Limited
Retail Individual Bidder(s)/ /RIB(s)/Retail Individual Investor/RII	Individual Bidders other than Eligible Employees bidding in the Employee Reservation Portion who have Bid for the Equity Shares for an amount not more than ₹200,000 in any of the bidding options in the Offer (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs)
Retail Portion	The portion of the Offer being not less than 35% of the Offer consisting of [●] Equity Shares which shall be available for allocation to Retail Individual Bidders) in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Offer Price

Term	Description
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s) QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders and Eligible Employees bidding in the Employee Reservation Portion can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date.
SBICAP	SBI Capital Markets Limited
Self Certified Syndicate Bank(s) or SCSB(s)	The banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time
Selling Shareholders or the Promoter Selling Shareholders	Our Promoters, Jasbir Singh and Daljit Singh
Share Escrow Agreement	Agreement dated January 6, 2018 entered into by the Promoter Selling Shareholders, our Company and the Share Escrow Agent in connection with the transfer of Equity Shares under the Offer for Sale by the Promoter Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees
Share Escrow Agent	Escrow agent appointed pursuant to the Share Escrow Agreement, namely, Karvy Computershare Private Limited
Specified Locations	Bidding centres where the Syndicate shall accept Bid cum Application Form from Bidders
Syndicate Agreement	Agreement to be entered into among the BRLMs, the Syndicate Members, our Company and the Promoter Selling Shareholders in relation to collection of Bid cum Application Forms by Syndicate
Syndicate Members	Intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely, Edelweiss Securities Limited, IDFC Securities Limited, SBICAP Securities Limited and Sharekhan Limited
Syndicate/members of Syndicate	The BRLMs and the Syndicate Members
Underwriters	[●]
Underwriting Agreement	The agreement among the Underwriters, our Company and the Promoter Selling Shareholders to be entered into on or after the Pricing Date
Working Day	All days, other than second and fourth Saturday of a month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, "Working Day" shall mean all days, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and with reference to the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

Technical/Industry Related Terms /Abbreviations

Term	Description
₹/Rs./Rupees/INR	Indian Rupees
AIF	Alternative Investment Fund as defined in and registered with SEBI and under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
Air Act	Air (Prevention and Control of Pollution) Act, 1981
AS/Accounting Standards	Accounting Standards issued by the Institute of Chartered Accountants of India
Bn/bn	Billion
BSE	BSE Limited

Term	Description
CAGR	Compounded Annual Growth Rate
Category I foreign portfolio investors	FPIs who are registered as "Category I foreign portfolio investors" under the SEBI FPI Regulations
Category II foreign portfolio investors	FPIs who are registered as "Category II foreign portfolio investors" under the SEBI FPI Regulations
Category III foreign portfolio investors	FPIs who are registered as "Category III foreign portfolio investors" under the SEBI FPI Regulations
CCI	Competition Commission of India
CDSL	Central Depository Services (India) Limited
Companies Act	Companies Act, 1956 and the Companies Act, 2013, as applicable
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act, 2013) along with the relevant rules made thereunder
Companies Act, 2013	Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, along with the relevant rules, regulations, clarifications, circulars and notifications issued thereunder
Competition Act	Competition Act, 2002
Consumer Protection Act	Consumer Protection Act, 1986
Copyright Act	Copyright Act, 1957
Copyright Act	Copyright Act, 1957
CSR	Corporate Social Responsibility
Depositories	NSDL and CDSL
Depositories Act	Depositories Act, 1996
Designs Act	Designs Act, 2000
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
Environment Protection Act	The Environment Protection Act 1986
EPS	Earnings per Share
Factories Act	Factories Act, 1948
FDI	Foreign Direct Investment
FDI Policy	The extant Consolidated Foreign Direct Investment Policy notified by Department of Industrial Policy & Promotion from time to time, in this case the Consolidated Foreign Direct Investment Policy notified by notification D/o IPP F. No. 5(1)/2017-FC-1 dated the August 28, 2017 effective from August 28, 2017
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
Financial Year/Fiscal//fiscal/ Fiscal Year/FY	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
FPI(s)	Foreign Portfolio Investors as defined under the SEBI FPI Regulations
FVCI	Foreign Venture Capital Investors as defined and registered under the SEBI FVCI Regulations
GoI/Government	Government of India
GST	Goods and Service Tax
Hazardous Waste Rules	Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016

Term	Description
ICAI	The Institute of Chartered Accountants of India
Income Tax Act/IT Act	Income Tax Act, 1961
Ind AS	Indian Accounting Standards
India	Republic of India
Indian Boiler Act	Indian Boilers Act, 1923
Indian Boilers Regulations	Indian Boilers Regulation, 1950
Indian GAAP	Generally Accepted Accounting Principles in India
Industrial Disputes Act	Industrial Disputes Act, 1947
Industrial Disputes Amendment Act	Industrial Disputes (Amendment) Act, 2010
Inverter RAC	A type of RAC which uses an inverter to control the speed of the compressor motor, so as to continuously regulate the temperature
IPO	Initial public offering
IRDAI	Insurance Regulatory and Development Authority of India
IST	Indian Standard Time
Legal Metrology Act	Legal Metrology Act, 2009
MCA	Ministry of Corporate Affairs, Government of India
Mn/mn	Million
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A./NA	Not Applicable
NACH	National Automated Clearing House
NAV	Net Asset Value
NEFT	National Electronic Fund Transfer
Notified Sections	The sections of the Companies Act, 2013 that were notified by the Ministry of Corporate Affairs, Government of India
NR	Non-resident
NRE Account	Non Resident External Account
NRI	A person resident outside India, who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or an 'Overseas Citizen of India' cardholder within the meaning of section 7(A) of the Citizenship Act, 1955
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Offer
ODM	Original design manufacturer
OEM	Original equipment manufacturer
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
Packaged Commodities Rules	Legal Metrology (Packaged Commodities) Rules, 2011
PAN	Permanent Account Number
RAC	Room Air Conditioner

Term	Description
RAC Brands	Refers to consumer durable brands dealing in RACs
RBI	Reserve Bank of India
Regulation S	Regulation S under the Securities Act
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996
Securities Act	U.S. Securities Act of 1933, as amended
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
Split RAC	An RAC system where the indoor and outdoor units are separately installed inside and outside.
Stock Exchanges	BSE and NSE
STT	Securities Transaction Tax
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Trademarks Act	Trademarks Act, 1999
U.S./USA/United States	United States of America
US GAAP	Generally Accepted Accounting Principles in the United States of America
USD/US$	United States Dollars
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations
Water Act	Water (Prevention and Control of Pollution) Act, 1974
Water Cess Act	Water (Prevention and Control of Pollution) Cess Act, 1977
Wilful Defaulter(s)	Wilful defaulter as defined under Regulation 2(zn) of SEBI Regulations
Window RAC	Refers to RAC that is primarily installed on a window
Workmen's Compensation Act	Workmen's Compensation Act, 1923

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

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

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

Financial Data

Unless stated otherwise, the financial information in this Red Herring Prospectus is derived from our Restated Financial Statements and certain other additional financial information pertaining to our Subsidiaries and Group Companies are derived from their respective audited financial statements. The Restated Financial Statements included in this Red Herring Prospectus are prepared in accordance with the Companies Act, Indian GAAP and the SEBI Regulations.

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

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

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

EBITDA presented in this Red Herring Prospectus is a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Indian GAAP, IFRS or US GAAP. Furthermore, EBITDA is not a measurement of our financial performance or liquidity under Indian GAAP, IFRS or US GAAP and should not be considered as an alternative to net profit/loss, revenue from operations or any other performance measures derived in accordance with Ind AS, IFRS or US GAAP or as an alternative to cash flow from operations or as a measure of our liquidity. In addition, EBITDA is not a standardised term, hence a direct comparison of EBITDA between companies may not be possible. Other companies may calculate EBITDA differently from us, limiting its usefulness as a comparative measure.

Unless the context otherwise indicates, any percentage amounts, as set forth in the sections entitled "*Risk Factors*", "*Our Business*", "*Management's Discussion and Analysis of Financial Conditional and Results of Operations*" on pages 16, 144 and 425, respectively, and elsewhere in this Red Herring Prospectus have been calculated on the basis of our Restated Financial Statements.

Currency and Units of Presentation

All references to:

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

Our Company has presented certain numerical information in this Red Herring Prospectus in "million" units. One million represents 1,000,000 and one billion represents 1,000,000,000. All the numbers in this Red Herring Prospectus are in million or in whole numbers where the numbers have been too small to present in million.

Exchange Rates

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

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

(Amount in ₹, unless otherwise specified)

Currency	As on September 30, 2017*	As on March 31, 2017	As on March 31, 2016	As on March 31, 2015	As on March 31, 2014**	As on March 31, 2013***
1 US$	65.36	64.84	66.33	62.59	60.10	54.39

Source: RBI Reference Rate

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

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

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

Industry and Market Data

Unless stated otherwise, industry and market data used in this Red Herring Prospectus has been obtained or derived from the report titled "Indian Room Air Conditioners Market Study" of September 2017 by Frost & Sullivan India Private Limited ("**F&S Report**") and publicly available information as well as other industry publications and sources. The F&S Report has been prepared at the request of our Company. For risks in relation to commissioned reports, see *"Risk Factors – We are not able to guarantee the accuracy of third party information included in this Red Herring Prospectus including from the industry report commissioned by us."* on page 31.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Accordingly, no investment decisions should be based on such information. Although we believe the industry and market data used in this Red Herring Prospectus is reliable, it has not been independently verified by us, the Promoter Selling Shareholders or the BRLMs or any of their affiliates or advisors. The data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable.

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

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors*" on page 16. Accordingly, investment decisions should not be based solely on such information.

In accordance with the SEBI Regulations, the section "*Basis for Offer Price*" on page 95 includes information relating to our peer-group companies. Such information has been derived from publicly available sources, and neither we, nor the Promoter Selling Shareholders, the BRLMs have independently verified such information.

FORWARD-LOOKING STATEMENTS

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

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

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

- Dependence on principal customers and their outsourcing requirements and our relationship with our customers;
- Market conditions affecting the RAC industry;
- Future developments, trends and conditions in the industry;
- Capital markets development;
- Non-compliance with specific obligations under the financing agreements by us;
- Contingent liabilities;
- Our inability to identify and understand evolving industry trends, technological advancements, customer preferences and develop new products;
- Our manufacturing facilities, R&D capacity and human resources; and
- Continued macroeconomic growth and urbanisation in India.

For further discussion on factors that could cause actual results to differ from expectations, see "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 16, 144 and 425, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

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

Forward-looking statements reflect current views as of the date of this Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, the Promoter Selling Shareholders, the BRLMs nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI Regulations, our Company and the BRLMs will ensure that the investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges.

SECTION II: RISK FACTORS

Investment in our Equity Shares involves a high degree of risk and Bidders should not invest any funds in the Offer unless Bidders can afford to take the risk of losing all or a part of their investment. The risks and uncertainties described below together with the other information contained in this Red Herring Prospectus should be carefully considered before making an investment decision in our Equity Shares. The risks described below are not the only ones relevant to us, the industry in which we operate or our Equity Shares. Further, some events may have a material impact from a qualitative perspective rather than a quantitative perspective and may be material collectively rather than individually. For a complete understanding of us, you should read this section in conjunction with "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 144 *and* 25*, respectively, as well as the other financial and statistical information contained in this Red Herring Prospectus. If any of the risks described below, or other risks that are not currently known or are presently deemed immaterial, actually occur, our business, prospects, financial condition and results of operations could suffer materially, the trading price of our Equity Shares could decline, and you may lose all or part of your investment.*

Prior to making an investment decision, Bidders should carefully consider all of the information contained in this Red Herring Prospectus (including "Financial Information" on page 199*) and must rely on their own examination of us and the terms of the Offer including the merits and the risks involved. You should also consult your tax, financial and legal advisors about the particular consequences to you of an investment in this Offer. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implication of any of the risks mentioned herein.*

Certain information included in this section has been extracted from the F&S Report which has been commissioned by our Company. For risks in relation to commissioned reports, see "Risk Factors – We are not able to guarantee the accuracy of third party information included in this Red Herring Prospectus including from the industry report commissioned by us." on page 31.

This Red Herring Prospectus also contains forward-looking statements that involve risk and uncertainties. Our actual results could differ materially from those anticipated in these forward looking statements as a result of certain factors, including the considerations described below in "Forward-Looking Statements" on page 15*, and elsewhere in this Red Herring Prospectus.*

Unless otherwise stated, the financial information used in this section is derived from our Restated Consolidated Financial Statements.

A. Internal Risk Factors

1. Our business is dependent on certain principal customers and the loss of, or a significant reduction in purchases by, such customers could adversely affect our business, financial condition, results of operations and future prospects.

A majority of our revenue is derived from our top 10 customers. Sales to our top five and top 10 customers contributed 74.77% and 92.52%, respectively, of our revenue from operations in Fiscal 2017. Further, sales to our top five and top 10 customers contributed 75.10% and 92.52%, respectively, of our revenue from operations in the six month period ended September 30, 2017. Our customers often undertake vendor rationalisation to reduce costs related to procurement from multiple vendors. Since we are largely dependent on certain key customers for a significant portion of our sales, the loss of any one of our key customers or a significant reduction in demand from such customers could have a material adverse effect on our business, financial condition, results of operations and future prospects.

There are a limited number of RAC brands in the Indian RAC market to whom we supply RACs and RAC components. We face the risk of the loss of all or any of our customers, including due to termination of contracts with such customers owing to delays on our part with respect to completion of the orders placed; failure to renew sales contracts with one or more of our significant customers; and failure to renegotiate favourable terms with our key customers, all of which could have a material adverse effect on our business, financial condition, results of operations and future prospects. Further, since our business is presently concentrated among a few significant customers, we may also experience reduction in cash flows and liquidity if we lose one or more of our top customers due to any dispute with respect to our contractual arrangements.

Additionally, the loss of any key customer may significantly affect our revenues and we may have difficulty securing comparable levels of business from other customers or may not be able to secure new customers in a timely manner or at all to offset any loss of revenue from the loss of any of our key customers, including our largest customer or even our top five customers. We may also not be able to easily re-allocate our resources and assets in a timely or efficient manner. Additionally, in order to retain some of our significant customers we may also be required to offer terms to them which may place restraints on our resources and reduce our profitability.

The occurrence of any of the above may have a significant adverse impact on our business, financial condition, results of operations and future prospects.

2. If our customers do not continue to outsource manufacturing, or if there is a downward trend in OEM/ODM business, our sales could be adversely affected.

We are engaged in the business of providing end to end product solutions including components as well as RACs on OEM/ODM basis. In recent years, RAC brands have increasingly outsourced the manufacturing of their products to OEM/ODM players like us. However, there can be no assurance that they will continue to do so in the future.

A customer's decision to outsource is affected by its ability and capacity for internal manufacturing and the competitive advantages of outsourcing. Our sales to our customers is also dependent on their business position and financial health. There can be no assurance that our customers will continue to outsource or increase the share of outsourcing. If RAC brands do not continue to outsource the manufacturing of their products or reduce the amount of manufacturing outsourced by them or if our customers decide to perform these functions internally or use other providers of these services, our future growth could be limited and our sales and operating results may suffer.

3. Any slowdown in the RAC industry may adversely impact our business, results of operations, financial condition and cash flows.

Our business is heavily dependent on the performance and market trends of the RAC sector. Sales of RACs and related components accounted for 81.84%, 83.61%, 74.58% and64.64% of our revenue from operations for the six month period ended September 30, 2017, Fiscals 2017, 2016 and 2015, respectively. However, there can be no assurance that the RAC industry will continue to grow and that we will continue to retain our market share.

Our sales of RACs and components are directly related to the production and sales of RACs by our customers. Sales and production of RACs and components may be affected by general economic or industry conditions, including seasonal trends in the RAC sector, evolving regulatory requirements, government initiatives, trade agreements and other factors. Any economic downturn and recessionary trends in RAC industry, both in India and in export markets, may significantly affect our business, financial condition, results of operations and future prospects. Unfavourable industry conditions can also result in an increase in commercial disputes and other risks. A sustained decline in the demand for RACs produced by our customers could prompt them to cut their production volumes, directly affecting the demand and sales from customers for our products.

4. Our inability to identify and understand evolving industry trends, technological advancements, customer preferences and develop new products to meet our customers' demands may adversely affect our business.

The RAC and other consumer durables market in India is characterised by technological advancements, introduction of innovative products, price fluctuations and intense competition. Changes in consumer preferences, regulatory or industry requirements or in competitive technologies may render certain of our products less attractive or obsolete. Our ability to anticipate changes in technology and regulatory standards and to successfully develop and introduce new and enhanced products to create new or address yet unidentified needs among our current and potential customers in a timely manner, is a significant factor in our ability to remain competitive. However, there can be no assurance that we will be able to secure the necessary technological knowledge, through our own research and development or through technical assistance agreements that will allow us to continue to develop our product portfolio or that we will be able to respond to industry trends by developing and offering cost effective products. We may also be required to make significant investments in research and development, which may strain our resources and may not provide results that can be monetized. If we are unable to obtain such knowledge in a timely manner, or at all, we may be unable to effectively implement our strategies, and our business and results of operations may be adversely affected.

Moreover, we cannot assure you that we will be able to achieve the technological advances that may be necessary for us to remain competitive or that certain of our products will not become obsolete. Further, if we do not continue to distinguish our products through distinctive, technologically advanced features and design, as well as continue to build and strengthen our brand recognition, we could lose market share and our revenues and earnings could decline. We are also subject to the risks generally associated with new product introductions, including lack of market acceptance, delays in product development and failure of products to operate properly which may lead to increased warranty claims.

To compete effectively in the RAC industry, we must be able to develop, upgrade and manufacture new products to meet our customers' demand in a timely manner. In order to do so, we need to identify and understand the key market trends and address our customers' evolving needs proactively and on a timely basis. As a result, we may incur, and have in the past incurred, capital expenditures for development of products to meet the demands of our customers. We cannot assure you, however, that we will be able to install and commission the equipment needed to manufacture products for our customers' in time. Our failure to successfully and timely develop and manufacture new products in

order to cater to the requirements of our customers and industry trends could have a material adverse effect on our business, financial condition, results of operations and future prospects.

5. We do not have firm commitment agreements with our customers. If our customers choose not to source their requirements from us, our business and results of operations may be adversely affected.

We do not have firm commitment long-term supply agreements with all our customers and instead rely on purchase orders to govern the volume and other terms of our sales of products. Many of the purchase orders we receive from our customers specify a price per unit and delivery schedule, and the quantities to be delivered are determined closer to the date of delivery. However, such orders may be amended or cancelled prior to finalisation, and should such an amendment or cancellation take place, it may adversely impact our production schedules and inventories. Further, where we have contracts with customers, such contracts do not bind our customers to provide us with a specific volume of business and can be terminated by our customers with or without cause, with little or no advance notice and without compensation. Consequently, there is no commitment on the part of the customer to continue to place new work orders with us and as a result, our sales from period to period may fluctuate significantly as a result of changes in our customers' vendor preferences and we may be unable to procure repeat orders from our customers.

Cancellation by customers or delay or reduction in their orders or instances where anticipated orders fail to materialize can result in mismatch between our inventories of raw materials and of manufactured products, thereby increasing our costs relating to maintaining our inventory and reduction of our margins, which may adversely affect our profitability and liquidity. Further, we may not find any customers or purchasers for the surplus or excess capacity, in which case we would be forced to incur a loss. Further, our inability to find customers for surplus products may result in excessive inventories which may become obsolete and may be required to be written off in the future.

Additionally, our customers have high and stringent standards for product quality and quantity as well as delivery schedules. Any failure to meet our customers' expectations could result in the cancellation or non-renewal of contracts or purchase orders. There are also a number of factors, other than our performance that could cause the loss of a customer. Customers may demand price reductions, set-off any payment obligations, require indemnification for themselves or their affiliates, or replace their existing products with alternative products, any of which may have an adverse effect on our business, financial condition, results of operations and future prospects.

6. We have experienced growth in the past few years and if we are unable to sustain or manage our growth, our business and results of operations may be adversely affected.

We have experienced growth in the past five years. In the six month period ended September 30, 2017 and Fiscal 2017, our total revenues were ₹ 9,415.50 million and ₹ 16,522.55 million, respectively, as compared to ₹ 8,823.37 million in Fiscal 2013. Our operations have also grown significantly over the last five Fiscals and we presently have 11 manufacturing facilities in India. Our growth requires us to continuously invest in our operations, evolve and improve our operational, financial and internal controls and administrative infrastructure. We may not be able to sustain our growth due to a variety of reasons, including but not limited to, the following:

- a decline in the demand for RAC and components;
- acquiring new customers and increasing/maintaining demand of our products from existing customers;
- maintaining the quality and precision levels of our products;
- our ability to maintain high level of customer satisfaction;
- increased price competition,
- non-availability of raw materials,
- preserving a uniform work culture and environment across our manufacturing facilities and maintaining and improving operational synergies; and
- a general slowdown in the economy.

A failure to sustain our growth may have an adverse effect on our business, financial condition, results of operations and future prospects.

We are embarking on a growth strategy which involves deepening, diversifying and expanding our customer base by expanding our product portfolio, focusing on advanced technology and higher profit products, focusing on operational efficiencies to improve returns and pursuing strategic alliances and inorganic growth opportunities. Such a growth

strategy will place significant demands on our management as well as our financial, accounting and operating systems. We cannot assure you that our future performance or growth strategy will be successful.

Further, as we scale-up and diversify our products, we may not be able to execute our operations efficiently, which may result in delays, increased costs and lower quality products. Further, if we are unable to increase our production capacity, we may not be able to successfully execute our growth strategy. Our failure to manage our growth effectively may have an adverse effect on our business, financial condition, results of operations and future prospects.

7. Our failure to compete effectively in the highly competitive RAC and equipment manufacturing industry could result in the loss of customers, which could have an adverse effect on our business, results of operations, financial condition and future prospects.

Our failure to obtain new business or to retain or increase our existing market share could adversely affect our financial results. In addition, we may incur significant expense in preparing to meet anticipated customer requirements that we may not be able to recover or pass on to our customers. We compete on the performance, functionality, customer service and support, availability, price and brand recognition of our products. Increased competition may force us to improve our process, technical, product and service capabilities and/or lower our prices or result in loss of customers, which may adversely affect our profitability and market share, in turn, affecting our business, financial condition, results of operations and prospects.

We face competition from other RAC OEM/ODM players as well as from imports from low cost manufacturing destinations such as China. Further, we may also face competition from RAC customers in the future, who increase their proportion of in-house manufacturing or acquire manufacturing capabilities through organic or inorganic growth. There is no assurance that we will remain competitive with respect to technology, design, quality or cost. Some of our competitors may have certain advantages, including greater financial resources, technology, research and development capability, greater market penetration and operations in diversified geographies and product portfolios, which may allow our competitors to better respond to market trends. Accordingly, we may not be able to compete effectively with our competitors across our product portfolio, which may have an adverse impact on our business, financial condition, results of operations and future prospects.

8. Pricing pressure from customers may adversely affect our gross margin, profitability and ability to increase our prices.

Our customers often pursue price reduction initiatives and objectives with their suppliers including us. Adopting cost-cutting measures while maintaining stringent quality standards may lead to a decrease in our margins, which may have a material adverse effect on our business, financial condition, results of operations and future prospects.

Our business is capital intensive, requiring us to maintain a substantial fixed asset base. Therefore, our profitability is dependent, in part, on our ability to spread fixed production costs over higher production volume. Our customers typically negotiate for larger discounts in price as the volume of their orders increases. If we are unable to efficiently undertake manufacturing and generate sufficient cost savings in the future to offset price reductions or if there is any reduction in consumer demand for RACs and components, our sales, gross margin and profitability may reduce, which may have a material adverse effect on our business, financial condition, results of operations and future prospects.

9. Our manufacturing capacity may not correspond precisely to customers' demands which may affect our results of operations.

Our customers may require us to have a certain percentage of excess capacity that would allow us to meet unexpected increases in purchase orders. The volume and timing of sales to our customers may vary due to a number of reasons, including but not limited to a variation in demand for our customers' products, our customers' endeavours to manage their inventory, design changes, changes in their product mix, manufacturing strategy and growth strategy, and macroeconomic factors affecting the economy in general and our customers in particular.

Occasionally, customers may require rapid increase in order quantities beyond our available capacity, and we may not have sufficient capacity at any given time to meet sharp increases in these requirements. On the other hand, at times there is also a risk of the underutilization of the production line, which may result in lower profit margins. Our inability to forecast the level of customer demand for our products, as well as inability to accurately schedule our raw material purchases and production and manage our inventory may adversely affect our business and cash flows from operations. Our inability to accurately forecast demand of our products and any consequent mismatch in production demand and our capacity can adversely affect our profitability or results of operations.

10. Our Company and our Subsidiaries are involved in certain legal proceedings, which, if determined against us could have a material adverse effect on our financial condition, results of operations and our reputation.

There are certain legal proceedings involving our Company and our Subsidiaries. These proceedings are pending at different levels of adjudication before various courts and tribunals. Although we/they intend to defend or appeal these proceedings, we/they may be required to devote management and financial resources to such actions. However, we cannot assure you that these matters will be settled in favour of our Company and our Subsidiaries, respectively, or that no further liability will arise out of these claims.

For summary of the outstanding matters including (i) claims related to direct and indirect taxes; and (ii) actions taken by statutory or regulatory authorities, please see "*Outstanding Litigation and Material Developments*" on page 460. The details of claims related to direct and indirect taxes is set out below:

(₹ in million)

Type of Proceedings	Number of cases	Amount to the extent quantifiable
Cases involving our Company		
Tax	9	29.89
Cases involving our Subsidiaries		
PICL		
Tax	15	1.68
IL JIN		
Tax	2	4.34

Note: The amounts indicated above (wherever quantifiable) are approximate amounts

An adverse outcome in the aforesaid proceedings or any legal proceedings in future, individually or in the aggregate, involving our Company, our Subsidiaries, Directors, Promoters and Group Companies could have an adverse effect on our business, prospects, financial condition and results of operations. Further, any adverse outcome in these proceedings may affect the reputation and standing of us and may impact future business.

11. We have limited records of documents relating to corporate actions undertaken by our Company and we do not have statutory filings in relation to certain disclosures made in this Red Herring Prospectus.

In the years 2009 and 2012, incidents of fire took place at our Rajpura Unit and Dehradun Unit II, respectively, and certain documents including corporate records, employee records and technical documents were destroyed. Accordingly, we have been unable to trace complete set of documents pertaining to corporate, accounting and other statutory records, including RoC filings. Our Company had appointed a practicing company secretary to undertake a search of the documents at the office of the RoC. Certain documents were available at the office of the RoC as certified by Neeraj Jindal & Associates, Company Secretaries including the return of allotments for the allotment of Equity Shares on March 2, 1993, December 17, 1998 and November 18, 2004. We are also unable to trace the share transfer forms/slips related to the share capital build-up of Promoters and the returns of allotment (Forms-2) for the allotment of Equity Shares made on June 18, 1993, April 20, 1996 and September 2, 2000 are also not available. Consequently, certain disclosures in this Red Herring Prospectus in relation to changes in our issued, subscribed and paid up share capital and changes in Promoters' shareholding have been made in reliance on the minutes of the meetings of Board of Directors and register of members of our Company, to the extent available. We cannot assure you that we will not be subject to any penalty imposed by the competent regulatory authority in this respect or that we will not incur additional expenses arising from our inability to furnish correct particulars in respect of the RoC filings or other corporate records, or for misrepresentation of facts which may occur due to non-availability of documents.

12. Our Statutory Auditors have included certain reservations, qualifications, adverse remarks and comments on some of the matters in our Restated Financial Statements.

Our Statutory Auditors have included certain reservations, qualifications and adverse remarks in relation to our Company in the Restated Financial Statements. For details, see "*Management's Discussion and Analysis on the Financial Conditions and Results of Operations - Reservations, Qualifications and Adverse Remarks of the Statutory Auditors*" from pages 442 to 444.

There can be no assurance that any similar qualification, reservations, adverse remarks or matters of emphasis will not form part of our financial statements for the future fiscal periods, which could subject us to penalties and additional liabilities due to which our reputation and financial condition may be adversely affected.

13. Our success largely depends upon the knowledge and experience of our Promoters and our Key Management Personnel as well as our ability to attract and retain skilled personnel. Any loss of our Key Management Personnel

or our ability to attract and retain them and other skilled personnel could adversely affect our business, results of operations and financial condition.

We depend on the management skills and guidance of our Promoters for development of business strategies, monitoring their successful implementation and meeting future challenges. Further, we also significantly depend on the expertise, experience and continued efforts of our Key Management Personnel. Our future performance will depend largely on our ability to retain the continued service of our management team. If one or more of our Key Management Personnel are unable or unwilling to continue in his or her present position, it could be difficult for us to find a suitable or timely replacement and our business could be adversely affected.

There is significant competition for management and other skilled personnel in the air conditioner industry in which we operate, and it may be difficult to attract and retain the personnel we require in the future. There can be no assurance that our competitors will not offer better compensation packages, incentives and other perquisites to such skilled personnel. Further, as on the date of this Red Herring Prospectus, we do not have key man insurance policies and in the event we are not able to attract and retain talented employees, as required for conducting our business, or if we experience high attrition levels which are largely out of our control, or if we are unable to motivate and retain existing employees, our business, financial condition and results of operations may be adversely affected. For further details, see "*Our Management*" on page 175.

14. We have undertaken and may continue to undertake strategic investments and alliances, acquisitions and mergers in the future, which may be difficult to integrate and manage. These may expose us to uncertainties and risks, any of which could adversely affect our business, financial condition and result of operations.

We have pursued and may continue to pursue acquisitions, mergers and strategic investments and alliances in India as well as overseas as a mode of expanding our operations in the future. For instance, our wholly owned subsidiary, PICL (India) Private Limited was acquired by our Company in Fiscal 2013 and we have recently acquired 70% stake in IL JIN in December 2017. Going forward, we may undertake further acquisitions, mergers, investments and expansions to enhance our operations and technological capabilities. Such acquisitions could be in our existing verticals or in new related verticals, in India or abroad, and incremental or transformational. There can be no assurance that we will be able to raise sufficient funds to finance such strategies for growth. Further expansion and acquisitions may require us to incur or assume new debt, expose us to future funding obligations or integration risks, and we cannot assure you that such expansion or acquisitions will contribute to our profitability.

Potential challenges related to any alliances or acquisitions may include: integrating acquired operations, systems and businesses specially in the geographies where we currently do not operate; meeting customers' expectations as to volume, product quality and timelines; retaining customer, supplier, employee or other business relationships of acquired operations; addressing unforeseen liabilities of acquired businesses; limited experience with new technologies and markets; failure to realize anticipated benefits, such as cost savings and revenue enhancements; failure to achieve anticipated business volumes or operating margins; valuation methodologies not accurately capturing the value of the acquired business; the effects of diverting management's attention from day-to-day operations to matters involving the integration of acquired businesses; incurring potentially substantial transaction costs associated with these transactions; increased burdens on our staff and on our administrative, internal control and operating systems, which may hinder our legal and regulatory compliance activities; overpayment for an acquisition; and potential impairments resulting from post-acquisition deterioration in, or reduced benefit from, an acquired business. We may also face challenges with respect to integrating such acquired entities or facilities with our existing operating and manufacturing systems and procedures, integrating staff and personnel in such facilities, implementing health, safety and quality control systems and procedures. In addition, there can be no assurance that we will be able to consummate our expansions, acquisitions, mergers or alliances in the future on terms acceptable to us, or at all. Consequently, we may be exposed to uncertainties and risks, any of which could adversely affect our business, financial condition, results of operations and future prospects.

15. We are subject to strict quality control requirements and any failure by us to comply with quality standards may lead to cancellation of existing and future orders and product recalls, which could adversely affect our business, financial condition and results of operations.

We may not meet regulatory quality standards, or strict quality standards imposed by our customers, applicable to our manufacturing processes, which could have an adverse effect on our business, financial condition, and results of operations. We cannot assure you that we comply or can continue to comply with all regulatory requirements or the quality requirement standards of our customers. The failure by us to achieve or maintain compliance with these requirements or quality standards may disrupt our ability to supply products sufficient to meet demand until compliance is achieved.

RACs brands have their own policies regarding product recalls and other product liability actions relating to their suppliers. However, as suppliers become more integrally involved in the design process and assume more RAC

assembly functions, RAC brands may seek compensation from their suppliers for contributions when faced with product recalls, product liability or warranty claims. Despite our quality control and quality assurance efforts, problems may occur, or may be alleged, in or resulting from the design and/or manufacturing of these products. Whether or not we are responsible, problems in the products we design and/or manufacture, or in products which include components we manufacture, whether real or alleged, whether caused by faulty customer specifications, the design or manufacturing processes or a component defect, may result in increased costs to us, as well as delayed shipments to customers, and/or reduced or cancelled customer orders and a loss of reputation.

Our failure to comply with applicable regulations could cause sanctions to be imposed on us, including warning letters, fines, injunctions, civil penalties, failure of regulatory authorities to grant approvals, delays, suspension or withdrawal of approvals, license revocation, seizures or recalls of products, operating restrictions and criminal prosecutions, which could adversely affect our business. In event of the products being classified as defective by our customers, we are required to replace/ repair such products at our sole cost or bear sole costs of defective products replaced/ repaired by such customer along with reasonable cost of repair/ replacement or refund the purchase price of the defective products to our customer. We cannot assure you that if we need to engage new suppliers to satisfy our business requirements, we can engage new suppliers in compliance with regulatory requirements in a timely manner and on terms acceptable to us, or at all. Our failure to do so could lead to cancellation of existing and future orders and have a material adverse effect on our business and revenue.

16. We may be subject to financial and reputational risks due to product quality and liability claims which may have an adverse effect on our business, financial condition and results of our operations.

In the event that we are not able to meet the regulatory quality standards, or strict quality standards imposed by our customers, which are applicable to us in our manufacturing processes, it could have an adverse effect on our business, financial condition, and results of operations. The contracts we enter into with our customers typically include warranties that the products we deliver will be free from defects and perform in accordance with specifications agreed with the customers. To the extent that products shipped by us to our customers do not, or are not deemed to, satisfy such warranties, we could be responsible for repairing or replacing any defective products, or, in certain circumstances, for the cost of effecting a recall of all products which might contain a similar defect, as well as for consequential damages. Further, we continue to be subject to claims from our customers if the end products sold by our customers fail to perform or cause injury, death or damage due to technical or other issues in our products due to defects attributable to us. If any of the products sold by us fail to comply with applicable quality standards, it may result in customer dissatisfaction, which may have an adverse effect on our business, sales and results of operations.

We are required to provide warranties for our supplies and bear the costs of repair and replacement of such products in terms of the relevant arrangements with our customers. Such warranties may be enforced against us even in cases where the underlying sales contract has expired. A successful warranty or product liability claim or costs incurred for a product recall in excess of our available insurance coverage, if any, would have an adverse effect on our business, results of operations and financial condition. From time to time, due to human or operational error, orders may not meet the specifications required by customers and may therefore be rejected by customers. Any ongoing issues with products not meeting required specifications could reduce our revenue and negatively impact our reputation and financial performance.

While we undertake sample based testing of our products in accordance with the agreements entered into with customers, the possibility of future product failures could cause us to incur substantial expense to replace defective products, provide refunds or resolve disputes with our customers through litigation, arbitration or other means. While we maintain provision for warranties for the products we manufacture, this may not be sufficient. There can be no assurance that we will be able to recover any losses incurred as a result of product liability in the future from any third party, or that defects in the products sold by us, regardless of whether we are responsible for such defects, would not adversely affect our standing and reputation in the marketplace and customer relationships, result in monetary losses and have a material adverse effect on our business, financial condition and results of operations.

17. We have substantial capital expenditure and working capital requirements and may require additional financing to meet those requirements, which could have an adverse effect on our results of operations and financial condition.

Our business is capital intensive as we have expanded and upgraded our existing production facilities. In the six month period ended September 30, 2017 and Fiscals 2017, 2016 and 2015, respectively, we have added tangible fixed assets of ₹ 152.19 million, ₹ 713.07 million, ₹ 980.39 million and ₹ 860.92 million, respectively, primarily consisting of costs relating to capacity expansion, R&D, development of tools and modernisation of our manufacturing facilities. The actual amount and timing of our future capital requirements may differ from estimates as a result of, among other factors, unforeseen delays or cost overruns, unanticipated expenses, regulatory changes, economic conditions, engineering design changes, weather related delays, technological upgradation and additional market developments. Our sources of additional financing, where required to meet our capital expenditure plans, may include the incurrence of debt or the issue of equity or debt securities or a combination of both. If we decide to raise additional funds through

the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations. Any issuance of equity, on the other hand, would result in a dilution of your shareholding. In many cases, a significant amount of our working capital is required to finance the purchase of materials and the performance of designing, manufacturing and other work before payment is received from customers. Our working capital requirements may increase if the payment terms in our agreements include reduced advance payments or longer payment cycles. These factors may result, or have resulted, in increases in the amount of our receivables and short-term borrowings. Continued increases in our working capital requirements may have an adverse effect on our financial condition and results of operations.

18. Our financing agreements contain covenants that limit our flexibility in operating our business. If we are not in compliance with certain of these covenants and are unable to obtain waivers from of our lenders, our lenders may accelerate the repayment schedules, and enforce their respective security interests, leading to an adverse effect on our business and financial condition.

We are bound by restrictive and other covenants in our facility agreements with various lenders, including but not limited to, restrictions on the utilisation of the loan for certain specified purposes, timely provision of information and documents, timely creation of security, maintenance of financial ratios and obtaining prior written approval from the relevant lender for various corporate actions in terms of our financing arrangements. If we are not in compliance with certain of these covenants and are unable to obtain waivers from all of our lenders, our lenders may accelerate the repayment schedules. Subsequently, if we are unable to pay our debt, affected lenders could also proceed against any collateral granted to them to secure such indebtedness. In addition, some of our Promoters and Directors have provided personal guarantees against the loans and in the event the Company fails to repay the loans on demand, they may be liable to the extent of the unpaid amount.

Furthermore, these covenant defaults can result in cross-defaults in our other debt financing agreements, and there can be no assurance that potential defaults will not result in future cross-defaults. If any of our lenders accelerate the repayment of our borrowings, we cannot assure you that we will have sufficient assets to repay amounts outstanding under our loan agreements or continue our business.

As of November 30, 2017, the aggregate indebtedness outstanding under these debt financing agreements was ₹ 4,915.34 million for fund based and ₹ 881.33 million for non-fund based facilities, on a consolidated basis, which includes term loans from banks and term loans from public limited companies. For details, see "*Financial Indebtedness*" on page 423.

19. Our Promoters have provided personal guarantees for loans availed by us.

Our Company and Subsidiaries have availed loans in the ordinary course of business for the purposes including working capital, term loan for capital expenditure and takeover loans for consolidation of existing term loans. Our Promoters have given personal guarantees in relation to certain loans obtained by our Company and our subsidiary, PICL, for details please see "*Financial Indebtedness*" on page 423. In the event of default on the loans, the guarantees may be invoked by our lenders thereby adversely affecting our Promoters' ability to manage the affairs of our Company and this, in turn, could adversely affect our business, prospects, financial condition and results of operations. Further, if any of these guarantees are revoked by our Promoters, our lenders may require alternate securities or guarantees and may seek early repayment or terminate such facilities. Any such event could adversely affect our financial condition and results of operations. For further details in relation to the personal guarantees provided by our Promoters, see "*History and Certain Corporate Matters – Guarantees issued by Promoters offering their equity shares in terms of the Offer for Sale*" on page 171.

20. Our business is dependent on the contractual arrangements entered into by us.

We enter into contracts with our customers which, depending on the customer, may contain terms and conditions which include among others the nature and specification of products to be manufactured and supplied by us, details of vendors of raw materials that are approved by some of our customers, manner of inspection and testing of products manufactured, representation and warranties made by us in relation to our manufacturing capabilities, process to be followed in case of defects, steps to ensure compliance with applicable laws, quality of products, undertakings in relation to protection of intellectual property of our customers, indemnification of our customers due to our negligence or breach of any term of the agreement, defect warranties in relation to the products manufactured or assembled by us.

At times, we may have to agree with certain onerous terms laid down by our customers. For instance, some of our customers have in the past required us to undertake not to manufacture similar products for other customers. Some of our customers also restrict us from selling our products at a price which is lower than their purchase price, which affects our ability to undertake business with other customers by restricting our ability to negotiate pricing terms. Such onerous terms may have an effect on our future growth including expansion of customer base. While, we consider all

factors internally prior to entering into such contractual agreements, we cannot assure that we will not enter into such agreements in the future. This may result in potential loss of customers as we may not be able to manufacture products for such customers in the future or may not be willing to work with them. Further, we may also face challenges with respect to interpretation of our contractual arrangements, which may lead to disputes in the future.

Additionally, non-compliance with the terms of the contractual arrangements may lead to, among other things, damages, penalties or termination of the agreements, which may consequently result in our inability to attract further business in the future.

21. We are subject to counterparty credit risk and any delay in receiving payments or non-receipt of payments may adversely impact our financial condition and results of operations.

There is no guarantee that we will accurately assess the creditworthiness of our customers. Macroeconomic conditions, such as a potential credit crisis in the global financial system, could also result in financial difficulties for our customers, including limited access to the credit markets, insolvency or bankruptcy. Such conditions could cause our customers to delay payments, request modifications of their payment terms, or default on their payment obligations to us, all of which could increase our receivables. Timely collection of dues from customers also depends on our ability to complete our contractual commitments and subsequently bill for and collect from our clients. If we are unable to meet our contractual obligations, we might experience delays in the collection of, or be unable to collect, our customer balances, and if this occurs, our results of operations and cash flows could be adversely affected. In addition, if we experience delays in billing and collection for our services, our cash flows could be adversely affected.

Our trade receivable balance was ₹ 1,747.78 million as at September 30, 2017 and was ₹ 3,104.00 million as at March 31, 2017. If any of our customers have insufficient liquidity, we could encounter significant delays or defaults in payments owed to us by such customers, or we may extend our payment terms, which could adversely impact our financial condition and operating results. Any extensions or delays in payments owed to us could adversely impact our short-term cash flows.

22. A significant majority of our sales take place immediately prior or during the summer months, and any adverse weather conditions during such peak sales seasons may materially and adversely affect our sales, results of operations and financial condition.

Sales of our AC and AC components are generally significantly higher in the summer months due to the heat and warm weather, and considerably lower during the monsoon and winter months. Bad weather conditions, including disturbed summers or untimely rains during the peak sales season of summer, may adversely affect our sales volumes, results of operations and financial condition, and could therefore have a disproportionate impact on our results of operations in the relevant year. In addition, the seasonality of our results of operations may be affected by unforeseen circumstances that affect production during such peak periods, such as any downtime to production due to breakdown of equipment, shortage of raw materials, interruptions in power supply and other utilities, inadequate inventory planning and other interruptions to timely production and delivery of our products to our customers. Because of the significant fluctuations in demand for ACs during various seasons of the year, any comparison of the sales recorded and our results of operations between different periods within a year is not meaningful and should not be relied on as an indicator of our future business prospects or financial performance.

23. We have significant power, water and fuel requirements and any disruption to power, water or fuel sources could increase our production costs and adversely affect our results of operations.

We require substantial power, water and fuel for our manufacturing facilities, and energy costs represent a significant portion of the production costs for our operations. If energy or water costs were to rise, or if electricity or water supplies or supply arrangements were disrupted, our profitability could decline.

We source most of our electricity requirements for our manufacturing facilities from state electricity boards and to a lesser extent, third-party suppliers. If supply is not available for any reason, we will need to rely on captive generators, which may not be able to consistently meet our requirements. The cost of electricity from state electricity boards could be significantly higher, thereby adversely affecting our cost of production and profitability. Further, if for any reason such electricity is not available, we may need to shut down our plants until an adequate supply of electricity is restored. Interruptions of electricity supply can also result in production shutdowns, increased costs associated with restarting production and the loss of production in progress.

In addition, we source most of our water requirements from state utilities, but there is no assurance that we will be able to obtain a sufficient supply of water from sources in these areas, some of which are prone to drought. Therefore, we are subject to price risk and if supply or access is not available for any reason, our production may be disrupted and profitability could be adversely affected. We may also be forced to shut down or scale down our production if the drought worsens and we cannot access water in sufficient amounts.

24. Our manufacturing facilities Dehradun Unit I, Dehradun unit III and HP Unit are availing certain tax benefits which are available for a specified period of time. Expiry or early withdrawal of such tax benefits may adversely affect our results of operations and prospects. Further, certain exemptions available earlier have been withdrawn under the GST regime.

We benefit from certain tax exemptions provided by the Government of India in relation some of the manufacturing activities undertaken by us at our Dehradun Unit I, Dehradun Unit III and HP unit. These tax exemptions are related to tax holidays under various statutes. Most of these exemptions are valid for a maximum period of 10 years from the commencement of such manufacturing facilities. For further details, refer to the "*Statement of Tax Benefits*" on page 98.

When these tax benefits expire or terminate, our tax expense is likely to materially increase thereby impacting our profitability after tax. Our profitability will be affected to the extent that such benefits will not be available beyond the periods currently contemplated. Our profitability may be further affected if we are subject to any dispute with the tax authorities in relation to these benefits or in the event we are unable to comply with the conditions required to be complied with in order to avail ourselves of these benefits.

Further, with the introduction of the GST, the tax benefits available to us under the Central Excise Act, 1944, Uttarakhand Value Added Tax Act, 2005 and the Central Sales Tax Act, 1956, stand withdrawn in full, and the modus operandi to receive such benefits under GST has not been clearly defined by the government. At this stage, we are unable to quantify the impact that such changes may have on our business, results of operations and profitability, due to limited information available in the public domain.

25. We have had negative cash flows from investing and financing activities in the past and a consequent net decrease in cash and cash equivalents in some of the recent years.

As per our Restated Consolidated Financial Statements, our cash flows from investing and financing activities were negative in the recent Fiscals as set out below:

(in ₹ million)

Particulars	For the period ended September 30, 2017	Fiscal 2017	Fiscal 2016	Fiscal 2015	Fiscal 2014	Fiscal 2013
Net cash generated from / (utilised in) operating activities	(923.04)	985.08	1,521.93	808.54	1,136.58	627.75
Net cash utilised in investing activities	(329.21)	(896.51)	(839.27)	(865.44)	(1,152.38)	(1,572.93)
Net cash generated from / (utilised in) financing activities	1,215.87	(12.35)	(678.60)	7.68	(40.97)	977.24
Net increase/ (decrease) in cash and cash equivalents	(36.38)	76.22	4.06	(49.22)	(56.77)	32.06

Such negative cash flows led to a net decrease in cash and cash equivalents for respective years. Any negative cash flow in future could adversely affect our operations and financial conditions and the trading price of our Equity Shares. For further details, see "*Restated Financial Statements*" on page 199.

26. We are subject to environmental, health and safety regulations, which may increase our compliance costs. Further, we require certain approvals and licenses in the ordinary course of business, and the failure to obtain or retain them in a timely manner may materially adversely affect our operations.

We are required to comply with Indian central, state and local laws, governing the protection of the environment, as well as occupational health and safety, including laws regulating the generation, storage, handling, use and transportation of waste materials, the emission and discharge of waste materials into soil, air or water, and the health and safety of our employees. For details on the regulations and policies applicable to us, see "*Regulations and Policies*" on page 161.

We are also required to maintain certain statutory and regulatory approvals, licenses, registrations and permissions, and applications need to be made at the appropriate stages for our business to operate. Our Company has made applications for renewal of licenses to concerned authorities, for details see "*Government and other Approvals*" on page 466. Any rejection of application or renewal for pending approvals may have an adverse effect on our operations, and may also result in stoppage of production at our facilities. In addition, government delays in obtaining approvals may result in cost increases in the price of raw materials from original estimates which cannot generally be passed on to customers and may also adversely affect our ability to mobilize our equipment and manpower. There can be no assurance that the relevant authorities will issue these approvals or licenses, or renewals thereof in a timely manner,

or at all. We may experience delays in obtaining financial closures, locking in interest rates under loan agreements, or completing work according to schedules. As a result, we may not be able to execute our business plan as planned. An inability to obtain or maintain approvals or licenses required for our operations may adversely affect our operations.

Further, Government approvals, licenses, clearances and consents are often also subject to numerous conditions, some of which are onerous and may require significant expenditure. Furthermore, approvals, licenses, clearances, and consents covering the same subject matter are often required at both the Government and State Government levels. If we fail to comply, or a regulator claims that we have not complied, with these conditions, we may not be able to commence or continue with work or operate these projects. For further information on various approvals or licenses required in connection with our operations, see "*Government and Other Approvals*" on page 466.

27. We depend on third parties for the supply of raw materials and delivery of products and such providers could fail to meet their obligations, which may have a material adverse effect on our business, results of operations and financial condition.

We are dependent on third party suppliers for our raw materials. Discontinuation of production by these suppliers or a failure of these suppliers to adhere to the delivery schedule or the required quality could hamper our production schedule and therefore affect our business and results of operations. This dependence may also adversely affect the availability of key materials at reasonable prices thus affecting our margins and may have an adverse effect on our business, results of operations and financial condition. There can be no assurance that strong demand, capacity limitations or other problems experienced by our suppliers will not result in occasional shortages or delays in their supply of raw materials. If we experience a significant or prolonged shortage of raw materials from any of our suppliers, and we cannot procure the raw materials from other sources in the future, we would be unable to meet our production schedules for some of our key products and to deliver such products to our customers in timely fashion, which would adversely affect our sales, margins and customer relations. We cannot assure you that a particular supplier will continue to supply the required components or raw materials to us in the future. In the past, we have seen instances where our major supplier had a major breakdown due to which our supplies were disrupted and we had to shut down our plant for four days. Any change in the supplying pattern of our raw materials can adversely affect our business and profits.

We use third parties for the supply of our raw materials and for deliveries of finished and unfinished products to our domestic and overseas customers as well as between production facilities. Any disruptions or transportation strikes may have an adverse effect on our supplies and deliveries to and from particular plants on a timely and cost efficient basis. An increase in freight costs or the unavailability of adequate port and shipping infrastructure for transportation of our products to our markets may have an adverse effect on our business and results of operations.

Further, the air conditioner industry has experienced significant volatility with respect to raw materials prices in the recent past, primarily in metals. Historically, as a practice, we have passed on the increase in cost of metals, especially copper, aluminium, steel, plastics and other commodities to our customers, however, we may not be able to always pass on such increase in cost to our customers or there may be a time gap for which we may not be able to pass through such increase in cost to our customer. Even if we are able to pass on such increase in cost to our customers, our cash flows may still be adversely affected because of any gap in time between the date of procurement of those primary raw materials and date on which we can reset the component prices for our customers, to account for the increase in the prices of such raw materials. Our need to maintain a continued supply of raw materials may make it difficult to resist price increases and surcharges imposed by our suppliers, which may have an adverse effect on our business and results of operations.

28. We regularly work with hazardous materials and activities in our manufacturing facilities can be dangerous, which could cause injuries to people or property.

Our business requires individuals to work under potentially dangerous circumstances or with flammable materials. Despite compliance with requisite safety requirements and standards, our operations are subject to significant hazards, including:

- explosions;
- fires;
- mechanical failures and other operational problems;
- discharges or releases of hazardous substances, chemicals or gases; and
- other environmental risks.

Operating certain machinery and processes in our manufacturing facilities involve risk of accidents and personal injuries. These hazards can cause personal injury and loss of life, catastrophic damage or destruction of property and equipment as well as environmental damage, which could result in a suspension of operations and the imposition of civil or criminal liabilities. For example, we had two instances of fire at one of our facilities, i.e. in Fiscal 2009 in Rajpura and in Fiscal 2012 in Dehradun, which resulted in injuries to our staff and loss of property and documents. The loss or shutting down of our facilities could disrupt our business operations and adversely affect our results of operations, financial condition and reputation. We could also face claims and litigation, in India or overseas, filed on behalf of persons alleging injury predominantly as a result of occupational exposure to hazards at our facilities.

While we maintain what we believe to be adequate insurance, there is a risk that an accident may occur at any of our manufacturing facilities. An accident may result in personal injury to our employees or the labour deployed at our facilities, destruction of property or equipment, manufacturing or delivery delays, environmental damage, or may lead to suspension of our operations and/or imposition of liabilities and bring negative publicity to us. Any such accident may result in litigation, the outcome of which is difficult to assess or quantify, and the cost to defend such litigation can be significant. If these claims and lawsuits, individually or in the aggregate, are resolved against us, our business, results of operations and financial condition could be adversely affected.

29. We might infringe upon the intellectual property rights of others and any misappropriation of our intellectual property could harm our competitive position.

While we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty as to whether we are infringing on any existing third-party intellectual property rights, which may require us to alter our technologies, obtain licenses or cease some of our operations. We may also be susceptible to claims from third parties asserting infringement and other related claims. If such claims are raised, those claims could: (a) adversely affect our relationships with current or future customers: (b) result in costly litigation; (c) cause product shipment delays or stoppages; (d) divert management's attention and resources; (e) subject us to significant liabilities; (f) require us to enter into potentially expensive royalty or licensing agreements and (g) require us to cease certain activities. In the case of an IPR infringement claim made by a third party, we shall be required to defend such claims at our own cost and liability and shall indemnify and hold harmless our customers. Furthermore, necessary licenses may not be available to us on satisfactory terms, if at all. In addition, we may decide to settle a claim or action against us, which settlement could be costly. We may also be liable for any past infringement that we are not aware of. Any of the foregoing could adversely affect our business, results of operations and financial condition.

In addition, in certain cases, our customers share their intellectual property rights in the course of the product development process that we carry out for them. If our customer's intellectual property rights are misappropriated by our employees in violation of any applicable confidentiality agreements, our customers may seek damages and compensation from us. This could have an adverse effect on our business, results of operations and financial condition and damage our reputation and relationships with our customers.

30. Failure or disruption of our IT and/or ERP systems may adversely affect our business, financial condition, results of operations and prospects.

We have implemented various information technology ("**IT**") and/or enterprise resource planning ("**ERP**") solutions to cover key areas of our operations, procurement, dispatch and accounting. These systems are potentially vulnerable to damage or interruption from a variety of sources, which could result in a material adverse effect on our operations. Disruption or failure of our IT systems could have a material adverse effect on our operations. A large-scale IT malfunction could disrupt our business or lead to disclosure of sensitive company information. Our ability to keep our business operating depends on the proper and efficient operation and functioning of various IT systems, which are susceptible to malfunctions and interruptions (including those due to equipment damage, power outages, computer viruses and a range of other hardware, software and network problems).

A significant or large-scale malfunction or interruption of one or more of our IT systems could adversely affect our ability to keep our operations running efficiently and affect product availability, particularly in the country, region or functional area in which the malfunction occurs, and wider or sustained disruption to our business cannot be excluded. In addition, it is possible that a malfunction of our data system security measures could enable unauthorized persons to access sensitive business data, including information relating to our intellectual property or business strategy or those of our customers. Such malfunction or disruptions could cause economic losses for which we could be held liable. A failure of our information technology systems could also cause damage to our reputation which could harm our business. Any of these developments, alone or in combination, could have a material adverse effect on our business, financial condition and results of operations.

Further, unavailability of, or failure to retain, well trained employees capable of constantly servicing our IT and/or ERP systems may lead to inefficiency or disruption of IT system thereby adversely affecting our ability to operate efficiently. Any failure or disruption in the operation of these systems or the loss of data due to such failure or

disruption (including due to human error or sabotage) may affect our ability to plan, track, record and analyse work in progress and sales, process financial information, meet business objectives based on IT initiatives such as product life cycle management, manage our creditors, debtors, manage payables and inventory or otherwise conduct our normal business operations, which may increase our costs and otherwise adversely affect our business, financial condition, results of operations and prospects.

31. Our failure to keep our technical knowledge confidential could erode our competitive advantage.

Like many of our competitors, we possess extensive technical knowledge about our products. Such technical knowledge has been built up through our own experiences and through licensing agreements and technical assistance agreements, which grant us access to new technologies. Our technical knowledge is a significant independent asset, which may not be adequately protected by intellectual property rights such as patent registration. Some of our technical knowledge is protected only by secrecy. As a result, we cannot be certain that our technical knowledge will remain confidential in the long run.

Certain proprietary knowledge may be leaked, either inadvertently or wilfully, at various stages of the production process. A significant number of our employees have access to confidential design and product information and there can be no assurance that this information will remain confidential. Moreover, certain of our employees may leave us and join our various competitors. Although we may seek to enforce non-disclosure agreements in respect of research and development and certain other key employees, we cannot guarantee that we will be able to successfully enforce such agreements. We also enter into non-disclosure agreements with a number of our customers but we cannot assure you that such agreements will be successful in protecting our technical knowledge. The potential damage from such disclosure is increased as many of our designs and products are not patented, and thus we may have no recourse against copies of our products and designs that enter the market subsequent to such leakages. In the event that the confidential technical information in respect of our products or business becomes available to third parties or to the general public, any competitive advantage we may have over other companies could be harmed. If a competitor is able to reproduce or otherwise capitalise on our technology, it may be difficult, expensive or impossible for us to obtain necessary legal protection. Consequently, any leakage of confidential technical information could have an adverse effect on our business, results of operations, financial condition and future prospects.

32. We may be subject to industrial unrest, slowdowns and increased wage costs, which may adversely affect our business and results of operations.

As on November 30, 2017, we had 1,152 full-time employees on our rolls and around 1,670 contract workers working in our facilities. Although we have not experienced any major disruptions to our business operations due to any labour disputes or other problems with our work force in the past, there can be no assurance that we will not experience such disruptions in the future. Such disruptions may adversely affect our business, reputation and results of operations and may also divert the management's attention and result in increased costs. India has stringent labour legislations that protect the interests of workers, including legislations that set forth detailed procedures for the establishment of trade unions, dispute resolution and employee removal and legislations that impose certain financial obligations on employers upon retrenchment. Although our employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain flexible labour policies, and we may face the threat of labour unrest, demand for increase in wages, work stoppages, which may lead to diversion of our management's attention due to union intervention, which may have a material adverse impact on our business, results of operations and financial condition.

We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. Further, the minimum wage laws in India have been amended in the recent past and may be amended in future leading to upward revisions in the minimum wages payable in one or more states in which we currently operate or are planning to expand to. Shortage of skilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations.

In order to retain flexibility and control costs, we appoint independent contractors who in turn engage on-site contract labour for our manufacturing operations. Although we do 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 contractors. Any requirement to fund their wage requirements may have an adverse impact on our results of operations and financial condition. In addition, under the Contract Labour (Regulation and Abolition) Act, 1970, as amended, we may be required to absorb a number of such contract labourers as permanent employees. Thus, any such order from a regulatory body or court may have an adverse effect on our business, results of operations and financial condition.

33. Our continued operations are critical to our business and any shutdown of any of our manufacturing facilities may have an adverse effect on our business, results of operations and financial condition.

We have total of 11 manufacturing facilities and such facilities are subject to certain operating risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of efficiency, obsolescence of equipment or machinery, labour disputes, natural disasters, industrial accidents and the need to comply with the directives of relevant government and regulatory authorities. The majority of our revenue is presently from sale of products manufactured at these manufacturing facilities, therefore, any disruption to any of our manufacturing facilities may result in production shutdowns. Certain of our manufacturing facilities are currently operating on a long-term leasehold basis.

As our customers rely significantly on the timely delivery of our products in terms of our contractual arrangements with them, uninterrupted power supply, supply of trained and skilled manpower, availability of raw materials and our ability to carry on interruption free production of our products is critical to our business. Further, our electricity requirements for our manufacturing facilities are directly sourced from local utilities. While we maintain power back-up in the form of diesel generator sets, we cannot assure you that we will successfully be able to prevent disruptions in our manufacturing processes in case of non-availability of adequate supply of power.

In particular, if operations at our manufacturing facilities were to be disrupted as a result of any significant workplace accident, equipment failure, natural disaster, power outage, fire, explosion, terrorism, adverse weather conditions, labour dispute or unrest, obsolescence or other reasons, our financial performance may be adversely affected as a result of our inability to meet customer demand or committed delivery schedules for our products. Interruptions in production may also increase our costs and reduce our sales, and may require us to make substantial capital expenditures to remedy the situation or to defend litigation that we may become involved in as a result, which may negatively affect our profitability, business, financial condition, results of operations, cash flows and prospects.

34. Our insurance cover may not be adequate or we may incur uninsured losses or losses in excess of our insurance coverage.

We could face liabilities or otherwise suffer losses should any unforeseen incident such as fire, flood, and accidents affect our office or manufacturing facilities or in the regions/areas where our offices and manufacturing facilities are located. Although we maintain insurance coverage over our assets such as stocks, plant and machinery, buildings and equipment and have fire and special perils insurance, with additional cover for natural calamities such for our main offices and manufacturing facilities, marine cargo transit insurance and product liability and recall insurance, there are possible losses, which we may not have insured against or covered or wherein the insurance cover in relation to the same may not be adequate. We may face losses in the absence of insurance and even in cases in which any such loss may be insured, we may not be able to recover the entire claim from insurance companies. Any damage suffered by us in excess of such limited coverage amounts, or in respect of uninsured events, not covered by such insurance policies will have to be borne by us.

While we believe that we have obtained insurance against losses which are most likely to occur in our line of business, there may be certain risks which may not be covered by us, which we have not ascertained or anticipated as at date. Further, we cannot assure that we will be able to accurately ascertain and maintain adequate insurance for losses that may be incurred in the future. For more details on the insurance policies availed by us, see "*Our Business - Insurance*" on page 159.

35. Product liability and other civil claims and costs incurred because of product recalls could harm our business, results of operations and financial condition.

We face an inherent business risk of exposure to product liability claims, in the event that our products fail to perform as expected or such failure results, or is alleged to result, in bodily injury or property damage or both. Consequently, we cannot assure you that we will not experience any material product liability losses in the future or that we will not incur significant costs to defend any such claims.

RACs brands have their own policies regarding product recalls and other product liability actions relating to their suppliers. However, as suppliers become more integrally involved in the design process and assume more RAC assembly functions, RAC brands may seek compensation from their suppliers for contributions when faced with product recalls, product liability or warranty claims.

We may be required to provide warranties for our supplies and bear the costs of repair and replacement of such products. Such warranties may be enforced against us even in cases where the underlying sales contract has expired. A successful warranty or product liability claim or costs incurred for a product recall in excess of our available insurance coverage, if any, would have an adverse effect on our business, results of operations and financial condition.

In some cases, the warranty period for the products manufactured by us range from 12 months from installation/commissioning of product to 18 months from date of delivery of product, whichever comes earlier.

Additionally, we also provide a warranty for up to 60 months on compressor (other than where certain clients provide the same to us for installation) from installation/commissioning of product at such location of the end purchaser.

In case of defective products, we are required to replace/ repair at the cost or bear sole costs of defective products replaced/ repaired by the customer to whom we have sold the products along with reasonable cost of repair/ replacement or refund the purchase price of the defective product to such customer.

In case of recall, withdrawal etc. either voluntarily, or due to judicial order or in case of governmental seizure, any of which was partly, or wholly, due to our negligent/ wrongful act or omission, we shall be required to bear full costs and expenses. Whilst we maintain certain insurance for product liability and recall expenses for our exports and domestic sales, we cannot assure that such insurance will be adequate.

As a result of product liability legislation, civil claims may be brought against our customers, and we may be made parties to such claims where damages may have been caused by any faulty products that we produced. We cannot assure you that such claims will not be brought against us in the future, and any adverse determination may have an adverse effect on our business, results of operations and financial condition.

36. If we fail to maintain an effective system of internal controls, we may not be able to successfully manage, or accurately report, our financial risks.

Effective internal controls are necessary for us to prepare reliable financial reports and effectively avoid fraud. Moreover, any internal controls that we may implement, or our level of compliance with such controls, may deteriorate over time, due to evolving business conditions. There can be no assurance that deficiencies in our internal controls will not arise in the future, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls. Any inability on our part to adequately detect, rectify or mitigate any such deficiencies in our internal controls may adversely impact our ability to accurately report, or successfully manage, our financial risks, and to avoid fraud.

37. The land and premises for our Corporate Office and several of our manufacturing facilities are held by us on lease or leave and license or tenancy agreements which subject us to certain risks.

Our Corporate Office and several of our manufacturing facilities are on premises that have been leased by us from third parties through lease or leave and license or tenancy arrangements. For further details, see *"Our Business – Our Manufacturing Facilities"* on page 149. Upon expiration of the relevant agreement for each such premise, we will be required to negotiate the terms and conditions on which the lease agreement may be renewed. We cannot assure you that we will be able to renew these agreements on commercially reasonable terms in a timely manner, or at all.

Termination of our leases may occur for reasons beyond our control, such as breaches of lease agreements by the landlords of our premises which is detrimental to our operations. If we, our current or future landlords breach the lease agreements, we may have to relocate to alternative premises or shut down our operations at that site. Once we obtain a lease, we incur significant expenses to install necessary furniture, fittings, machinery, lighting, security systems and air conditioning, to ensure such unit is designed in line with our requirements. Relocation of any part of our operations may cause disruptions to our business and may require significant expenditure, and we cannot assure you that in such a case, we will be able to find suitable premises on commercially reasonable terms in a timely manner, if at all or we may have to pay significantly higher rent or incur additional expenses towards interiors. Occurrence of any of these factors may materially and adversely affect our business, financial condition and results of operations.

Further, some of our lease deeds for our properties may not be registered and further some of our lease deeds may not be adequately stamped and consequently, may not be accepted as evidence in a court of law and we may be required to pay penalties for inadequate stamp duty. Further, we may not be able to assess or identify all risks and liabilities associated with any properties, such as faulty or disputed title, unregistered encumbrances or adverse possession rights, improperly executed, unregistered or insufficiently stamped instruments, or other defects that we may not be aware of.

In the event that these existing leases are terminated or they are not renewed on commercially acceptable terms or at all, we may suffer a disruption in our operations. If alternative premises are not available at the same or similar costs, size or locations, our business, financial condition and results of operations may be adversely affected.

38. We are subject to risks resulting from foreign exchange rate fluctuations, which could adversely affect our results of operations. Further, a decline in India's foreign exchange reserves and higher interest rates in the Indian economy could also adversely affect us.

Changes in currency exchange rate influence our results of operations. We import various raw materials from certain countries and a substantial portion of our expenses on imports of raw material and other equipment procured by us are denominated in foreign currency. Our export sales are also denominated in foreign currency. The exchange rate

between the Indian Rupee and foreign currencies, primarily the U.S. dollar, has fluctuated in the past and our cost of raw materials and results of operations may be impacted by such fluctuations. As we aim to increase our export sales, our operating expenses in connection with our operations outside India will be increasingly denominated in currencies other than Indian Rupees. Any fluctuations in the foreign currency exchange rates may have an adverse impact on our results of operations.

A decline in India's foreign exchange reserves could impact the valuation of the Rupee and could result in reduced liquidity and higher interest rates which could adversely affect our financial condition. A future material decline in these reserves could result in reduced liquidity and higher interest rates in the Indian economy which in turn, could adversely affect our business and future financial performance.

39. The logo appearing on the cover page of this Red Herring Prospectus that is used by us for our business has not been registered as our trade mark.

We have applied for the registration of our name "Amber" and the logo which is appearing on the cover page of this Red Herring Prospectus and is used by us for our business. There can be no assurance that we will be able to successfully register our logo with the trade mark registry. We believe that our trade names and trademarks are valuable assets that are important to our success. The infringement or the inability to register our trade names, trademarks and other intellectual property rights could materially and adversely affect our business, financial condition, results of operations and prospects.

40. Certain of our BRLMs and their associates shall be entitled to a portion of proceeds of the Offer.

Our Company has availed loan facilities in connection with our business and operations under financing arrangements from various lenders including from IDFC Bank Limited, one of our BRLMs, and State Bank of India, who is an associate of our BRLM, SBICAP. Our Company proposes to repay or pre-pay certain borrowings from various lenders, including IDFC Bank Limited and State Bank of India from the Net Offer Proceeds. For further details, see "*Objects of the Offer*" on page 86.

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

We have entered into and may in the course of our business continue to enter into transactions specified in the Restated Financial Information contained in this Red Herring Prospectus with related parties that include our Promoters, Directors and our Subsidiaries as applicable as on such date. For further details in relation to our related party transactions, see "*Related Party Transactions*" on page 198. While we believe that all such transactions have been conducted on an arm's length basis and in the ordinary course of business, there can be no assurance that we could not have achieved more favorable terms. Furthermore, it is likely that we may enter into related party transactions in the future.

There can be no assurance that such transactions, individually or in the aggregate, will not have a material adverse effect on our financial condition and results of operations.

42. We are not able to guarantee the accuracy of third party information included in this Red Herring Prospectus including from the industry report commissioned by us.

Market information, statistics and data applied and relied upon by us and/or included in this Red Herring Prospectus are derived from data reports compiled by government bodies, professional organizations and analysts, information from government publications or other external industry sources such as Frost & Sullivan India Private Limited, from whom we have commissioned the "Indian Room Air Conditioners Market Study" (the "**F&S Report**"). We commissioned this report for the purpose of confirming our understanding of the industry in which we operate. Neither we, nor any of the Promoter Selling Shareholders or the Book Running Lead Managers, nor any other person connected with the Offer has verified the information in such report. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions vary widely among different industry sources. We cannot assure you that assumptions set out in the F&S Report are correct or will not change and, accordingly, our position in the market may differ from that presented in this Red Herring Prospectus. The commissioned report is not a recommendation to invest in our Company.

While we have taken reasonable care to ensure that the facts and statistics presented are accurately reproduced from such sources, they have not been independently verified by us, our Directors, the Promoter Selling Shareholders, the Book Running Lead Managers or any other person connected with the Offer, and, therefore, we make no representation as to the accuracy, adequacy or completeness of such facts and statistics. Further, industry sources and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Due to ineffective information collection methods and other problems, the facts and statistics herein may not be comparable

to facts and statistics produced for other economies and should not be unduly relied upon. We cannot assure you that the facts and statistics are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. For further details, see *"Industry Overview"* and *"Presentation of Financial, Industry and Market Data"* on pages 115 and 13 respectively.

43. Our contingent liabilities that have not been provided for could adversely affect our business, cash flows, financial condition and results of operations.

We may have contingent liabilities from time to time. As of March 31, 2017 and September 30, 2017, the following contingent liabilities were not provided for in our Restated Consolidated Financial Statements:

(₹ in million)

Particulars	Amount As at September 30, 2017	Amount As at March 31, 2017
Service tax matters	1.33	1.28
Sales tax matters	19.71	15.28
Income tax matters	3.14	2.85
Octroi tax matters	1.56	1.56
Excise duty matters	5.75	5.75
Claim by vendors	1.24	1.24
Claim by employees	0.16	0.16
Bonus payments	1.14	1.14
Total	**34.03**	**29.26**

The aggregate contingent liabilities (to the extent ascertainable) were ₹ 29.26 million as compared to a net worth of ₹ 3,349.32 million, as of March 31, 2017. The aggregate contingent liabilities (to the extent ascertainable) were ₹ 34.03 million as compared to a net worth of ₹ 3,626.29 million, as of September 30, 2017.

If any of these contingent liabilities materialize, we may have to fulfil our payment obligations, which may have an adverse impact on financial conditions. For further details, see "*Restated Financial Statements*" on page 199.

44. Some of our manufacturing facilities are located on industrial land allotted to us by industrial development corporations. Failure to comply with the conditions of use of such land could result in an adverse impact on our business and financial condition.

Some of our manufacturing facilities are located on industrial land allotted by state-owned industrial development corporations ("**IDC**"). Under the terms of the allotment, we are required to comply with various conditions. Further, we are required to obtain IDC approval for certain corporate actions, such as change of control. In the event that we fail to meet these conditions, we may be required to pay a non-refundable premium to the IDC to extend the deadline for meeting the commitments or may be required to forego taking corporate actions, even if they would be in our best interest. Further, according to the statutory rules under which the IDCs function, IDCs also retain the power to cancel allotment of land in the event of breach of any rules of allotment.

Our manufacturing facilities located in Dehradun are on lease from U.P. State Industrial Development Corporation Limited ("**UPSIDC**"). The lease deeds required us to obtain UPSIDC's consent for, among others, change in capital structure, memorandum and articles of association, shareholding and management. As these plots of land have been transferred from UPSIDC to State Infrastructure and Industrial Development Corporation of Uttarakhand Limited ("**SIIDCUL**"), we have made an application to SIIDCUL seeking consent for the change in capital structure and other activities in relation to the Offer. While we have received consents from SIIDCUL dated December 27, 2017 for the change in our name, these are subject to deposits of certain levies for reconstitution and other specified conditions. We cannot assure you that we will satisfy these conditions in time or that any further consents are not required. Accordingly, we may be considered in default of the lease deeds and may be liable to penalty and subject to any other action that may be taken, including termination of the lease deed. Additionally, there is no guarantee that such an event, may not result in an event of default also.

45. Our funding plans are based on management estimates and there is no assurance that the objects of the Offer will be achieved within the time frame expected or at all, or that the deployment of the Net Offer Proceeds in the manner intended by us will result in any increase in the value of your investment. Further, the funding plan has not been appraised by any bank or financial institution.

We intend to use the Net Offer Proceeds for the purposes described in the section "*Objects of the Offer*" on page 86. The funding plans are in accordance with our own estimates and have not been appraised by any bank, financial institution or any other external agency and are not subject to any monitoring by any independent agency. We may have to revise our management estimates from time to time on account of various factors beyond our control, such as

market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations and consequently its requirements may change.

We intend to use approximately ₹ 4,000.00 million of the Net Offer Proceeds to repay or prepay, in full or part, certain loans availed by us. The details of the loans identified to be repaid using the Net Offer Proceeds have been disclosed in the section "*Objects of the Offer*" on pages 87 to 91. Such part of the Net Offer Proceeds will not result in creation of any tangible assets as they are proposed to be utilized for repayment of certain loans and working capital facilities availed by us. Further, pending utilisation of the Net Offer Proceeds, we are required to deposit the Net Offer Proceeds only in scheduled commercial banks listed under schedule II of the Reserve Bank of India Act, 1934. Accordingly, the use of the Net Offer Proceeds for purposes identified by our management may not result in actual growth of its business, increased profitability or an increase in the value of your investment.

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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Additionally, under some of our loan agreements, we are not permitted to declare any dividends, if there is a default under such loan agreements or unless we have paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see "*Dividend Policy*" on page 197.

47. Our Promoters and certain of our Promoter Group members and Directors have interest in the Company in addition to their remuneration and reimbursement of expenses, as applicable.

Our Promoters, certain of our Promoter Group members and Directors are interested in our Company to the extent of their shareholding in our Company. Our Promoters, Jasbir Singh and Daljit Singh are also interested by way of the rent they receive from us for lease of our Corporate Office. For details on the interest of our Promoters and Directors of our Company, other than reimbursement of expenses incurred or normal remuneration or benefits, see "*Our Management – Interest of Directors*" from pages 179 to 180 and "*Our Promoters and Promoter Group – Interests of Promoters*" from pages 191 to 192.

48. Our Promoters and Promoter Group will continue to exercise significant influence over us and may cause us to take actions that are not in the best interest of our other shareholders.

After the completion of the Offer, our Promoters along with the Promoter Group and other relatives will collectively hold substantial shareholding in our Company. So long as our Promoters own a significant portion of our Equity Shares, they will be able to significantly influence the election of our Directors and control most matters affecting us, including our business strategies and policies, decisions with respect to mergers, business combinations, acquisitions or dispositions of assets, dividend policies, capital structure and financing, and may also delay or prevent a change of management or control, even if such a transaction may be beneficial to other shareholders of us.

Our Promoters will continue to determine decisions requiring majority voting of shareholders and our other shareholders may not be able to affect the outcome of such voting. Our Promoters may take or block actions with respect to our business which may conflict with the best interests of the Company or that of other shareholders. The interests of our Promoters, as the controlling shareholders of us, may also conflict with our interests or the interests of our other shareholders.

49. We, our Promoters, Promoter Group and Group Companies have unsecured loans, which may be recalled at any time. Any recall of such loans may have an adverse effect on our business, prospects, financial condition and results of operations.

We, our Promoters, Promoter Group and Group Companies have unsecured loans, some of which may be recalled at any time at the option of the lender. If such unsecured loans are recalled at any time, the financial condition of our Company may be adversely affected. For details of our Company's unsecured loans, see "*Financial Indebtedness*" on page 423.

50. We have issued Equity Shares during the preceding one year at a price that may be below the Offer Price. In addition, the average cost of acquisition of Equity Shares by our Promoters, may be lower than the Offer Price.

We have issued Equity Shares in the last 12 months at a price that may be lower than the Offer Price, as set out in the table below:

S.no	Name of the Allottee	Date of allotment	No. of Equity Shares	Issue Price (₹)	Reason
1.	Ascent	March 16, 2017	2,107,037	237.30	Upon conversion of CCPS[(1)]
2.	Ascent	December 2, 2017	2,107,030	237.30	Upon conversion of the CCDs[(2)]

(1) Pursuant to the SSA, 2,107,037 CCPS were allotted to Ascent at a price of ₹ 237.30 per CCPS and upon conversion of CCPS, 2,107,037 Equity Shares were allotted to Ascent.

(2) Pursuant to our SSA, ten CCDs with face value of ₹ 50.00 million each held by Ascent were converted into an aggregate of 2,107,030 Equity Shares on December 2, 2017.

Further, the average cost of acquisition of Equity Shares by Jasbir Singh is ₹ 38.73 per Equity Share and Daljit Singh is ₹ 43.71 per Equity Share.

The Offer Price is not indicative of the price that will prevail in the open market following listing of the Equity Shares. For details, see "*Capital Structure*" on page 73.

51. Our Promoters and Directors, who are also Promoter Selling Shareholders, will receive proceeds from the Offer for Sale.

The Offer comprises of the Fresh Issue and the Offer for Sale by Jasbir Singh and Daljit Singh, who are our Promoters and Directors. The proceeds from the Offer for Sale will be paid to them and our Company will not receive any proceeds from the Offer for Sale. For further details, see "*Objects of the Offer*" on page 86.

52. Certain of our Group Companies have incurred losses in the past, which may have an adverse effect on our reputation and business.

Certain of our Group Companies have incurred losses during Fiscals 2017, 2016 and 2015, as set out below:

Name of the Group Company	Profit/(Loss) After Tax (in ₹ millions)		
	Fiscal 2017	Fiscal 2016	Fiscal 2015
Amrit Aircon System Private Limited	0.45	(0.05)	(3.19)
Amber Organic Farming Private Limited	(0.17)	(0.10)	(0.21)

For details, see "*Our Group Companies*" on page 194. There can be no assurance that our Group Companies will not incur losses in the future which may have an adverse effect on our reputation and business.

53. The interests of our Promoters or Directors may cause conflicts of interest in the ordinary course of our business.

Conflicts may arise in the ordinary course of decision-making by the Promoters or Board of Directors of our Company. Our Promoters or some of our non-executive Directors may also be on the board of certain companies engaged in businesses similar to the business of our Company. For instance, one of our Group Companies, AASPL, is authorised to carry out business similar to ours, which includes, manufacturing, buying, selling, importing, exporting of air conditioners, refrigerators and other sheet metal parts, and our Promoter, Daljit Singh is on its board of directors. Further there is 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 future. Such factors may have an adverse effect on the results of our operations and financial condition.

B. External Risk Factors

1. Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws and regulations, may adversely affect our business and financial performance.

Our business and financial performance could be adversely affected by changes in law, or interpretations of existing laws, rules and regulations, or the promulgation of new laws, rules and regulations in India, applicable to us and our business.

The governmental and regulatory bodies in India and other jurisdictions where we operate may notify new regulations and/or policies, which may require us to obtain approvals and licenses from the government and other regulatory bodies, or impose onerous requirements and conditions on our operations, in addition to those which we are undertaking currently. Further, India may adopt or be subject to future global manufacturing or production standards.

Any such changes and the related uncertainties with respect to the implementation of new regulations may have a material adverse effect on our business, financial condition and results of operations.

The application of various Indian and international sales, value-added and other tax laws, rules and regulations to our services, currently or in the future, may be subject to interpretation by applicable authorities, and if amended/ notified, could result in an increase in our tax payments (prospectively or retrospectively) and/or subject us to penalties, which could affect our business operations. Further, we run the risk of the Income Tax Department assessing our tax liability that may be materially different from the provision that we carry in our books for the past periods. The Government of India has introduced a comprehensive national goods and services tax ("**GST**"), regime that will combine taxes and levies by the central and state governments into a unified rate structure. GST has become applicable from July 1, 2017. As a result of this, we may have to revisit the pricing of some of our products in order to make them attractive to our customers. Any such future increases or amendments may affect the overall tax efficiency of companies operating in the AC industry in India and may result in significant additional taxes becoming payable.

Separately, the Government of India has issued the Income Computation and Disclosure Standards ("**ICDS**") that will be applied in computing taxable income and payment of income taxes thereon, applicable with effect from Fiscal 2017. ICDS shall apply to all taxpayers following an accrual system of accounting for the purpose of computation of income under the heads of "profits and gains of business or profession" and "income from other sources". Such specific standards for computation of income taxes in India are relatively new, and the impact of the ICDS on our results of operations and financial condition is uncertain.

2. Our business is substantially affected by economic, political and other prevailing conditions in India.

We are a public limited company incorporated in India, and the majority of our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- the macroeconomic climate, including any increase in Indian interest rates or inflation;
- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian customers and Indian corporations;
- epidemic or any other public health in India or in countries in the region or globally, including in India's various neighbouring countries;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- occurrence of natural or man-made disasters;
- prevailing regional or global economic conditions, including in India's principal export markets;
- other significant regulatory or economic developments in or affecting India or its retail sector;
- international business practices that may conflict with other customs or legal requirements to which we are subject, including anti-bribery and anti-corruption laws;
- protectionist and other adverse public policies, including local content requirements, import/export tariffs, increased regulations or capital investment requirements;
- logistical and communications challenges;
- difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms and/or a timely basis; and

- being subject to the jurisdiction of foreign courts, including uncertainty of judicial processes and difficulty enforcing contractual agreements or judgments in foreign legal systems or incurring additional costs to do so.

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

3. We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could in turn adversely affect our business.

The Competition Act was enacted for the purpose of preventing practices that have or are likely to have an adverse effect on competition in India and has mandated the Competition Commission of India ("**CCI**") to separate such practices. Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition is void and attracts substantial penalties.

Further, any agreement among competitors which, directly or indirectly, involves determination of purchase or sale prices, limits or controls production, or shares the market by way of geographical area or number of subscribers in the relevant market is presumed to have an appreciable adverse effect in the relevant market in India and shall be void. The Competition Act also prohibits abuse of a dominant position by any enterprise. On March 4, 2011, the Central Government notified and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the CCI. Additionally, on May 11, 2011, the CCI issued the Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India.

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

4. The trading volume and market price of the Equity Shares may be volatile following the Offer.

The market price of the Equity Shares may fluctuate as a result of, among other things, the following factors, some of which are beyond our control:

- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements by third parties or governmental entities of significant claims or proceedings against us;
- new laws and governmental regulations applicable to our industry;
- additions or departures of Directors of the Board of Directors of the Company and Key Management Personnel;
- changes in exchange rates;

- fluctuations in stock market prices and volume; and
- general economic and stock market conditions.

Changes in relation to any of the factors listed above could adversely affect the price of the Equity Shares.

5. Any downgrading of India's sovereign rating by a domestic or international rating agency could adversely affect our business.

Any adverse revisions to India's sovereign ratings for domestic and international debt by domestic or international rating agencies may adversely affect our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could harm our business and financial performance, ability to obtain financing for capital expenditures and the price of our Equity Shares.

6. Investors may have difficulty enforcing foreign judgments against us or our management.

We are a limited liability company incorporated under the laws of India. All our directors and executive officers are residents of India and a majority of our assets and such persons are located in India. As a result, it may not be possible for investors to effect service of process upon us or such persons outside of India, or to enforce judgments obtained against such parties outside of India.

Recognition and enforcement of foreign judgments is provided for under Section 13 of CPC on a statutory basis. Section 13 of the CPC provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognise the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the CPC, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record. However, under the CPC, such presumption may be displaced by proving that the court did not have jurisdiction.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. Section 44A of the CPC provides that where a foreign judgment has been rendered by a superior court, within the meaning of that Section, in any country or territory outside of India which the Central Government has by notification declared to be in a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the CPC is applicable only to monetary decrees not being of the same nature as amounts payable in respect of taxes, other charges of a like nature or of a fine or other penalties.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action was brought in India. Furthermore, it is unlikely that an Indian court would enforce a foreign judgment if that court were of the view that the amount of damages awarded was excessive or inconsistent with public policy or Indian practice. It is uncertain as to whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. However, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI under the Foreign Exchange Management Act, 1999, to execute such a judgment or to repatriate any amount recovered.

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

Our Articles of Association, regulations of our board of directors, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply 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 a shareholder in us than as a shareholder of a company in another jurisdiction.

8. Currency exchange rate fluctuations may have a material adverse effect on the value of the Equity Shares, independent of our results of operations.

The exchange rate between the Rupee and the USD and other foreign currencies has changed considerably in recent years and may fluctuate substantially in the future. Fluctuations in the exchange rate between the Rupee and other currencies may affect the value of a non-resident investor's investment in the Equity Shares.

A non-resident investor may not be able to convert Rupee proceeds into USD or any other currency or the rate at which any such conversion may occur could fluctuate. In addition, our market valuation could be seriously harmed by the

devaluation of the Rupee, if United States or other non-resident investors analyse our value based on the USD equivalent of our financial condition and results of operations.

For historical exchange rate fluctuations, see "*Presentation of Financial, Industry and Market Data*" on page 13.

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

The Offer Price of our Equity Shares will be determined on the basis of the Book Building Process. This price will be based on numerous factors. For further information, see "*Basis for Offer Price*" on page 95 and may not be indicative of the market price of our Equity Shares after the Offer. The market price of our Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Offer Price. Among the factors that could affect our share price are:

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

10. The determination of the Price Band is based on various factors and assumptions and the Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer. Further, the current market price of some securities listed pursuant to certain previous issues managed by the BRLMs is below their respective issue prices.

The determination of the Price Band is based on various factors and assumptions, and will be determined by our Company and Promoter Selling Shareholders in consultation with the BRLMs. Furthermore, the Offer Price of the Equity Shares will be determined by our Company in consultation with the BRLMs through the Book Building Process. These will be based on numerous factors, including factors as described under "*Basis for Offer Price*" beginning on page 95 and may not be indicative of the market price for the Equity Shares after the Offer. In addition to the above, the current market price of securities listed pursuant to certain previous initial public offerings managed by the BRLMs is below their respective issue price. For further details, see "*Other Regulatory and Statutory Disclosures - Price information of past issues handled by the BRLMs*" on pages 475 to 480. The factors that could affect the market price of the Equity Shares include, among others, broad market trends, financial performance and results of our Company post-listing, and other factors beyond our control. We cannot assure you that an active market will develop or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

11. Any future issuance of Equity Shares by us may dilute your shareholding and sales of the equity shares by our Promoters, Promoter Group or other major shareholders, or exercise of pledge over Equity Shares pledged by our Promoter Group, may adversely affect the trading price of the Equity Shares.

Any future issuance of Equity Shares by us may dilute your shareholding in us. In addition, any sales of substantial amounts of the Equity Shares in the public market after the completion of the Issue, including by our Promoters or other major shareholders, or exercise of pledge over Equity Shares pledged by our Promoter Group, or the perception that such sales could occur, could adversely affect the market price of the Equity Shares and could materially impair future ability of us to raise capital through offerings of the Equity Shares. Our Promoters and Promoter Group currently hold an aggregate of 59.02% of the outstanding Equity Shares. After the completion of the Offer, our Promoters will continue to hold [●]% of the outstanding Equity Shares. We cannot predict the effect, if any, that the sale of the Equity Shares held by our Promoters or other major shareholders or the availability of these Equity Shares for future sale will have on the market price of the Equity Shares.

12. A third party could be prevented from acquiring control of us because of the anti-takeover provisions under Indian law.

There are provisions in Indian law that may discourage a third party from attempting to take control over us, even if a change in control would result in the purchase of your Equity Shares at a premium to the market price or would otherwise be beneficial to you. Under the Takeover Regulations an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether

individually or acting in concert with others. These provisions may discourage or prevent certain types of transactions involving an actual or threatened change in control of us.

13. Our 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. Regulatory restrictions may limit our financing sources for our projects under development and hence could constrain our ability to obtain financings on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted to us without onerous conditions, or at all. Limitations on foreign debt may have an adverse effect on our ability to raise foreign capital, which in turn may affect our business, prospects, financial condition and results of operation.

14. Our business is vulnerable to downturns in the general economy and industries in which we operate or which we serve. A global economic downturn could adversely affect our business, financial condition and results of operations.

Our financial condition and results of operations depend significantly on worldwide economic conditions, as demand for our products depends on the general economy and level of activity and growth in the industries where we operate or serve. Unfavourable financial or economic conditions, such as the sovereign-debt crisis in the European Union, the continued weakness and uncertainty regarding the durability of the emerging economic recovery, have adversely affected the global economy. In addition, concerns over inflation, energy costs, geopolitical issues, the availability and cost of credit, unemployment, consumer confidence, declining asset values, capital market volatility and liquidity issues have created difficult operating conditions for us in the past and may continue to do so in the future. Uncertainty about future economic conditions makes it challenging for us to forecast our results of operations, make business decisions and identify risks that may affect our business. If we are not able to timely and appropriately adapt to changes resulting from the difficult macroeconomic environment, our business, results of operations and financial condition may be adversely affected.

Our business is adversely affected by decreases in the general level of economic activity, such as decreases in business and consumer spending, transportation, manufacturing activity and the financial strength of our customers. We are unable to predict the likelihood of occurrence and severity of any global or regional economic crises, slowdown or downturn in general economic condition. Global financial slowdown, volatility and uncertainty could have a number of follow-on effects on our business. Such factors may cause decrease in demand for our products, insolvency of our key customers, and adversely affect their inability to obtain credit or make payments for products they have already received. If conditions become more severe or continue longer than we anticipate, or if we are unable to adequately respond to unforeseeable changes in demand resulting from economic conditions, our financial condition and results of operations may be adversely affected.

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

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

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

Prominent Notes:

- Initial public offering of up to [●] Equity Shares for cash at price of ₹ [●] aggregating up to ₹ 6,000 million. The Offer comprises of a Fresh Issue of up to [●] Equity Shares aggregating to ₹ 4,750 million and an Offer for Sale of up to [●] Equity Shares aggregating to ₹ 1,250 million by the Promoter Selling Shareholders. The Offer includes a reservation of up to [●] Equity Shares for subscription by Eligible Employees for cash at a price ₹ [●] per Equity Share aggregating to ₹ [●] million. Our Company and the Promoter Selling Shareholders in consultation with the BRLMs, may offer a discount of ₹ [●] on the Offer Price to Eligible Employees. The Offer would constitute up to [●] of our post-Offer paid-up Share capital and the Net Offer shall constitute [●] of our post-Offer paid-up Share capital.

- Our Company was converted to a public limited company pursuant to a special resolution passed by our shareholders on September 20, 2017 and consequently, the name of our Company was changed to Amber Enterprises India Limited.

- Our net worth was ₹ 3,349.32 million as on March 31, 2017 and was ₹ 3,626.29 million as at September 30, 2017 as per our Restated Consolidated Financial Statements, which are included in this Red Herring Prospectus. For details, see "*Restated Financial Statements*" on page 199.

- Our net asset value per Equity Share was ₹ 140.67 as at March 31, 2017 and was ₹ 152.30 as at September 30, 2017, as per our Restated Consolidated Financial Statements.

- The average cost of acquisition of Equity Shares by Jasbir Singh is ₹ 38.73 per Equity Share and Daljit Singh is ₹ 43.71 per Equity Share.

- Except as disclosed in the sections entitled "*Our Group Companies*" and "*Related Party Transactions*" on pages 194 and 198, respectively, none of our Group Companies have business interests or other interests in our Company.

- For details of related party transactions entered into by our Company with the Group Companies and other related parties during the last fiscal, the nature and cumulative value of transactions, see *"Restated Financial Statements"* on page 199. Further, please note the following:

  1. The aggregate short term loan and advances given to related party for last financial year and its value as a percentage of net worth of the Company for the last five financial years is set out below:

     On Standalone Basis

Particulars	**As at March 31**				
	2017	**2016**	**2015**	**2014**	**2013**
Short term loans and advances given to related parties as a percentage to net worth of the Company	1.18%	1.58%	1.79%	0.22%	0.13%
Total short term loans and advances given to related parties (in ₹ million)	38.50	39.81	41.49	4.45	1.76

     On Consolidated Basis

Particulars	**As at March 31**				
	2017	**2016**	**2015**	**2014**	**2013**
Short term loans and advances given to related parties as a percentage to net worth of the Company	1.15%	1.52%	1.95%	0.21%	0.13 %
Total short term loans and advances given to related parties (in ₹ million)	38.50	39.81	46.56	4.45	1.76

  2. The aggregate related party revenue from operations, and its value as a percentage of the total revenue of the Company, in the last five financial years is set out below:

     On Standalone Basis

Particulars	**As at March 31**				
	2017	**2016**	**2015**	**2014**	**2013**
Related party revenue from operations as a percentage of total revenue of the Company	-	0.22%	0.12%	0.05%	-
Total related party revenue from operations (in ₹ million)	0.03	21.59	13.48	4.20	-

     On Consolidated Basis

Particulars	As at March 31				
	2017	2016	2015	2014	2013
Related party revenue from operations as a percentage of total revenue of the Company	-	-	-	0.11%	0.32%
Total related party revenue from operations (in ₹ million)	-	-	-	10.49	28.42

- There have been no financing arrangements whereby our Promoters, 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 the period of six months immediately preceding the filing of the Draft Red Herring Prospectus.

- Investors may contact any of the BRLMs for any complaints, information or clarification pertaining to the Offer. All grievances relating to ASBA process may be addressed to the Registrar, with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted as the case may be, giving full details such as name, address of the Bidder, number of Equity Shares applied for, DP ID, Client ID, Bid Amounts blocked, ASBA Account number and the address of the Designated Intermediary with whom the ASBA Form was submitted. All grievances relating to Bids submitted through the Registered Broker may be addressed to the Stock Exchanges with a copy to the Registrar. For further information regarding grievances in relation to the Offer, see *"General Information"* on page 64.

SECTION III: INTRODUCTION

SUMMARY OF INDUSTRY

*Unless specified otherwise, the information in this section has been obtained or derived from the "Indian Room Air Conditioners Market Study" of September 2017 by Frost & Sullivan India Private Limited ("**F&S Report**") which has been commissioned by our Company. For risks in relation to commissioned reports, see "Risk Factors – We are not able to guarantee the accuracy of third party information included in this Red Herring Prospectus including from the industry report commissioned by us." on page 31. All information contained in the F&S Report has been obtained by Frost & Sullivan India Private Limited from sources believed by it to be accurate and reliable. None of the Company, the Promoter Selling Shareholders, the BRLMs or any other person connected with the Offer has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on or base their investment decision on this information. The information in this section should be read in conjunction with the sections "Industry Overview", "Risk Factors" and "Our Business" on pages 115, 16 and 144, respectively.*

The Indian RAC market has been witnessing robust growth trend in the past five years with a CAGR of 9.4% by volumes. In the next five years, the market is expected to witness a CAGR of 12.8% reinforced by the surge in rural consumption, shorter replacement cycles, energy-efficient RACs and availability of multiple brands at various price points. The RAC volumes are expected to increase from 4.7 million units in Fiscal 2017 to reach 8.6 million units by Fiscal 2022.

Market Size and Forecast of RAC (Volume in million Units)

Note: E refers to Estimate

Source:Frost & Sullivan Analysis

Market Size and Forecast of RAC (Value in ₹ billion)

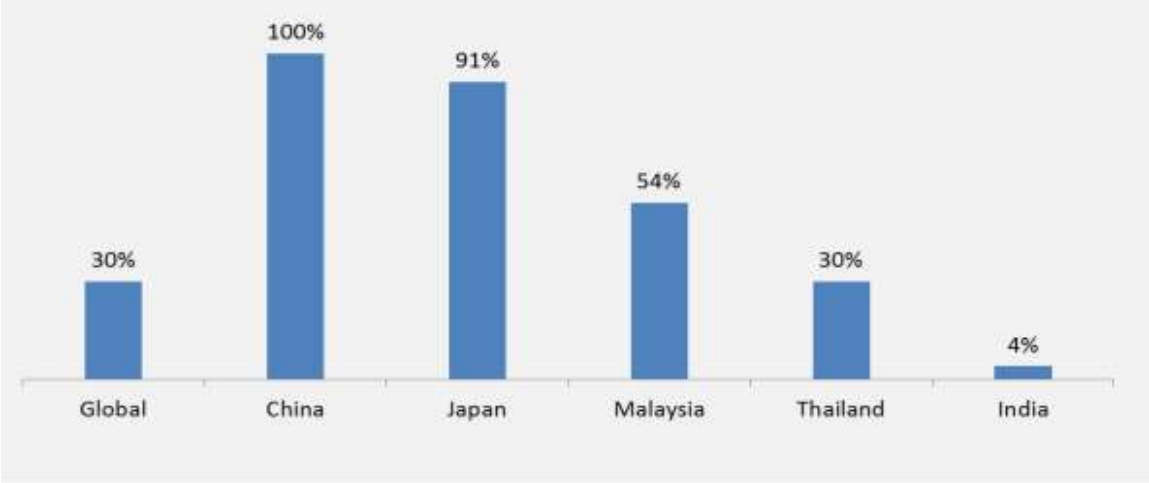
Note: E refers to Estimate

Source: Frost & Sullivan Analysis

India's consumer durables market has been growing over the last few years but remains fragmented. The growth of consumer durables market is driven by the increase in disposable income including higher salaries of Government employee post seventh pay commission, urbanisation and easy consumer financing. Due to the current low penetration of 4%, the Indian RAC market presents huge opportunity for players to garner larger share of the market. Viewed as a luxury product in the recent past, the sweltering and longer summers in the country have led to creation of new demand for RACs not only in the larger cities, but also in Tier II/III cities where heightened economic activity has resulted in greater affordability. Additionally, new product features and technological advancement in the RAC market has added to the increase in replacement demand of the product. The RAC penetration level in India (4%) lags when compared to the global level (30%) implying the room for growth. With the increasing temperature conditions in India the scope of demand will increase in the next few years. Overall Indian market remains at sub-par level when compared to the global average. With increase in rural market sales and product lining strategies, the market penetration is expected to improve in future.

With increasing penetration levels of RACs, China dominated the global RAC market accounting for 43% of the overall demand. Japan and India are the key countries contributing to the demand in the rest of Asia Pacific region. The penetration of RAC in China has grown tremendously from 54% in 2008 to 100% in 2017. The growth rate of the RAC segment was significant in comparison to other categories such as washing machines and refrigerators. In comparison to other Asian countries, there is tremendous potential in the Indian market as the overall RAC penetration is relatively much lower. This defines how Indian RAC market would be leading the path of global market growth in the next few years.

RAC Market Penetration - Select Asian Countries and Global



Source: CEIC, HSBC, BELDA Asia, Frost & Sullivan Analysis

Rapid developments in urban areas have led to paved spaces, reduced greenery and extensive use of dark roofs, all of which leading to escalating urban heat island effect resulting in rise in temperatures worldwide. The rising temperature has driven the demand for RACs to battle heat. Growing income levels in developing economies with larger middle class population has enabled affordability and discretionary spending.

The perception of RAC in India has transformed from a luxury product in the past to becoming a necessity in households. Greater affordability coupled with weather conditions has encouraged the penetration levels of RACs in the Indian market. Increasing awareness among customers about cost benefits from energy efficient RACs in long run have resulted in manufacturers shift from window RACs to split variant.

The growth of RAC market is driven by the increase in disposable income, urbanisation and easy consumer financing. The constant change in the consumer preference leads the manufacturers to bring in new innovative and value-added products.

Although the level of localization has increased in assembling in the last few years, the manufacturing of consumer durables in India is still low. Ease of procurement and abundance of components availability in India's neighbourhood supports high imports scenario. In RACs, localization is around 65% as compressors are imported. Localization is comparatively higher in case of air coolers due to presence of numerous indigenous players procuring products domestically.

The RAC brands have established manufacturing units in India to hedge against higher cost of manufacturing in China. China has enjoyed an advantageous position in low cost manufacturing however due to issues in supply chain management, such as logistics costs, lead time, higher working capital, rising wages, etc., forced manufacturers to explore alternative locations to maintain cost. Global RAC brands now prefer India as the new manufacturing location for addressing the domestic demand and also for limited exports. Government support and favourable policies ensure success for these players through local manufacturing. Local manufacturing either in-house or through OEM/ ODM players is a key contributor to competitiveness. RAC brands are working on the right proportion of own and outsourced manufacturing to gain market edge.

Most RAC brands in India have historically been operating their plants at approximately 80% capacity, and imports to meet the remaining local demand. As the need for localization grows stronger, players will make efforts to move from assembly to full-fledged manufacturing. The trend of imports has been witnessing a decline in the recent years as domestic capacities were on an upswing through in-house manufacturing and OEM/ODM mode. Local capacities and capabilities continue to climb as traction in local manufacturing of RAC has gained due to reduction on custom duties on components.

Many RAC brand suppliers have already invested in outsourcing their manufacturing requirements to OEM/ODM players in an effort to reduce their reliance on China and imports. India is increasingly becoming a RAC export source to cater to various Middle East, South Asian and African countries. The trend is expected to continue, thus leading to expansion in domestic manufacturing capacities.

A booming consumption economy where demand for consumer durables is on an exponential rise has cast the Indian OEM/ODM market into the limelight zone. Propelled by the need for import substitution, domestic manufacturing of consumer durables in India has attracted immense attention from both industry and policy makers. Favourable policy initiatives in recent years along with the changing dynamics in global manufacturing landscape have shifted the focus onto India for being a preferred destination for manufacturing investments.

Following are the key reasons for the growth of OEM/ODM industry in India:

- Outsourcing allows consumer durables brands to restrict their focus to their core competence areas of innovation, differentiation, marketing and distribution.
- Economies of scale is another advantage offered by OEM/ODM companies and this is further encouraging consumer durable brands to collaborate with OEM/ODM partners for their design, manufacturing and even reverse logistics requirements.
- Consumer durable brands also save on the logistics and warehousing costs by partnering with OEM/ODM players.
- Technology and product dynamism in the consumer durables industry necessitates frequent call for innovation. Innovation in business models aimed at enhancing productivity and profitability have been driving consumer durable brands to embrace the services of OEM/ODM companies.
- Reduction in the working capital cycle by outsourcing the manufacturing part.
- Flexibility of providing multiple RAC models with quick turnaround time.

OEM dominates the outsourced manufacturing segment while ODM makes a strong emergence

- ODM allows distinct advantages of faster product development, design support along with manufacturing.
- Being an ODM is a step forward in gaining the confidence of the consumer durable brands besides acquiring a higher wallet share.
- RAC brands save on the investment in R&D and design when they partner with an ODM service provider.
- New market entrants find ODM an attractive option in order to achieve a faster market penetration.
- Association with ODM is strategic whereas, OEM collaboration is more transactional.

SUMMARY OF OUR BUSINESS

Investors should note that this is only a summary of our business and does not contain all information that should be considered before investing in the Equity Shares. Before deciding to invest in the Equity Shares, prospective investors should read this entire Red Herring Prospectus, including the information in "Our Business", "Risk Factors" and "Restated Consolidated Financial Statements" beginning on pages 144, 16 and 199, respectively. An investment in the Equity Shares involves a high degree of risk. Some of the information in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section "Forward-Looking Statements" on page 15 for a discussion of the risks and uncertainties related to those statements.

Certain information included in this section has been extracted from the F&S Report which has been commissioned by our Company. For risks in relation to commissioned reports, see "Risk Factors – We are not able to guarantee the accuracy of third party information included in this Red Herring Prospectus including from the industry report commissioned by us." on page 31.

Unless the context otherwise requires, in this section, the terms "the Company" or "Our Company" refer to Amber Enterprises India Limited on a standalone basis and terms "we", "us" or "our" refer to Amber Enterprises India Limited and its Subsidiaries on a consolidated basis. Unless otherwise indicated, all financial information included herein is based on our Restated Consolidated Financial Statements included in this Red Herring Prospectus beginning on page 199.

Overview

We are a market leader in the RAC OEM/ODM industry in India with a market share of 55.4% in terms of volume in Fiscal 2017 *(Source: F&S Report)*. We are a one-stop solutions provider for the major brands in the RAC industry and currently serve eight out of the 10 top RAC brands in India *(Source: F&S Report)*.

We have a diversified product portfolio as set out below:

- **RACs**: We design and manufacture complete RACs including window air conditioners ("**WACs**") and indoor units ("**IDUs**") and outdoor units ("**ODUs**") of split air conditioners ("**SACs**") with specifications ranging from 0.75 ton to 2 ton, across energy ratings and types of refrigerant. We also design and manufacture Inverter RACs on ranging from 1 ton to 2 ton.

- **RAC Components**: We manufacture critical and reliability functional components of RACs such as heat exchangers, motors, inverter and non-inverter printed circuit boards and multi-flow condensers. We manufacture other RAC components such as sheet metal components, copper tubing and injection molding components.

- **Other Components**: We manufacture components for other consumer durables and automobiles such as case liners for refrigerator, plastic extrusion sheets and printed circuit boards for consumer durables and automobile industry, sheet metal components for microwave, washing machine tub assemblies and for automobiles and metal ceiling industries.

Our key customers include leading RAC brands such as Daikin, Hitachi, LG, Panasonic, Voltas and Whirlpool. Our customers command around 75% share in the Indian RAC market in Fiscal 2017 *(Source: F&S Report)*. We have built strong and long-standing relationships with our customers by aligning our offerings with their business needs. We provide them with a range of additive manufacturing solutions at their doorsteps by supplying them components and RACs through OEM/ODM models. In recognition of our efficient services and products, we have received several awards from our customers such as 'Best of Best Performance Award' from LG for 2015 and 2016 and 'Leadership Business Innovation Award' from Panasonic for 2015-2016.

We are focused on consistently upgrading the technology used in our products as well as the processes used in manufacturing them through our research and development ("**R&D**") efforts. We have a dedicated R&D centre located at our Rajpura facility. R&D centre is equipped with a psychometric lab which is accredited by National Accreditation Board for Testing and Calibration Laboratories ("**NABL**") with ISO/IEC 17025:2005 certification and facilities for 3D modelling, quality and product testing and a dedicated team. Through our R&D and innovation capabilities, backed by an in-house tool room, we have successfully designed and developed a portfolio of wide ranging RACs and components. We have the ability to manufacture most of our products from the concept and design stage till the final delivery thereby covering the entire manufacturing value chain.

The Indian RAC market volumes are expected to grow at a CAGR of 12.8% from Fiscal 2017 to Fiscal 2022. Due to the current low penetration of 4%, the Indian RAC market presents huge growth opportunity *(Source: F&S Report)*. Due to factors such as the growth of Indian economy, population, disposable income and urbanization as well as changing lifestyle trends, shortening of replacement cycle, easy access to credit, longer hot weather conditions, better availability of electricity, increasing affordability of operating a RAC due to launch of energy efficient models and the growing advantage of domestic manufacturers

compared to import markets (due to lower lead time and greater flexibility to adjust with market trends), we believe that we are well placed not only to benefit from the growth in domestic market but also expand our export footprint.

From a single factory in Rajpura, Punjab, that commenced operations in 1994, we have today grown to 11 manufacturing facilities across seven locations in India. Our manufacturing facilities have a high degree of backward integration and are strategically located in proximity to our customers' facilities. All our manufacturing facilities, except Kala Amb (which is currently non-operational) confirm to ISO 9001:2008 or ISO 9001:2015 quality management systems certification. Further, our UP Unit I has ISO 14001:2004 and OHSAS 18001:2007 certifications for manufacturing of extruded and thermoformed plastic components. Our Rajpura unit has OHSAS 18001:2007 certification for manufacturing of sheet metal components for automotive industry, air conditioners kits and for design and development of air conditioners. In addition to our organic growth, we have also grown inorganically through the acquisition and successful integration of PICL. PICL's OHSAS 18001:2007 and ISO 14001:2004 for design, manufacture and marketing of fractional horse power motors for domestic appliances and general applications.

Our Promoters, Jasbir Singh and Daljit Singh, are experienced in the RAC and components manufacturing sector and our key management persons include experts from the industry with wide experience. For further details, see *"Our Management"* on page 175. As on November 30, 2017, we had 1,152 full-time employees. Our Company has also seen three rounds of private capital infusion (IFCI Venture Capital Funds Limited, Reliance Alternative Investments Fund – Private Equity Scheme I through Fairwinds Trustees Services Private Limited and ADV Opportunities Fund I, L.P. through their investment entity Ascent). For further details, see *"History and Certain Corporate Matters"* on page 164.

For Fiscal 2017, our total revenue and EBITDA were ₹ 16,522.55 million and ₹ 1,364.38 million, respectively and for the six month period ended September 30, 2017, our total revenue and EBITDA were ₹ 9,415.50 million and ₹ 871.28 million, respectively. Our total revenue has grown at a CAGR of 19.03% from ₹ 9,797.00 million in Fiscal 2014 to ₹ 16,522.55 million in Fiscal 2017 in comparison with the average revenue of the consumer durable industry, which grew at a CAGR of 11.7% over such period *(Source: F&S Report)*.

Our Competitive Strengths

Our primary competitive strengths are the following:

1. Market leadership in the RAC OEM/ODM industry in India

We are a market leader in the RAC OEM/ODM industry in India with a market share of 55.4% in terms of volume in Fiscal 2017 *(Source: F&S Report)*. Further, our share of the overall RAC market in India in terms of volumes has grown from 14.7% in Fiscal 2015 to 19.1% in Fiscal 2017 *(Source: F&S Report).*

Over the years, we have demonstrated the ability and expertise in manufacturing RACs and components that has enabled us to become a trusted solutions provider to major RAC brands operating in India. We have 11 manufacturing facilities with a total installed capacity as on March 31, 2017 to manufacture up to 1.59 million ODUs, 1.37 million IDUs and 0.59 million WACs annually, for further details, see *"-Installed Capacity and Capacity Utilisation"* on page 156. Our leadership position is owed to experience in the development and manufacturing of RACs and components and our ability to excel in measurable quality, cost, delivery and technology.

Further, we have the capability to develop, design and manufacture models of RACs across energy ratings specified by the Bureau of Energy Efficiency, Ministry of Power, GoI ("**BEE**") and by using various types of refrigerant including green refrigerants. We also develop and manufacture complete WAC and SAC kits and components according to the designs and specifications required by the customers. We are one of the few Indian manufacturers with the capability to design and manufacture Inverter RACs *(Source: F&S Report)*.

2. One stop solutions provider for the RAC industry with high degree of backward integration

With our experience, product development expertise and capabilities in the manufacturing of RACs and components, we have become a one-stop solutions provider in India for the RAC industry. In addition to designing and manufacturing complete WAC, IDUs and ODUs, we offer our customers manufacturing solutions ranging from critical components such as heat exchangers, multi-flow condensers and motors to non-critical components such as sheet metal and injection molding. In terms of bill of material, depending on the model of RAC, we manufacture up to 49% of the ODUs, 62% of the IDUs and 54% of WAC, which includes most of the critical components (except compressors, which are largely imported for the RAC industry in India) *(Source: F&S Report).*

We have the capacity to offer product development and manufacturing solutions from designing, tooling and validating to final assembling and testing. Most of our operations are backward-integrated and the processes are carried out in-house. This backward integration gives us the flexibility to control our manufacturing processes and reduces dependence on external suppliers. This helps to make us a consistent and reliable OEM/ODM supplier. We believe

that our backward integrated capability to manufacture most of the critical components to be used in our manufacturing chain makes us uniquely competitive in the RAC manufacturing industry in India.

3. Strong customer relationships with the majority of leading RAC brands in India

We have strong and established relationships with our customers, which includes eight out of the 10 top RAC brands in India. Our key customers include leading RAC brands such as Daikin, Hitachi, LG, Panasonic, Voltas and Whirlpool. Our customers command around 75% share in the Indian RAC market *(Source: F&S Report)*. We provide our customers with a range of additive manufacturing solutions at their doorsteps. Majority of our top 10 customers have been associated with us for more than five years and these long term relationships have enabled us to understand and cater to diverse requirements of such customers and to develop new products with and for these customers.

Product approval cycle, especially for leading brands, can be as long as 2-3 years for certain critical components. Further, acquisition of customers in the RAC industry requires persistent and continued investment of time, effort and capital. We have gained the confidence of our customers by initially supplying certain components to our customers, and then moving to reliability functional components and eventually to complete RACs. Our established relationships with our existing customers also presents us with cross selling opportunity. While maintaining and strengthening our relationships with our existing customers, over the last three years we have also been successful in acquiring large MNC customers such as Daikin and Hitachi.

We strategically set up our manufacturing facilities in proximity to our customers, which allows us greater interaction and gives us the ability to respond quickly to the needs our customers. In addition, locating our manufacturing facilities near our customers' production centers reduces logistical and operating costs, allowing us to produce cost-competitive products for our customers. Given our experience in supplying components to the majority of leading international and domestic RAC brands in India, we are well positioned to seek new clients in India and across the globe.

4. R&D and product design capabilities leading to high proportion of ODM business

We place strong emphasis on research and development to enhance our product range and improve our manufacturing processes, which has been a key pillar of our growth. We believe that we have developed strong product design capabilities, which allow us to provide customised solutions to our customers and service them more effectively and in a timely manner. Leveraging on the experience and knowledge derived from manufacturing our products, we have set-up a dedicated R&D centre located in Rajpura, which is approved by the Department of Scientific and Industrial Research, Ministry of Science and Technology, GoI **("DSIR")**. This centre is equipped with a 3D modeling and product lifecycle management softwares and has access to equipment such as 3-D CAD, 3-D printers, psychometric lab which is accredited ISO/IEC 17025:2005 by NABL and has infrastructure and facilities for undertaking various tests such as product reliability, power consumption, sound and drop tests. For further detail, see *"– Our Research and Development and Technological Capabilities"* on page 158.

The R&D team has the capabilities to conceptualize, design, verify and develop various designs received from customers and successfully convert such designs into deliverable products. The R&D team also aims to provide solutions to improve manufacturing efficiency on our existing products, reduce production costs and also assists our customers in designing RACs and components by providing design and engineering support. We have successfully designed and developed various components and RAC models, including Inverter RACs.

We have been building up our design, product development and manufacturing capabilities as we believe that as an ODM service provider, we provide an attractive value proposition to RAC brands. The technological advancements and frequent design changes in the RAC industry in India necessitate innovation and we believe that our ODM service enables RAC brands to focus on their core competencies such as product differentiation, marketing and distribution. We believe that RAC brands' focus on such factors create a market opportunity for our ODM services and new entrants in the RAC industry find ODM an attractive option to achieve faster market penetration, while our ODM capabilities differentiate us from contract manufacturers and help us to develop strong partnerships with RAC brands.

5. Track record of financial performance

We have demonstrated strong financial performance in the recent years. Our revenue from operations has grown at a CAGR of 19.1% which is higher than the industry average of listed consumer durables brands of 11.7% for the period from Fiscal 2014 to Fiscal 2017. Further, our EBITDA margins of 8.3% for Fiscal 2017 was in line with the average of EBITDA margin of listed consumer durables brands for Fiscal 2017 *(Source: F&S Report)*.

While we have grown quickly in recent years, we have managed to deleverage our balance sheet and improve our credit rating in the process. Our debt to equity ratio for Fiscal 2015, Fiscal 2016 and Fiscal 2017 was 1.4, 1.3 and 1.0, respectively. As of April 2017, our long-term bank facilities were rated as CRISIL A-/Stable and our short-term bank facilities were rated CRISIL A2+.

We believe that our financial stability and positive cash flow from operations position us well to meet the present and future requirement of our customers.

6. Economies of Scale

Our multiple manufacturing locations allow us optimal utilisation of facilities and enable us to distribute manufacturing across them. This helps us to ease the pressure of seasonality and simultaneous demand schedules of multiple customers. Further, our assembly lines are flexible and can shift from assembling WACs to ODUs of SACs within a short time. The flexibility of our assembly lines provide us with a major competitive advantage as we are able to handle changes in market demands in an efficient manner. Our scale provides us with greater resources to support our fixed costs, such as R&D expenses, and permits the use of shared services to eliminate duplicative business functions and administrative expenses. We believe that this also helps us to compete with imports from countries such as China as we are able to make more efficient deliveries to our customers.

The large scale of production has also strengthened our relationship with our raw material suppliers and provided us better insight into the markets for procuring material. We have a centralised system across our manufacturing facilities for procurement of raw material, ensuring cost efficiency and timely delivery of supplies. This results in reducing the overall cost of production.

7. Culture of innovation and highly experienced management

We are led by a management team and staffed with employees who have significant experience in our industry. Our Chairman and CEO, have been involved in the RAC, consumer durables and component industries for over 13 years and has played a pivotal role in our innovation, success and growth. Our Key Management Personnel are experienced in the RAC and component industry and have acted in various capacities in their careers. Through their commitment and experience, we believe our management team has established a good reputation for our Company with our customers and has been instrumental in our growth by being able to rapidly respond to market opportunities, adapt to changes in the business landscape, customer demands and competitive environment and bring innovations to our business, marketing and strategy.

We have remained focused towards development of human resources by carefully planning and executing recruitment, training and retention of a highly skilled employee base. As of November 30, 2017, we had 1,152 full-time employees which includes certain engineering graduates and diploma holders.

We have ingrained a culture of innovation and horizontal deployment of best practices amongst the employees across facilities to achieve efficiency and reduce the cost of production. We have taken various initiatives such as 'TPI-30' (Total Productivity Innovation by 30%), 'COI' (Cost of inefficiency), and 'SLE-50' (Safety Improvement and Loss Elimination by 50%) which helped us to train our employees and managers to increase efficiency, reduce cost of production and innovate new products.

We undertake various shop floor and staff training programs and initiatives to educate and create awareness about safety and efficiency, and to enhance skill, among our staff. We have also opened an in-house training center in Noida and have a dedicated innovation team member at every facility. This, coupled with continuous on-site learning and training programmes, has helped us to develop and adopt new technologies, maintain high productivity and achieve faster product development cycle. We also instituted a quarterly evaluation and award system to motivate our employees and have awards including for best employees and best productivity area.

Our Key Strategies

The key elements of our strategy are as follows:

1. Expansion of existing product portfolio with a focus on ODM

With our R&D and innovation capabilities backed by an in-house tool room, we have successfully designed and developed various components and RAC models. We already manufacture RACs and Inverter RACs of various energy efficiency ratings using green refrigerant. We will continue to add new products for the RAC industry to our offerings. Our R&D team is developing new IDU and ODU chassis and we will focus on increasing the share of ODM based manufacturing in our overall sales. We believe Inverter RACs have huge growth potential in the Indian market *(Source: F&S Report)* and we plan to grow this business. We are also working on developing new models of fan coil unit and IOT based Inverter RACs.

In the component segment of our business, we plan to add new RAC components to our portfolio in order to achieve further backward integration and gain greater wallet share of our customers. Such new products will include brushless DC motor, resin-core motors and inverter controllers. We are developing heat exchangers for refrigerators and dryers and we will continue to add further components for other consumer durables.

2. Expand domestic customer base and grow export sales

The RAC demand in India is growing, owing to low penetration of RACs, rising disposable income, increased urbanisation, changing lifestyle trends, longer hot weather season and shortening of replacement cycle. The Indian RAC market volumes are expected to grow at a CAGR of 12.8% from Fiscal 2017 to Fiscal 2022 *(Source: F&S Report)*.

Such growth may result in expansion of existing RAC brands as well as entry of new consumer durable brands in the RAC segment. Further, we believe that this growth will require RAC brands to focus on marketing aspects and will result in greater share of manufacturing being outsourced to OEM/ODM. In Fiscal 2017, 34% of the total value of Indian RAC market was catered by OEM/ODM players which is anticipated to grow to 56% by Fiscal 2022 *(Source: F&S Report)*. This provides us with an opportunity to increase our sales and expand our customer base. Moreover, being among few players with complete ODM offering in the RAC segment in India and with our experience in providing customer-centric additive manufacturing solutions, we believe we are well placed to tap into this growth.

Further, with '*Make in India'* initiative of GoI and the growing advantage of domestic manufacturers compared to import markets due to lower lead time and working capital cycle, greater flexibility to adjust with market trends and improving cost competitiveness, we believe we are well poised to grow our domestic and export sales. We also seek to expand our global reach through increased customer acceptance of our products in international markets. As the globalisation trend continues and barriers to trade in various markets are reduced across the world, we believe that an export oriented strategy offer us business advantages. Indian manufacturing is increasingly becoming competitive with China, see *"Our Industry - Manufacturing competitiveness of India is increasing vis-a-vis China"* on page 129. We believe that this trend coupled with our relationship with reputed international RAC brands will provide us with opportunities to further grow our export sales.

We currently export to Saudi Arabia, Oman, Sri Lanka, Nigeria and Maldives. We intend to leverage the low cost advantages of manufacturing in India and aim to initiate RACs exports into others countries in Middle East, South and South East Asia as well as Europe. India's geographic location helps in exporting competitively to these countries, as compared to other regional hubs such as China. This, we believe, will help us in securing export orders. An increase in our exports will also lower seasonal volatility of our business leading to higher capacity utilisation of our manufacturing facilities. Further, the export revenue will act as a natural foreign currency hedge against imports of several components.

3. Continuing innovation and strengthening the R&D capacity

Customers' demand for higher performance and top quality products is growing rapidly in the RAC industry. In response to this, a key part of our strategy is to continually improve our research and design capabilities to pre-empt market dynamics and meet our customers' requirements. We believe that high-value added and technology-driven components will provide us with opportunities to capture shifts in customer preferences as well as evolving regulatory requirements, such as heightened energy efficiency requirement. By providing high-value added and innovative products, we seek to be a preferred supplier to our customers, thus giving us the opportunity to consolidate our position with our customers and increase the share of their supply needs that we fulfil. As the industry will focus on high efficiency and environmentally friendly products, our R&D team will seek to design higher energy efficient models across various green refrigerants such as R-290 and R-32 which have low ozone depletion potential.

To enhance our R&D capabilities we are undertaking a number of short-term and long-term R&D initiatives. For example, we are aiming to develop electronic R&D capacity which will focus on technologies such as 'internet of things' (**"IoT"**, i.e. interconnection of computing devices embedded in appliances through internet) which we believe could be change the way RACs are monitored, analysed and controlled in the future. Further, our R&D team is working on new models of Inverter RACs, hybrid chassis and adoption of green technology and we will continue to realign our R&D focus to the changes in technology and customer preferences.

In addition, we also intend to implement improvements to our R&D process through virtual validation and computer aided engineering analyses, rapid prototyping, accelerated testing and improved problem solving efficiency. In line with these initiatives, we plan to expand our talent pool and increase our research and design manpower.

4. Pursue selective acquisitions, partnership opportunities and inorganic growth

We believe that the track record of our growth and expansion of our business coupled with our vision of expanding our operations enables us to look for opportunities for inorganic growth in order to complement our existing businesses. Accordingly, we continue to evaluate opportunities, domestically and internationally, to acquire established businesses or technologies which may be complementary to our existing business, including in the HVAC and refrigeration components sectors. Further, we will actively seek out such opportunities that, in our assessment, are aligned with our existing product lines. These opportunities could be by way of strategic acquisitions, joint ventures, new partner tie

ups and asset purchases. We will pursue such opportunities where we believe they will add value to our business, our stakeholders and our customers.

5. Continue to focus on increasing efficiency and profitability

Increased competition and stringent regulations have prompted the players in RAC market to find innovative ways to reduce cost and increase the overall efficiency. Improving cost efficiency in our manufacturing processes continues to be one of our key strategies. We have implemented innovative strategic cost-saving and efficiency improvement measures. We intend to continue further integration of our manufacturing facilities and to carry out most of the processes in-house to maximise our efficiencies. We have undertaken initiatives to reduce costs, such as SLE 50 and COI, to bring efficiency in all processes with objectives such as reduction of cost of input material, optimisation of tool consumption by using designated tools for designated processes, reduction of waste, reduction of power and utilities costs and loss elimination. We aim to continue the culture of innovation as we propose to undertake other initiatives and programmes aimed at enhancing operational efficiencies and optimising asset and material flows.

We also focus on our relationships with vendors to ensure that our quality, costs and delivery objectives are met and we have taken steps such as regular audits of major vendors for this purpose. We will continue to have a centralised approach towards sourcing and vendor management to gain economies of scale in raw material procurement.

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth summary financial information derived from the Restated Consolidated Financial Statements and the Restated Standalone Financial Statements of our Company, prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI Regulations, as of and for the six month period ended on September 30, 2017 and Fiscals ended March 31, 2017, 2016, 2015, 2014 and 2013.

The financial statements referred to above are presented under the section "Restated Financial Statements" on page 199. The summary financial information presented below should be read in conjunction with these financial statements and the accompanying notes, schedules and annexure included in the section "Restated Financial Statements" on page 199 and the section "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page 425.

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Restated Consolidated Summary Statement of Assets and Liabilities

(All amounts in ₹ millions, unless stated otherwise)

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
EQUITY AND LIABILITIES						
Shareholders' funds						
Share capital	238.10	238.10	217.03	217.03	217.03	178.89
Reserves and surplus	3,388.19	3,111.22	2,409.32	2,168.28	1,877.76	1,147.70
	3,626.29	**3,349.32**	**2,626.35**	**2,385.31**	**2,094.79**	**1,326.59**
Minority interest	-	-	-	-	36.59	30.74
Non-current liabilities						
Long-term borrowings	1,833.09	2,515.04	1,614.22	1,470.41	1,176.13	1,478.89
Deferred tax liabilities (net)	536.69	434.31	329.32	267.62	193.30	123.18
Other long term liabilities	0.17	-	447.22	270.97	11.99	4.11
Long-term provisions	44.89	33.24	30.98	23.98	19.19	15.29
	2,414.84	**2,982.59**	**2,421.74**	**2,032.98**	**1,400.61**	**1,621.47**
Current liabilities						
Short-term borrowings	2,454.56	933.87	1,652.04	1,596.46	1,396.68	1,071.75
Trade payables						
-Dues to Micro Enterprises and Small Enterprises	128.91	254.97	164.54	113.27	3.29	2.18
-Dues to creditors other than Micro Enterprises and Small Enterprises	1,795.75	4,202.99	2,672.58	2,306.40	2,008.51	2,324.62
Other current liabilities	1,251.74	1,101.83	1,578.49	1,563.27	1,607.95	1,101.09
Short-term provisions	47.37	40.11	34.17	60.80	62.43	33.20
	5,678.33	**6,533.77**	**6,101.82**	**5,640.20**	**5,078.86**	**4,532.84**
Total	**11,719.46**	**12,865.68**	**11,149.91**	**10,058.49**	**8,610.85**	**7,511.64**
ASSETS						
Non-current assets						
Fixed assets						
Property, plant and equipment	4,617.07	4,637.91	4,237.09	3,519.14	2,879.40	2,349.29
Intangible assets	542.69	598.19	441.60	337.15	329.85	140.83
Capital work-in-progress	121.05	93.44	158.18	400.38	521.69	136.16
Intangible assets under development	218.32	119.93	198.34	118.16	-	103.13
Goodwill (on consolidation)	325.86	325.86	325.86	325.86	276.95	276.95
Long-term loans and advances	685.37	552.46	433.47	314.73	196.56	185.64
Other non-current assets	4.55	33.63	19.42	42.89	53.03	112.20
	6,514.91	**6,361.42**	**5,813.96**	**5,058.31**	**4,257.48**	**3,304.20**
Current assets						
Inventories	2,654.62	2,676.66	2,257.72	1,894.34	1,741.94	1,615.23
Trade receivables	1,747.78	3,104.00	2,479.46	2,315.92	1,584.28	1,791.49
Cash and bank balances	286.27	347.19	183.56	289.04	506.42	432.23

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Short-term loans and advances	477.45	371.21	405.65	477.07	484.16	337.73
Other current assets	38.43	5.20	9.56	23.81	36.57	30.76
	5,204.55	**6,504.26**	**5,335.95**	**5,000.18**	**4,353.37**	**4,207.44**
Total	**11,719.46**	**12,865.68**	**11,149.91**	**10,058.49**	**8,610.85**	**7,511.64**

Restated Consolidated Summary Statement of Profit and Loss

(All amounts in ₹ millions, unless stated otherwise)

Particulars	For six months ended 30 September 2017	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
REVENUE						
Revenue from operations	9,381.63	16,443.98	10,890.26	12,302.65	9,733.78	8,757.11
Other income	33.87	78.57	30.89	62.02	63.22	66.26
Total revenue	**9,415.50**	**16,522.55**	**10,921.15**	**12,364.67**	**9,797.00**	**8,823.37**
EXPENSES						
Cost of materials consumed	7,642.28	14,009.26	8,649.00	10,190.27	7,938.38	7,391.45
Changes in inventories of finished goods and work-in-progress	181.91	(271.30)	(63.98)	(56.42)	40.55	77.23
Employee benefits expense	221.09	437.78	365.33	335.33	320.32	195.19
Finance costs	266.94	583.40	532.46	427.92	322.65	203.12
Depreciation and amortisation expense	228.82	397.00	308.63	255.65	184.19	124.52
Other expenses	498.94	982.43	802.60	807.91	685.76	540.48
Total expenses	**9,039.98**	**16,138.57**	**10,594.04**	**11,960.66**	**9,491.85**	**8,531.99**
Profit before tax	**375.52**	**383.98**	**327.11**	**404.01**	**305.15**	**291.38**
Tax expense						
Current tax	79.74	88.16	79.63	87.92	68.36	63.96
Deferred tax	102.38	104.99	61.68	65.00	70.13	81.17
Minimum Alternate Tax (MAT) credit entitlement	(79.74)	(88.16)	(55.24)	(36.64)	(55.38)	(50.74)
Profit after tax before minority interest	**273.14**	**278.99**	**241.04**	**287.73**	**222.04**	**196.99**
Profit attributable to minority shareholders	-	-	-	-	(5.85)	(2.21)
Net profit for the year	**273.14**	**278.99**	**241.04**	**287.73**	**216.19**	**194.78**
Earnings per equity share (Nominal value of equity share Rs 10 each)						
-Basic	11.47	12.80	11.11	13.26	10.84	11.53
-Diluted	11.08	12.80	11.11	13.26	10.84	9.59

Restated Consolidated Summary Statement of Cash Flows

(All amounts in ₹ millions, unless stated otherwise)

Particulars	For six months ended 30 September 2017	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
A. Cash flow from operating activities:						
Profit before tax	375.52	383.98	327.11	404.01	305.15	291.38
Adjustments for:						
Depreciation and amortisation expense	228.82	397.00	308.63	255.65	184.19	124.52
(Profit)/loss on sale of fixed assets (net)	(0.93)	(3.35)	0.84	(4.09)	(3.86)	(21.00)
Finance cost	266.94	583.40	532.46	427.92	322.65	203.12
Bad debts	-	5.25	8.07	19.09	12.53	-
Advances and other balances written off	0.64	2.43	21.89	3.34	-	-
Provision for impairment loss of property, plant and equipment and intangible assets	-	2.47	16.61	-	-	-
Provision for impairment of capital work-in-progress	1.38	6.03	-	-	-	-
Liabilities no longer required written back	-	(0.56)	(7.29)	(5.04)	(15.32)	-
Interest income	(7.46)	(15.27)	(18.74)	(27.52)	(41.52)	(31.85)
Unrealised (profit)/loss on foreign exchange rate variation (net)	(23.13)	(54.67)	7.89	(1.82)	(5.82)	(2.10)
(Profit)/loss on mark to market of derivative contracts	-	-	-	(15.03)	8.20	(5.74)
Provision for doubtful debts	-	0.88	-	-	1.54	8.06
Operating profit before working capital changes	**841.78**	**1,307.59**	**1,197.47**	**1,056.51**	**767.74**	**566.39**
Adjustments for movement in:						
Inventories	22.04	(418.93)	(363.39)	(152.40)	(126.69)	(381.27)
Trade receivables	1,355.57	(630.67)	(115.81)	(683.54)	193.14	(888.48)
Short-term loans and advances	(109.94)	32.00	23.52	(101.72)	(76.47)	(174.51)
Long-term loans and advances	28.91	(27.25)	(19.54)	40.05	(9.40)	15.28
Other current assets	(31.87)	4.36	6.92	6.79	(4.04)	18.17
Other non-current assets	0.00	(1.88)	-	3.53	38.58	-
Trade payables	(2,510.16)	1,676.07	446.34	411.92	(417.69)	1,122.35
Other current liabilities	(460.91)	(425.42)	271.48	39.89	802.27	395.46
Other long term liabilities	0.17	(447.22)	176.25	270.52	7.88	0.75
Short-term provisions	0.17	3.75	(2.62)	2.61	2.35	(49.49)
Long-term provisions	11.66	2.26	6.08	6.05	3.90	4.03
Cash flow from operating activities before taxes	**(852.60)**	**1,074.66**	**1,626.70**	**900.21**	**1,181.57**	**628.68**
Income taxes paid	(70.44)	(89.58)	(104.77)	(91.67)	(44.99)	(0.93)
Net cash generated from operating activities (A)	**(923.04)**	**985.08**	**1,521.93**	**808.54**	**1,136.58**	**627.75**
B. Cash flow from investing activities:						
Purchase of fixed assets (including capital advances and creditors for capital expenditure and capital work-in-progress)	(394.49)	(819.91)	(1,011.95)	(997.00)	(1,092.44)	(1,118.75)
Proceeds from sale of fixed assets	5.57	7.84	13.64	8.81	42.49	69.87
Changes in restricted cash	24.54	(87.39)	109.53	172.02	(130.96)	-
Changes in non-current fixed deposits	26.82	(12.32)	21.54	-	-	(120.89)
Purchase of equity shares of subsidiary	-	-	-	(85.50)	-	(417.53)

Particulars	For six months ended 30 September 2017	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
company (refer note 36)						
Proceeds from sale of investments	-	-	-	-	-	9.94
Interest received on deposits with banks	8.35	15.27	27.97	36.23	28.53	29.73
Consideration paid under business purchase arrangement (refer note 36)	-	-	-	-	-	(25.30)
Net cash utilised in investing activities (B)	**(329.21)**	**(896.51)**	**(839.27)**	**(865.44)**	**(1,152.38)**	**(1,572.93)**
C. Cash flow from financing activities:						
Proceeds from issue of share capital (includes share premium)	-	500.00	-	-	-	448.00
Proceeds from issue of debentures	-	500.00	-	-	-	252.00
Proceeds from long-term borrowings	686.29	463.93	1,506.11	1,105.59	844.77	358.82
Repayment of long-term borrowings	(756.40)	(118.49)	(1,640.85)	(800.63)	(190.27)	(130.38)
Net (decrease)/ increase in short-term borrowings	1,520.69	(718.19)	55.58	199.78	(310.33)	325.75
Finance cost paid	(234.71)	(579.26)	(599.44)	(497.06)	(385.14)	(210.26)
Interim dividend paid	-	(50.13)	-	-	-	(57.30)
Tax on interim dividend	-	(10.21)	-	-	-	(9.39)
Net cash generated /(utilised) from financing activities (C)	**1,215.87**	**(12.35)**	**(678.60)**	**7.68**	**(40.97)**	**977.24**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(36.38)	76.22	4.06	(49.22)	(56.77)	32.06
Opening cash and cash equivalents	100.21	23.99	19.93	69.15	125.92	92.04
Acquisition of cash and bank balances pursuant to the scheme of business purchase (refer Note 36)		-	-	-	-	1.82
Closing cash and cash equivalents	**63.83**	**100.21**	**23.99**	**19.93**	**69.15**	**125.92**

Restated Standalone Summary Statement of Assets and Liabilities

(All amounts in ₹ millions, unless stated otherwise)

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
EQUITY AND LIABILITIES						
Shareholders' funds						
Share capital	238.10	238.10	217.03	217.03	217.03	178.89
Reserves and surplus	3,301.82	3,029.91	2,306.06	2,101.82	1,843.47	1,140.51
	3,539.92	**3,268.01**	**2,523.09**	**2,318.85**	**2,060.50**	**1,319.40**
Non-current liabilities						
Long-term borrowings	1,788.94	2,491.14	1,614.22	1,450.07	1,174.54	1,464.24
Deferred tax liabilities (net)	520.03	420.18	308.54	248.67	175.86	112.59
Other long term liabilities	-	-	447.22	270.97	11.99	0.75
Long-term provisions	35.74	24.33	21.21	15.31	13.35	9.55
	2,344.71	**2,935.65**	**2,391.19**	**1,985.02**	**1,375.74**	**1,587.13**
Current liabilities						
Short-term borrowings	2,104.73	735.40	1,280.68	1,332.14	1,124.23	909.08
Trade payables						
-Dues to Micro Enterprises and Small Enterprises	128.91	257.15	165.17	113.26	3.29	2.18
-Dues to creditors other than Micro Enterprises and Small Enterprises	1,605.65	3,852.89	2,565.45	2,041.51	1,778.78	2,029.73
Other current liabilities	1,188.60	1,045.64	1,520.00	1,536.26	1,553.18	1,005.58
Short-term provisions	40.51	27.31	10.76	41.07	43.34	23.28
	5,068.40	**5,918.39**	**5,542.06**	**5,064.24**	**4,502.82**	**3,969.85**
Total	**10,953.03**	**12,122.05**	**10,456.34**	**9,368.11**	**7,939.06**	**6,876.38**
ASSETS						
Non-current assets						
Fixed assets						
Property, plant and equipment	4,287.54	4,327.51	3,976.45	3,257.96	2,631.56	2,177.29
Intangible assets	490.86	546.11	409.02	318.54	324.04	136.24
Capital work-in-progress	84.78	48.96	78.67	400.34	500.86	136.16
Intangible assets under development	218.32	119.93	198.34	92.05	-	103.13
Non-current investments	503.03	503.03	503.03	503.03	417.53	417.53
Long-term loans and advances	641.52	533.15	412.03	302.08	280.04	156.82
Other non-current assets	4.55	33.63	19.42	26.01	52.09	98.60
	6,230.60	**6,112.32**	**5,596.96**	**4,900.01**	**4,206.12**	**3,225.77**
Current assets						
Inventories	2,411.12	2,457.42	2,084.37	1,753.10	1,591.95	1,443.54
Trade receivables	1,643.28	2,931.75	2,332.30	2,084.18	1,411.60	1,593.42
Cash and bank balances	267.06	329.41	162.58	285.44	492.98	367.00
Short-term loans and advances	362.64	286.20	276.01	327.73	205.60	215.89

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Other current assets	38.33	4.95	4.12	17.65	30.81	30.76
	4,722.43	**6,009.73**	**4,859.38**	**4,468.10**	**3,732.94**	**3,650.61**
Total	**10,953.03**	**12,122.05**	**10,456.34**	**9,368.11**	**7,939.06**	**6,876.38**

Restated Standalone Summary Statement of Profit and Loss

(All amounts in ₹ millions, unless stated otherwise)

Particulars	For six months ended 30 September 2017	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
REVENUE						
Revenue from operations	8,880.81	15,544.77	9,780.74	10,812.23	8,383.05	8,211.54
Other income	32.80	72.05	23.63	62.31	64.99	51.14
Total revenue	**8,913.61**	**15,616.82**	**9,804.37**	**10,874.54**	**8,448.04**	**8,262.68**
EXPENSES						
Cost of materials consumed	7,308.95	13,403.06	7,876.09	9,023.18	6,951.82	6,995.98
Changes in inventories of finished goods and work-in-progress	180.97	(286.86)	(36.53)	(59.44)	10.98	66.71
Employee benefits expense	193.66	380.65	314.20	291.73	249.45	176.91
Finance costs	242.79	540.02	481.61	378.31	282.16	187.47
Depreciation and amortisation expense	207.99	359.67	280.32	232.15	167.10	118.94
Other expenses	411.31	807.71	624.59	657.07	534.20	456.25
Total expenses	**8,545.67**	**15,204.25**	**9,540.28**	**10,523.00**	**8,195.71**	**8,002.26**
Profit before tax	**367.94**	**412.57**	**264.09**	**351.54**	**252.33**	**260.42**
Tax expense						
Current tax	78.52	88.16	55.24	70.66	55.38	51.67
Deferred tax	99.86	111.64	59.85	73.50	63.23	74.04
Minimum Alternate Tax (MAT) credit entitlement	(78.52)	(88.16)	(55.24)	(45.38)	(55.38)	(50.74)
Profit for the year	**268.08**	**300.93**	**204.24**	**252.76**	**189.10**	**185.45**
Earnings per equity share (Nominal value of equity share Rs 10 each)						
-Basic	11.26	13.81	9.41	11.65	9.48	10.98
-Diluted	10.89	13.81	9.41	11.65	9.48	9.13

Restated Standalone Summary Statement of Cash Flows

(All amounts in ₹ millions, unless stated otherwise)

Particulars	For six months ended 30 September 2017	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
A. Cash flow from operating activities:						
Net profit before tax	367.94	412.57	264.09	351.54	252.33	260.42
Adjustments for:						
Depreciation and amortisation	207.99	359.67	280.32	232.15	167.10	118.94
(Profit)/Loss on sale of fixed assets (net)	(0.93)	(3.35)	0.74	(4.13)	(5.23)	(14.86)
Finance cost	242.79	540.02	481.61	378.31	282.16	187.47
Bad debts	-	5.25	0.49	7.18	8.71	-
Advances written off	-	1.98	4.50	2.51	-	-
Provision for impairment of property, plant and equipment and intangible assets	-	-	11.97	-	-	-
Liabilities no longer required written back	-	-	(0.06)	(4.09)	(15.32)	-
Interest income	(7.01)	(14.44)	(16.98)	(26.21)	(38.32)	(29.73)
Unrealised foreign exchange rate variation (net)	(20.81)	(45.97)	-	(1.82)	(4.48)	2.14
(Profit) / Loss on mark to market of derivative contracts	-	-	-	(15.03)	13.12	2.73
Provision for doubtful debts	-	-	-	-	-	4.65
Operating profit before working capital changes	**789.97**	**1,255.73**	**1,026.68**	**920.41**	**660.07**	**531.76**
Adjustments for movement in:						
Inventories	46.30	(373.01)	(331.30)	(161.17)	(148.40)	(398.19)
Trade receivables	1,288.47	(604.70)	(248.61)	(679.76)	170.05	(847.72)
Short-term loans and advances	(81.35)	(16.38)	29.27	(105.96)	(32.09)	(90.81)
Long-term loans and advances	30.31	(27.39)	(24.03)	40.04	3.19	(5.72)
Other current assets	(31.87)	-	3.48	10.01	(5.75)	(14.52)
Other non-current assets	-	(1.88)	0.61	3.53	-	-
Trade payables	(2,354.66)	1,425.40	576.38	378.61	(333.62)	999.75
Other current liabilities	(455.79)	(446.51)	249.94	58.50	223.20	232.31
Other long term liabilities	-	(447.22)	176.25	270.52	11.24	0.75
Short-term provisions	0.54	3.69	(2.72)	2.42	2.22	(48.66)
Long-term provisions	11.40	3.13	4.98	3.22	3.79	4.14
Cash flow from operating activities before taxes	**(756.68)**	**770.85**	**1,460.94**	**740.38**	**553.90**	**363.08**
Income taxes paid	(65.88)	(76.50)	(93.72)	(75.24)	(37.69)	(0.93)
Net cash generated from operating activities (A)	**(822.56)**	**694.35**	**1,367.21**	**665.14**	**516.21**	**362.15**
B. Cash flow from investing activities:						
Purchase of fixed assets (including capital advances and creditors for capital expenditure and capital work-in-progress)	(328.89)	(735.46)	(825.83)	(871.11)	(1,061.60)	(1,081.01)
Proceeds from sale of fixed assets	5.57	7.80	12.53	6.68	45.06	56.03
Changes in restricted cash	(18.13)	(94.53)	127.19	176.45	(84.62)	(119.77)
Changes in non-current fixed deposits	69.80	(12.32)	5.96	-	-	-

Particulars	For six months ended 30 September 2017	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
Purchase of equity shares of subsidiary	-	-	-	(85.50)	-	(407.59)
Interest received on deposits with banks	7.75	13.62	26.40	33.36	48.73	29.73
Consideration paid under business purchase arrangement (refer Note 37)	-	-	-	-	-	(25.30)
Net cash utilised in investing activities (B)	**(263.90)**	**(820.89)**	**(653.74)**	**(740.12)**	**(1,052.43)**	**(1,547.91)**
C. Cash flow from financing activities:						
Proceeds from issue of share capital (includes share premium)	-	500.00	-	-	-	448.00
Proceeds from issue of debentures	-	500.00	-	-	-	252.00
Proceeds from long-term borrowings	651.29	439.76	1,527.36	1,066.73	879.51	526.99
Repayment of long term borrowings	(753.18)	(105.50)	(1,640.86)	(800.63)	(202.76)	(132.95)
Net (decrease)/ increase in short term borrowings	1,369.33	(545.27)	(51.48)	207.91	215.16	333.58
Finance cost paid	(218.49)	(529.82)	(544.17)	(448.67)	(349.22)	(206.67)
Interim dividend paid	-	(50.13)	-	-	-	(57.30)
Tax on interim dividend	-	(10.21)	-	-	-	(9.39)
Net cash generated /(utilised) from financing activities (C)	**1,048.95**	**198.83**	**(709.15)**	**25.34**	**542.69**	**1,154.26**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(37.51)	72.29	4.32	(49.65)	6.47	(31.50)
Opening cash and cash equivalents	94.95	22.66	18.33	67.98	61.51	91.19
Transfer of cash and bank balances pursuant to the scheme of business purchase (refer note 37)	-	-	-	-	-	1.82
Closing cash and cash equivalents	**57.44**	**94.95**	**22.66**	**18.33**	**67.98**	**61.51**

THE OFFER

The following table summarizes the details of the Offer:

Offer	Up to [●] Equity Shares, aggregating up to ₹ 6,000 million
of which	
Fresh Issue[(1)]	Up to [●] Equity Shares, aggregating up to ₹ 4,750 million
Offer for Sale[(2)]	Up to [●] Equity Shares, aggregating up to ₹ 1,250 million
of which	
Offer for Sale by Jasbir Singh[(2)]	Up to [●] Equity Shares, aggregating up to ₹ 625 million
Offer for Sale by Daljit Singh[(2)]	Up to [●] Equity Shares, aggregating up to ₹ 625 million
The Offer comprises of:	
Employee Reservation Portion[(3)(4)]:	Up to [●] Equity Shares aggregating up to [●] million
Net Offer	Up to [●] Equity Shares aggregating up to [●] million
of which	
A) QIB Portion[(5)(6)]	Not more than [●] Equity Shares
of which:	
(i) Anchor Investor Portion	Not more than [●] Equity Shares
(ii) Balance available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares
of which:	
(a) Available for allocation to Mutual Funds only (5% of the QIB Portion excluding Anchor Investor Portion)	[●] Equity Shares
(b) Balance for all QIBs including Mutual Funds	[●] Equity Shares
B) Non-Institutional Portion[(6)]	Not less than [●] Equity Shares
C) Retail Portion[(6)]	Not less than [●] Equity Shares
Pre and post Offer Equity Shares	
Equity Shares outstanding prior to the Offer	25,916,855 Equity Shares
Equity Shares outstanding after the Offer	[●] Equity Shares
Utilisation of Net Offer Proceeds	See "*Objects of the Offer*" on page 86 for information about the use of the proceeds from Fresh Issue. Our Company will not receive any proceeds from the Offer for Sale.

(1) The Fresh Issue has been authorized by a resolution of our Board of Directors dated September 20, 2017 as modified by the resolution of our Board of Directors dated December 2, 2017 and by a special resolution of our Shareholders pursuant to their resolution dated September 26, 2017 as modified by their special resolution dated December 2, 2017.

(2) Jasbir Singh has consented to participate in the Offer for Sale and to offer up to [●] Equity Shares in the Offer aggregating up to ₹ 625 million pursuant to a letter dated September 28, 2017 as modified by the letter dated December 28, 2017. Daljit Singh has consented to participate in the Offer for Sale and to offer up to [●] Equity Shares in the Offer aggregating up to ₹ 625 million pursuant to a letter dated September 28, 2017 as modified by the letter dated December 28, 2017. The Promoter Selling Shareholders, severally and not jointly, confirm that the Equity Shares being offered by the Promoter Selling Shareholders in the Offer, have been held by them for a period of at least one year prior to the filing of the Draft Red Herring Prospectus with SEBI calculated in the manner as set out under Regulation 26(6) of SEBI Regulations and are eligible for being offered for sale in the Offer in terms of the SEBI Regulations.

(3) Pursuant to resolution dated [●], as passed by our Board, up to [●] Equity Shares have been reserved for allocation and Allotment on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion. Employee Discount of up to ₹ [●] to the Offer Price may be offered to the Eligible Employees bidding in the Employee Reservation Portion, to be announced at least five working days prior to the Bid/Offer opening date.

(4) The maximum Bid Amount under Employee Reservation Portion by an Eligible Employee shall not exceed ₹ 500,000 on a net basis. However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹ 200,000 (which will be

less Employee Discount). In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 200,000, subject to the maximum value of Allotment made to an Eligible Employee not exceeding ₹ 500,000. The unsubscribed portion, if any, in the Employee Reservation Portion shall be added to the Net Offer. *The unsubscribed portion if any, in the Employee Reservation Portion shall be added back to the Net Offer.*

(5) Our Company and the Promoter Selling Shareholders may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. The QIB portion will accordingly be reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. 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 (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion (excluding Anchor Investor Portion) and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see "Offer Procedure" on page 493.

(6) Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories at the discretion of our Company, the Promoter Selling Shareholders, the BRLMs and the Designated Stock Exchange, subject to applicable laws. In the event of under-subscription in the Offer, Equity Shares offered pursuant to the Fresh Offer shall be allocated prior to Equity Shares offered pursuant to the Offer for Sale. However, after receipt of minimum subscription of 90% of the Fresh Issue, Equity Shares offered pursuant to the Offer for Sale shall be allocated prior to Equity Shares offered pursuant to the Fresh Issue. For further details, see "Offer Structure" on page 489.

Allocation to all categories, except the Anchor Investor Portion and the Retail Portion, if any, shall be made on a proportionate basis, subject to valid Bids received at or above the Offer Price. The allocation to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be Allocated on a proportionate basis. For further details, see "*Offer Procedure - Basis of Allotment*" on page 524.

GENERAL INFORMATION

Our Company was incorporated as Amber Enterprises India Private Limited pursuant to a certificate of incorporation dated April 2, 1990 under the provisions of the Companies Act, 1956 issued by the RoC. Our Company was converted to a public limited company pursuant to a special resolution passed by our shareholders on September 20, 2017 and a fresh certificate of incorporation dated September 22, 2017 was issued by the Registrar of Companies, Chandigarh, consequently, the name of our Company was changed to Amber Enterprises India Limited and a fresh certificate of incorporation consequent on change of name dated September 22, 2017 was issued by the RoC. For further details, see "*History and Certain Corporate Matters*" on page 164.

For details of the business of our Company, see "*Our Business*" on page 144.

Registered Office

C-1, Phase – II Focal Point
Rajpura Town – 140 401, Punjab
Tel: +91 1762 232126
Fax: +91 1762 232127
Email: info@ambergroupindia.com
Website: www.ambergroupindia.com
Corporate Identity Number: U28910PB1990PLC010265
Registration Number: 010265

Corporate Office

Universal Trade Tower
1st Floor, Sector – 49
Sohna Road
Gurgaon – 122 018
Tel: +91 124 3923000
Fax: +91 124 3923016

Address of the RoC

Our Company is registered with the RoC situated at;
1st Floor, Corporate Bhawan, Plot No.4 B
Sector 27 B, Madhya Marg
Chandigarh – 160 019

Board of Directors

The Board of Directors of our Company comprises the following:

Name	Designation	DIN	Address
Jasbir Singh	Chairman and Chief Executive Officer	00259632	248 - I, Vasant Vihar, Dehradun, Uttarakhand, 248 001
Daljit Singh	Managing Director	02023964	G - 45, Sliver Oak Avenue, DLF City, Phase - I, Gurgaon, Haryana -122 002
Manoj Kumar Sehrawat	Nominee Director	02224299	72 Bayshore Road, #30-14, Singapore, 469988
Satwinder Singh	Independent Director	00164903	F-703, Mayurdhwaj Apartments, 60 I.P. Extension, Patparganj, Delhi – 110 092
Sudha Pillai	Independent Director	02263950	D-241, Second Floor, Sarvodaya Enclave, Delhi – 110 017
Girish Kumar Ahuja	Independent Director	00446339	A 53, Kailash Colony, New Delhi – 110 048

For further details in relation to our Directors, see "*Our Management*" on page 175.

Company Secretary and Compliance Officer

Konica Yadav is the Company Secretary and the Compliance Officer of our Company. Her contact details are as follows:

Konica Yadav

Universal Trade Tower, 1st Floor
Sector 49, Sohna Road

Gurgaon – 122018, Haryana
Tel: +91 124 392 3000
Fax: +91 124 392 3016, 17
E-mail: cs_corp@ambergroupindia.com

Chief Financial Officer

Sudhir Goyal is the Chief Financial Officer of our Company. His contact details are as follows:

Sudhir Goyal

Universal Trade Tower, 1st Floor
Sector 49, Sohna Road
Gurgaon – 122018, Haryana
Tel: +91 124 392 3000
Fax: +91 124 392 3016, 17
E-mail: sudhirgoyal@ambergroupindia.com

Investor Grievance

Investors can contact the Company Secretary and Compliance Officer, the BRLMs or the Registrar to the Offer in the event of any pre-Offer or post-Offer related issues, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

All Offer related grievances may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder. ASBA Account number in case of ASBA Bidders and unique transaction reference number and the name of the relevant bank in case of Anchor Investors.

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

Promoter Selling Shareholders

The Promoter Selling Shareholders in the Offer are the Promoters of our Company, namely, Jasbir Singh and Daljit Singh. For details of our Promoters, see "*Our Promoters and Promoter Group*" on page 191.

Book Running Lead Managers

Edelweiss Financial Services Limited

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

IDFC Bank Limited

Naman Chambers, C – 32, G Block
Bandra Kurla Complex
Bandra (East)
Mumbai – 400 051
Tel: +91 22 7132 5500
Fax: +91 22 6622 2501
E-mail: amber.ipo@idfcbank.com

Investor Grievance E-mail: mb.ig@idfcbank.com
Website: www.idfcbank.com
Contact Person: Gaurav Goyal
SEBI Registration No.: INM000012250

SBI Capital Markets Limited

202, Maker Tower 'E'
Cuff Parade
Mumbai – 400 005
Tel: +91 22 2217 8300
Fax: +91 22 2218 8332
E-mail: amber.ipo@sbicaps.com
Investor grievance e-mail: investor.relations@sbicaps.com
Website: www.sbicaps.com
Contact Person: Aditya Deshpande
SEBI Registration No.: INM000003531

BNP Paribas

BNP Paribas House
1 North Avenue, Maker Maxity
Bandra-Kurla Complex
Bandra (East)
Mumbai 400 051
Tel: (91 22) 3370 4000
Fax: (91 22) 6196 5194
E-mail: dl.ipo.amber@asia.bnpparibas.com
Investor grievance e-mail:
indiainvestors.care@asia.bnpparibas.com
Website: www.bnpparibas.co.in
Contact Person: Bhumika Chauhan
SEBI Registration No.: INM000011534

Syndicate Members

Edelweiss Securities Limited
2nd Floor, M.B. Towers
Plot No. 5, Road No. 2
Banjara Hills, Hyderabad-500 034
Telangana, India
Tel: +91 22 4063 5569
Fax: +91 22 6747 1347
Email: amber.ipo@edelweissfin.com
Website: www.edelweissfin.in
Contact Person: Prakash Boricha
SEBI Registration No.: INB011193332 (BSE), INB231193310 (NSE), INB261193396

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

SBICAP Securities Limited
Marathon Futurex, 12th Floor
A & B - Wing, N M Joshi Marg
Lower Parel, Mumbai 400 013
Maharashtra, India
Tel: +91 22 4227 3346
Fax: +91 22 4227 3390
E-mail: archana.dedhia@sbicapsec.com
Website: www.sbismart.com
Contact Person: Archana Dedhia
SEBI Registration No.: NSE: INB231052938; BSE: INB 011053031

Sharekhan Limited
10th Floor, Beta Building
Lodha iThink Techno Campus
Off Jogeshwari-Vikhroli Link Road
Opposite Kanjurmarg Railway Station
Kanjurmarg
Mumbai 400 042
Tel: +91 22 6115 0000
Fax: +91 22 6748 1899
E-mail: pravin@sharekhan.com, mehul@sharekhan.com
Website: www.sharekhan.com
Contact Person: Pravin Darji/Mehul Koradia
SEBI Registration No.: INB011073351 (BSE), INB231073330 (NSE)

Indian Legal Counsel to our Company and the Promoter Selling Shareholders

Cyril Amarchand Mangaldas
4th floor, Prius Platinum
D-3, District Centre
Saket
New Delhi – 110 017
Tel: 011 6622 9000
Fax: 011 6622 9009

Indian Legal Counsel to the Book Running Lead Managers

Khaitan & Co

Ashoka Estate, 12th Floor
24, Barakhamba Road
New Delhi 110 001, India
Tel: +91 11 4151 5454
Fax: +91 11 4151 5318

One Indiabulls Centre
13th Floor
Tower 1, 841, Senapati Bapat Marg
Mumbai 400 013, Maharashtra, India
Tel: +91 22 6636 5000
Fax: +91 22 6636 5050

Statutory Auditors to our Company

Walker Chandiok & Co LLP, Chartered Accountants*
Plot No.19A
7th Floor, Sector 16A
Noida
Uttar Pradesh – 201 301
Tel: +91 12 0710 9001
Fax: +91 12 2071 9002
E-mail: sumit.mahajan@in.gt.com
Firm Registration No.: 001076N/N500013
Peer review no: 009046
** Please note that Walker, Chandiok & Co. LLP, Chartered Accountants, were appointed as the joint statutory auditors with R.K. Pahwa and Co., Chartered Accountants. However, R.K. Pahwa and Co., Chartered Accountants resigned in 2014. BM Sharma & Associates, Chartered Accountants, were appointed as joint statutory auditors with M/s Walker, Chandiok & Co. LLP, Chartered Accountants for the Fiscal 2015. The appointment of M/s Walker Chandiok & Co LLP is for five years and the appointment of M/s BM Sharma & Associates, was for four years. However, M/s BM Sharma & Associates, Chartered Accountants resigned in 2016.*

Registrar to the Offer

Karvy Computershare Private Limited
Karvy Selenium Tower B
Plot 31 and 32, Gachibowli
Financial District, Nanakramguda
Hyderabad – 500 032
Tel: +91 40 6716 2222
Fax: +91 40 2343 1551
E-mail: einward.ris@karvy.com
Investor grievance e-mail: amber.ipo@karvy.com
Website: www.karishma.karvy.com
Contact Person: M. Murali Krishna
SEBI Registration No.: INR000000221

Bankers to the Offer, Escrow Collection Bank and Refund Bank

IDFC Bank Limited
Building no 2, 2nd Floor, Mindspace Juinagar,
TTC Industrial Area, Juinagar
Navi Mumbai – 400706
Tel: +91 22 4285 0610/0019/0011
Fax: +91 22 4222 2305
E-mail: escrow.services@idfcbank.com
Website: www.IDFCBANK.com
Contact Person: V.M. Praveen/Lissy Alexander

Public Offer Bank

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: +91 022-30752927 / 28 / 14
Fax: +91 022-25799801
E-mail: vincent.dsouza@hdfcbank.com, siddharth.jadhav@hdfcbank.com, prasanna.uchil@hdfcbank.com
Contact Person: Vincent D'souza, Siddharth Jadhav, Prasanna Uchil

Bankers and Lenders to our Company

IDFC Bank Limited
Sood Tower, 4th Floor
East Wing, Barakhamba Road, Connaught Place
New Delhi 110 001
Tel: +91 11 6671 2074
Fax: +91 11 2332 8553
E-mail: gaurav.jindal@idfcbank.com
Website: www.idfcbank.com
Contact person: Gaurav Jindal

DBS Bank Limited
Capitol Point, Baba kharak Singh Marg
New Delhi 110001
Tel: +91 011 6621 1886
Fax: +91 011 6621 1865
E-mail: piyushgarg@dbs.com
Website: www.dbsbank.in
Contact person: Piyush Garg

Axis Bank Limited
Corporate Banking Branch
2nd Floor, Parsvnath Capital Tower
Bhai Veer Singh Marg
Gole Market
New Delhi - 110 001
Tel: +91 011 4739 6661
Fax: +91 011 4739 6601
E-mail: subhodip.mukherjee@axisbank.com
Website: www.axisbank.com
Contact person: Subhodip Mukherjee

IndusInd Bank Limited
3rd Floor, Tower B, Building No.10
DLF Cyber City
Phase II
Gurgaon-122 002
Tel: +91 12 4474 9735
Fax: +91 12 4474 9597
E-mail: Rohit.Joshi@indusind.com
Website: www.indusind.com
Contact person: Rohit Joshi

IDBI Bank Limited
SCO-72-73, Sector-17 B
Bank Square, Post Nag No. 27
Chandigarh-160017
Tel: 0172 5059311

Siemens Financial Services Private Limited
JIL Building, Tower-B
Plot No. 78, Sector 18
Gurgaon 122015
Tel: +91 12 4621 6014
Fax: +91 12 4380 4679
E-mail: sangeeta.shinde@siemens.com
Website: www.siemens.co.in/finance
Contact person: Sangeeta Shinde

State Bank of India
Overseas Branch, 9th Floor
Jawahar Vyapar Bhavan,
Tolstoy Marg
New Delhi – 110 001
Tel: +91 11 2337 4932
Fax: +91 11 2370 1184
E-mail: rm5.04803@sbi.co.in
Website: www.sbi.co.in
Contact person: Brijendra Singh Rathore

Hero Fincorp Limited
09, Basant Lok, Vasant Vihar
New Delhi- 110 057
Tel: +91 011 4948 7150
Fax: +91 011 4948 7197
E-mail: pawneesh.rampal@herofincorp.com
Website: www.herofincorp.com
Contact person: Pawneesh Rampal

RBL Bank Limited
Ground Floor, Gopal Das Bhawan
28, Barakhamba Road
Connaught Place
New Delhi – 110 001
Tel: +91 11 4936 5500
Fax: +91 11 3352 1414
E-mail: Amit.Mahajan@rblbank.com
Website: www.rblbank.com
Contact person: Amit Mahajan

Societe Generale
Office No 202, 2nd Floor
Tower B, World mark 1, Aero City
NH-8, New Delhi-110037
Tel: +91 11 4350 3000

Fax: -
E-mail: abhijit.srivastava@idbi.co.in
Website: www.idbi.co.in
Contact Person: Abhijeet Srivastava

Tata Capital Financial Services Limited
Address: 7th Floor
Videocon Tower
Block-E1
Jhandewalan Extension
New Delhi-110055
Tel: +91 11 6678 6100
Fax: +91 11 6678 6200
E-mail: saurabh.khurana@tatacapital.com
Website: https://www.tatacapital.com
Contact Person: Saurabh Khurana

Fax: +91 11 4350 3030
E-mail: nitin-n.jain@socgen.com
Website: www.societegenerale.asia
Contact Person: Nitin Jain

Yes Bank Limited
Emerging Corporates Banking
D-12, South Extension II
New Delhi 110049
Tel: +91 11 4602 9064
Fax: +91 11 2625 4000
Email: bryan.munzey@yesbank.in
Website: https://www.yesbank.in
Contact Person: Mr. Bryan Munzey

Designated Intermediaries

Self Certified Syndicate Banks

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

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investors) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes.

Registered Brokers

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the BSE and the NSE at http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=7 and https://www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm, respectively, as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of Stock Exchanges at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=7 and https://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, as updated from time to time.

Collecting Depository Participants

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

Experts

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

Our Company has received written consent from the Statutory Auditors namely, Walker Chandiok & Co LLP, Chartered Accountants, holding a valid peer review certificate from ICAI, to include their name as expert under Section 26 read with Section 2(38) of the Companies Act, 2013 in this Red Herring Prospectus in relation to the report dated December 28, 2017 on the Restated Financial Statements of our Company and the statement of tax benefits dated December 28, 2017, included in this

Red Herring Prospectus and such consent has not been withdrawn up to the time of delivery of this Red Herring Prospectus. The term expert and consent thereof, does not represent an expert or consent within the meaning under the Securities Act.

Our Company has received written consent dated September 22, 2017 from Sushil Kumar Sharma, Chartered Engineer, to include their name as expert under section 26 read with Section 2 (38) of the Companies Act, 2013 in this Red Herring Prospectus in connection with his certificate dated September 22, 2017 issued in relation to the installed and utilised capacities of our manufacturing facilities, included in this Red Herring Prospectus and such consent has not been withdrawn as of the date of this Red Herring Prospectus.

Monitoring Agency

Our Company has appointed HDFC Bank Limited as the monitoring agency in accordance with Regulation 16 of the SEBI Regulations.

Appraising Entity

None of the objects for which the Net Offer Proceeds will be utilised have been appraised by any agency.

Inter-se Allocation of Responsibilities

The following table sets forth the inter-se allocation of responsibilities for various activities among the BRLMs for the Offer.

Sr. No	Activity	Responsibility	Co-ordinator
1.	Capital structuring with the relative components and formalities such as composition of debt and equity, type of instruments, and positioning strategy	Edelweiss, BNP, IDFC, SBICAP	Edelweiss
2.	Pre-Offer due diligence of our Company including its operations/management/business plans/legal etc., Drafting and design of DRHP, RHP and Prospectus. Ensure compliance and completion of prescribed formalities with the Stock Exchanges, SEBI and RoC including finalisation of RHP, Prospectus and RoC filing	Edelweiss, BNP, IDFC, SBICAP	Edelweiss
3.	Drafting and approval of all statutory advertisements	Edelweiss, BNP, IDFC, SBICAP	Edelweiss
4.	Drafting and approval of all publicity material other than statutory advertisements as mentioned in 3 above, including corporate advertising, brochures, media monitoring, filing media compliance report etc.	Edelweiss, BNP, IDFC, SBICAP	BNP
5.	Appointment of Registrar to the Offer, Printers, Advertising agency (including coordinating all agreements to be entered with such parties)	Edelweiss, BNP, IDFC, SBICAP	Edelweiss
6.	Appointment of Banker(s) to the Offer, Monitoring Agency (including coordinating all agreements to be entered with such parties)	Edelweiss, BNP, IDFC, SBICAP	IDFC
7.	Preparation of road show presentation and FAQs for the road show team	Edelweiss, BNP, IDFC, SBICAP	Edelweiss
8.	International institutional marketing (Global excluding Europe) of the Offer, which will cover, inter alia • Overall Institutional marketing strategy • Finalizing the list and division of investors for one to one meetings; and • Finalizing road show schedule and investor meeting schedules	Edelweiss, BNP, IDFC, SBICAP	Edelweiss
9.	International institutional marketing (Europe) of the Offer, which will cover, *inter alia*:	Edelweiss, BNP, IDFC, SBICAP	BNP

Sr. No	Activity	Responsibility	Co-ordinator
	• Finalizing the list and division of international investors for one-to-one meetings • Finalizing international road show and investor meeting schedules		
10.	Domestic institutional marketing of the Offer, which will cover, *inter alia*: • Finalizing the list and division of domestic investors for one-to-one meetings Finalizing domestic road show and investor meeting schedules	Edelweiss, BNP, IDFC, SBICAP	IDFC
11.	Non-institutional and Retail marketing of the Offer, which will cover, *inter-alia*: • Finalising media, marketing, public relations strategy and publicity budget • Finalising collection centres • Finalising centres for holding conferences for brokers etc. Follow-up on distribution of publicity and Offer material including form, RHP/Prospectus and deciding on the quantum of the Offer material	Edelweiss, BNP, IDFC, SBICAP	SBICAP
12.	Coordination with Stock Exchanges for book building software, bidding terminals and mock trading including coordination with Stock Exchanges for deposit of 1% security deposit	Edelweiss, BNP, IDFC, SBICAP	SBICAP
13.	Managing the book and finalization of pricing in consultation with the Company	Edelweiss, BNP, IDFC, SBICAP	Edelweiss
14.	Post-Bidding activities – managing Anchor book related activities and submission of letters to regulators post completion of Anchor issue, management of escrow accounts, finalization of the basis of allotment based on technical rejections, Basis Advertisement, listing of instruments, demat credit and refunds/ unblocking of funds, payment of the applicable STT, coordination with SEBI and Stock Exchanges for refund of 1% security deposit and coordination with various agencies connected with the post-issue activity such as registrars to the issue, bankers to the issue, SCSBs, including responsibility for execution of underwriting arrangements, as applicable	Edelweiss, BNP, IDFC, SBICAP	SBICAP

Credit Rating

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

Trustees

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

Book Building Process

The book building process, in the context of the Offer, refers to the process of collection of Bids from investors on the basis of this Red Herring Prospectus and the Bid cum Application Form within the Price Band, which will be decided by our Company and the Promoter Selling Shareholders in consultation with the BRLMs, and advertised in all editions of Business Standard - English (a widely circulated English national daily newspaper), all editions of Business Standard - Hindi (a widely circulated Hindi national daily newspaper) and the Patiala edition of Charhdikala (a widely circulated Punjabi daily newspaper), Punjabi being the regional language of Punjab where our Registered and Corporate Office is located) at least five Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites. The Offer Price shall be determined by our Company and the Promoter Selling Shareholders in consultation with the BRLMs after the Bid/ Offer Closing Date.

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

In accordance with the SEBI Regulations, QIBs and Non-Institutional Bidders are not permitted to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders and Eligible Employees bidding in the Employee Reservation Portion can revise their Bids during the Bid/ Offer

Period and withdraw their Bids until the Bid/ Offer Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/ Offer Period. Allocation to the Anchor Investors will be on a discretionary basis.

The process of Book Building under the SEBI Regulations and the Bidding Process are subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to submitting a Bid in the Offer.

For further details on the method and procedure for Bidding, see "*Offer Procedure*" on page 493.

Illustration of Book Building Process and Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, see "*Offer Procedure – Part B – Basis of Allocation – Illustration of the Book Building Process and Price Discovery Process*" on page 523.

Underwriting Agreement

After the determination of the Offer Price, but prior to the filing of the Prospectus with the RoC, our Company and the Promoter Selling Shareholders will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. It is proposed that pursuant to the terms of the Underwriting Agreement, the BRLMs will be responsible for bringing in the amount devolved in the event that the Syndicate Members does not fulfil its underwriting obligations. The Underwriting Agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions specified therein.

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

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

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

The above-mentioned is indicative underwriting and will be finalised after determination of Offer Price and Basis of Allotment and subject to the provisions of the SEBI Regulations.

In the opinion of the Board of Directors, the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The 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/committee of Directors, at its meeting held on [●], 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 Underwriters shall be severally responsible for ensuring payment with respect to the 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 subscribers for or subscribe to the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement. The Underwriting Agreement stated above shall not apply to the applications by the ASBA Bidders in the Offer, except for ASBA Bids procured by any member of the Syndicate. The Underwriting Agreement has not been executed as on the date of this Red Herring Prospectus and will be executed after the determination of the Offer Price, but prior to the filing of the Prospectus with the RoC.

CAPITAL STRUCTURE

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

(In ₹ except share data)

		Aggregate value at face value	Aggregate value at Offer Price*
A	**AUTHORIZED SHARE CAPITAL**[(1)]		
	45,000,000 Equity Shares of face value of ₹ 10 each	450,000,000	
B	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE OFFER**		
	25,916,855 Equity Shares	259,168,550	[●]
C	**PRESENT OFFER IN TERMS OF THIS RED HERRING PROSPECTUS**		
	Offer of up to [●] Equity Shares of face value of ₹10 each[(2)(3)]	[●]	[●]
	of which		
	Fresh Issue of up to [●] Equity Shares of face value of ₹10 each aggregating up to ₹ 4,750 million [(2)]	[●]	[●]
	Offer for Sale of up to [●] Equity Shares of face value of ₹10 each aggregating up to ₹ 1,250 million [(3)]	[●]	[●]
	Employee Reservation Portion of up to [●] Equity Shares aggregating to ₹ [●] million	[●]	[●]
D	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer		1,884,067,949
	After the Offer		[●]
E	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE OFFER**		
	[●] Equity Shares of face value of ₹10 each [*]	[●]	[●]

* *To be updated upon finalization of the Offer Price.*

(1) For details in relation to the changes in the authorized share capital of our Company, see "History and Certain Corporate Matters" on page 164.

(2) The Fresh Issue has been authorized by a resolution of our Board of Directors dated September 20, 2017 as modified by the resolution of our Board of Directors dated December 2, 2017 and by a special resolution of our Shareholders pursuant to their resolution dated September 26, 2017 as modified by their special resolution dated December 2, 2017.

(3) For details of authorizations received for the Offer for Sale, see "The Offer" on page 62. *The Equity Shares being offered by the Promoter Selling Shareholders have been held for a period of at least one year immediately preceding the date of filing of the Draft Red Herring Prospectus with the SEBI, and are eligible for being offered for sale pursuant to the Offer in terms of the SEBI Regulations.*

Notes to the Capital Structure

1. **Share Capital History of our Company**

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

Date of Allotment	No. of Equity Shares Allotted	Face Value (₹)	Issue price per Equity Share (₹)	Nature of consideration	Nature of transaction	Cumulative Number of Equity Shares	Cumulative Paid-up Equity Share Capital (in ₹)
March 29, 1990	80	10	10	Cash	Initial subscription to the MOA[(1)]	80	800
March 2, 1993	201,200	10	10	Cash	Allotment[(2)]	201,280	2,012,800

Date of Allotment	No. of Equity Shares Allotted	Face Value (₹)	Issue price per Equity Share (₹)	Nature of consideration	Nature of transaction	Cumulative Number of Equity Shares	Cumulative Paid-up Equity Share Capital (in ₹)
June 18, 1993	144,000	10	10	Cash	Allotment [(3)]	345,280	3,452,800
April 20, 1996	276,500	10	10	Cash	Allotment [(4)]	621,780	6,217,800
December 17, 1998	275,700	10	10	Cash	Allotment[(5)]	897,480	8,974,800
September 2, 2000	402,400	10	10	Cash	Allotment [(6)]	1,299,880	12,998,800
November 18, 2004	350,600	10	10	Cash	Allotment[(7)]	1,650,480	16,504,800
May 8, 2011	140,000	10	10	Cash	Allotment [(8)]	1,790,480	17,904,800
June 11, 2011	12,533,360	10	-	NA	Bonus issue in the ratio of 7 Equity Shares for every one Equity Share held [(9)]	14,323,840	143,238,400
July 12, 2012	3,565,045	10	125.66	Cash	Allotment[(10)]	17,888,885	178,888.850
August 13, 2013	2,387,307	10	125.66	Cash	Allotment pursuant to conversion of compulsorily convertible debentures[(11)]	20,276,192	202,761,920
November 7, 2013	1,426,596	10	176.64	Cash	Allotment pursuant to conversion of compulsorily convertible debentures[(12)]	21,702,788	210,027,880
March 16, 2017	2,107,037	10	237.30	Cash	Allotment pursuant to conversion of CCPS[(13)]	23,809,825	238,098,250
December 2, 2017	2,107,030	10	237.30	Cash	Allotment pursuant to conversion of CCDs[(14)]	25,916,855	259,168,550

(1) 10 Equity Shares were allotted to Diwan Chand, 10 Equity Shares were allotted to Jagan Nath, 10 Equity Shares were allotted to Amar Nath, 10 Equity Shares were allotted to Pirthi Chand, 10 Equity Shares were allotted to Ram Ji Dass, 10 Equity Shares were allotted to Mohan Lal, 10 Equity Shares were allotted to Kartar Singh and 10 Equity Shares were allotted to Ranjeet Kaur pursuant to their subscription to the MoA.

(2) Allotment of 81,900 Equity Shares to Kartar Singh, 75,400 Equity Shares to Dayal Singh, 16,500 Equity Shares to Kirpal Singh, 21,400 Equity Shares to Ranjeet Kaur and 6,000 Equity Shares to Jagdeep Singh.

(3) 9,000 Equity Shares were allotted to Kartar Singh, 4,000 Equity Shares were allotted to Ranjeet Kaur, 9,500 Equity Shares were allotted to Kirpal Singh, 67,500 Equity Shares were allotted to Dayal Singh, 2,500 Equity Shares were allotted to Jagdeep Singh, 6,000 Equity Shares were allotted to Ravinder Kaur, 25,000 Equity Shares were allotted to Sher Singh, 15,000 Equity Shares were allotted to Gurnam Singh, 3,000 Equity Shares were allotted to R. P. Verma and 2,500 Equity Shares were allotted to Krishna Verma. As the return of allotment (Form 2) is not available for this allotment, we have relied on minutes of meetings of the Board of Directors dated June 18, 1993 and the register of allotment for the same.

(4) 22,000 Equity Shares were allotted to Kartar Singh, 31,000 Equity Shares were allotted to Dayal Singh, 22,000 Equity Shares were allotted to Kirpal Singh, 5,000 Equity Shares were allotted to Mann Singh, 14,500 Equity Shares

were allotted to Sher Singh, 23,000 Equity Shares were allotted to Jagdip Singh, 15,000 Equity Shares were allotted to Gurnam Singh, 4,000 Equity Shares were allotted to Sohan Singh, 25,000 Equity Shares were allotted to M.K. Mehta, 25,000 Equity Shares were allotted to Arjun Singh, 5,000 Equity Shares were allotted to Prem Singh, 5,000 Equity Shares were allotted to Lal Singh and 80,000 Equity Shares were allotted to Kuldip Singh. As the return of allotment (Form 2) is not available for this allotment, we have relied on minutes of meetings of the Board of Directors dated April 20, 1996 and the register of allotment for the same.

(5) Allotment of 25,000 Equity Shares to Kartar Singh, 10,000 Equity Shares to Dayal Singh, 14,000 Equity Shares to Sher Singh, 132,500 Equity Shares to Jagdip Singh, 14,000 Equity Shares to Sohan Singh, 8,000 Equity Shares to Prem Singh, 8,000 Equity Shares to Lal Singh, 3,000 Equity Shares to Jaswant Singh, 3,000 Equity Shares to Pritam Singh, 10,000 Equity Shares to M. K. Mehta, 10,000 Equity Shares to Gurnam Singh, 10,000 Equity Shares to Arjun Singh, 25,000 Equity Shares to Kashmir Singh, 2,000 Equity Shares to Chand Kaur and 1,200 Equity Shares to Kulwant Singh. For the allotment of Equity Shares on December 17, 1998, there were certain discrepancies in relation to statutory filings of our Company. Please see "Risk Factor – We have limited records of documents relating to corporate actions undertaken by our Company and we do not have statutory filings in relation to certain disclosures made in this Red Herring Prospectus." on page 20.

(6) 41,200 Equity Shares were allotted to Kartar Singh, 214,500 Equity Shares were allotted to Kirpal Singh, 42,500 Equity Shares were allotted to Dayal Singh, 58,500 Equity Shares were allotted to Harminder Singh, 29,200 Equity Shares were allotted to Jasbir Singh, 11,500 Equity Shares were allotted to Ranjeet Kaur and 5,000 Equity Shares were allotted to Jagdip Singh. As the return of allotment (Form 2) is not available for this allotment, we have relied on minutes of meetings of the Board of Directors dated September 2, 2000 and the register of allotment for the same.

(7) Allotment of 45,500 Equity Shares to Kartar Singh, 47,600 Equity Shares to Kirpal Singh, 25,000 Equity Shares to Jagdip Singh, 14,500 Equity Shares to Piara Singh, 50,000 Equity Shares to Surinder Singh, 138,000 Equity Shares to Onkar Singh, 20,000 Equity Shares to Sukhwinder Singh and 10,000 Equity Shares to Dilip Kaur.

(8) Allotment of 20,000 Equity Shares to Kartar Singh, 20,000 Equity Shares to Kirpal Singh, 10,000 Equity Shares to Jasbir Singh, 80,000 Equity Shares to Jagdeep Singh and 10,000 Equity Shares to Dilip Kaur.

(9) Bonus issue in the ratio 7:1 to all shareholders as on June 4, 2011 authorised by the shareholders resolution dated June 10, 2011 and allotment was made by the Board through a resolution dated June 11, 2011. Bonus issue was undertaken through capitalisation of profits of our Company. The issue of Equity Shares was as follows: 1,295,280 Equity Shares to Kartar Singh, 399,700 Equity Shares to Kirpal Singh, 5,850,110 Equity Shares to Jasbir Singh and 4,988,270 Equity Shares to Daljit Singh.

*(10) Pursuant to investment agreement executed by and amongst the Company, our Promoters, Reliance Alternative Investments Fund – Private Equity Scheme I and Green India Venture Fund (represented by IFCI Venture Capital Funds Limited) dated July 12, 2012 ("**Investment Agreement**"), 3,565,045 Equity Shares and 2,520,000 compulsorily convertible debentures of face value ₹ 100 were allotted to Reliance Alternative Investments Fund – Private Equity Scheme – I.*

(11) Pursuant to SPA1, 3,000,000 compulsorily convertible debentures were converted to 2,387,307 Equity Shares and were allotted to Green India Venture Fund. For further details see "History and Certain Corporate Matters" on page 164.

(12) Pursuant to the Investment Agreement, Reliance Alternative Investments Fund – Private Equity Scheme – I held 2,520,000 compulsorily convertible debentures. Upon conversion of the compulsorily convertible debentures, 1,426,596 Equity Shares were allotted to Reliance Alternative Investments Fund – Private Equity Scheme – I which rank pari - passu with the existing Equity Shares.

(13) Pursuant to the SSA, 2,107,037 CCPS of ₹ 10 each and 10 CCDs of face value of ₹ 50.00 million each were allotted to Ascent. Upon conversion of 2,107,037 CCPS, 2,107,037 Equity Shares were allotted to Ascent.

(14) Pursuant to the SSA, 10 CCDs of face value of ₹ 50.00 million each were allotted to Ascent. Upon conversion of 10 CCDs, 2,107,030 Equity Shares were allotted to Ascent on December 2, 2017.

(b) The history of the preference share capital of our Company is set forth in the table below:

Date of Allotment of the Preference Shares	No. of preference shares Allotted	Face Value (₹)	Issue price (₹)	Nature of consideration	Nature of transaction	Cumulative number of preference shares	Cumulative Paid-up preference share capital (in ₹)
January 12, 2017	2,107,037	10	237.30	Cash	Allotment[(1)]	2,107,037	21,070,370

Date of Allotment of the Preference Shares	No. of preference shares Allotted	Face Value (₹)	Issue price (₹)	Nature of consideration	Nature of transaction	Cumulative number of preference shares	Cumulative Paid-up preference share capital (in ₹)
March 16, 2017	(2,107,037)	10	Not applicable	Not applicable	Converted into Equity Shares[(2)]	0	0

(1) Pursuant to the SSA, 2,107,037 CCPS were allotted to Ascent.

(2) Pursuant to the SSA 2,107,037 CCPS were allotted to Ascent. Upon conversion of 2,107,037 CCPS, 2,107,037 Equity Shares were allotted to Ascent.

2. **Issue of Equity Shares at price lower than the Offer Price in the last year**

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

S.no	Name of the Allottee	Date of allotment	No. of Equity Shares	Issue Price (₹)	Reason
1.	Ascent	March 16, 2017	2,107,037	237.30	Upon conversion of CCPS[(1)]
2.	Ascent	December 2, 2017	2,107,030	237.30	Upon conversion of the CCDs[(2)]

(1) Pursuant to the SSA, 2,107,037 CCPS were allotted to Ascent at a price of ₹ 237.30 per CCPS and upon conversion of CCPS, 2,107,037 Equity Shares were allotted to Ascent.

(2) Pursuant to the SSA, 10 CCDs with face value of ₹ 50.00 million each held by Ascent were converted into 2,107,030 Equity Shares.

3. **Issue of Equity Shares in the last two years**

For details of issue of Equity Shares by our Company in the two immediately preceding years, see "- *Share Capital History of our Company*" on page 73.

4. **Issue of Equity Shares for consideration other than cash or out of revaluation reserves**

Our Company has not issued any Equity Shares or preference shares, including any bonus shares, out of revaluation of reserves at any time since incorporation.

Our Company has not issued Equity Shares for consideration other than cash and no benefit has accrued to our Company.

5. **History of the Equity Share Capital held by the Promoters**

As on the date of this Red Herring Prospectus, our Promoters hold 14,588,550 Equity Shares, equivalent to 56.29% of the issued, subscribed and paid-up Equity Share capital of our Company.

- *Build-up of the Promoters' shareholding in our Company*

  The build-up of the Equity Shareholding of our Promoters since incorporation of our Company is set forth in the table below.

Name of Promoter	Date of Allotment/Transfer*	Nature of transaction	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue Price/ Transfer Price per Equity Share (₹)	Percentage of the pre- Offer capital (%)	Percentage of the post- Offer capital (%)
Jasbir Singh	September 2, 2000	Allotment	29,200	Cash	10	10	0.11	[●]
	July 30, 2004	Transfer from Kirpal Singh	214,500	Cash	10	10	0.83	[●]
	July 30, 2005	Transfer from Lal Singh	13,000	Cash	10	10	0.05	[●]
	July 30, 2005	Transfer from Jaswant Singh	3,000	Cash	10	10	0.01	[●]
	July 30, 2005	Transfer from Surinder Singh	50,000	Cash	10	10	0.19	[●]
	July 30, 2005	Transfer from Onkar Singh	138,000	Cash	10	10	0.53	[●]
	July 30, 2005	Transfer from Sukhwinder Singh	20,000	Cash	10	10	0.08	[●]
	November 16, 2009	Transfer from Kartar Singh	249,530	Cash	10	10	0.96	[●]
	November 16, 2009	Transfer from Harminder Singh	58,500	Cash	10	10	0.23	[●]
	May 8, 2011	Allotment	10,000	Cash	10	10	0.04	[●]
	June 3, 2011	Transfer from Kirpal Singh	20,000	Cash	10	10	0.08	[●]
	June 3, 2011	Transfer from Jagdeep Singh	20,000	Cash	10	10	0.08	[●]
	June 3, 2011	Transfer from Dilip Kaur	10,000	Cash	10	10	0.04	[●]
	June 11, 2011	Bonus issue in the ratio of 7 Equity Shares for every one Equity Share held	5,850,110	-	10	-	22.57	[●]
	September 8, 2017	Transfer to Amandeep Kaur	(100)	Cash	10	10	Negligible	[●]
	December 7, 2017	Transfer from Ascent	1,053,515	Cash	10	278.31	4.06	[●]
	December 22, 2017	Transfer from Ascent	47,500	Cash	10	1	0.18	[●]
Total	-	-	7,786,755	-	-	-	30.05	[●]
Daljit Singh	November 16, 2009	Transfer from Kartar Singh	322,500	Cash	10	10	1.24	[●]
	November 16, 2009	Transfer from Sohan Singh	18,000	Cash	10	10	0.07	[●]
	November 16, 2009	Transfer from Pritam Singh	3,000	Cash	10	10	0.01	[●]
	November 16, 2009	Transfer from Krishna Verma	2,500	Cash	10	10	0.01	[●]

Name of Promoter	Date of Allotment/Transfer*	Nature of transaction	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue Price/ Transfer Price per Equity Share (₹)	Percentage of the pre- Offer capital (%)	Percentage of the post-Offer capital (%)
	November 1, 2009	Transmission of shares from Ranjeet Kaur	306,610	Other than Cash	10	-	1.18	[●]
	June 3, 2011	Transfer from Jagdeep Singh	60,000	Cash	10	10	0.23	[●]
	June 11, 2011	Bonus issue in the ratio of 7 Equity Shares for every one Equity Share held	4,988,270	-	10	-	19.25	[●]
	September 8, 2017	Transfer to Sukhmani Lakhat	(100)	Cash	10	10	Negligible	[●]
	December 7, 2017	Transfer from Ascent	1,053,515	Cash	10	278.31	4.06	[●]
	December 22, 2017	Transfer from Ascent	47,500	Cash	10	1	0.18	[●]
Total	-	-	6,801,795	-	-	-	26.24	[●]

** Please see "Risk Factor – We have limited records of documents relating to corporate actions undertaken by our Company and we do not have statutory filings in relation to certain disclosures made in this Red Herring Prospectus." on page 20.*

All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares.

None of the Equity Shares held by our Promoters are pledged or otherwise encumbered.

Other than as disclosed in "- *History of the Equity Share Capital held by our Promoters" on page 76*, none of our Promoters have undertaken any sale of Equity Shares of our Company since incorporation.

- *The details of the Shareholding of our Promoters and the members of the Promoter Group as on the date of filing of this Red Herring Prospectus are set forth in the table below.*

S. No.	Name of the Shareholder	Pre-Offer		Post-Offer	
		No. of Equity Shares	% of total Share-holding	No. of Equity Shares	% of total Share-holding
Promoters					
1.	Jasbir Singh	7,786,755	30.05	[●]	[●]
2.	Daljit Singh	6,801,795	26.24	[●]	[●]
	Total (A)	**14,588,550**	**56.29**	[●]	[●]
Promoter Group					
1.	Kartar Singh	708,667	2.73	[●]	[●]
2.	Amandeep Kaur	100	0.00	[●]	[●]
3.	Sukhmani Lakhat	100	0.00	[●]	[●]
	Total (B)	**708,867**	**2.74**	**[●]**	**[●]**
	Total (A+B)	**15,297,417**	**59.02**	**[●]**	**[●]**

- *Details of Promoters' contribution and lock-in*:

(i) Pursuant to Regulations 32 and 36 of the SEBI Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by the Promoters shall be locked in for a period of three years from the date of Allotment ("**Promoters' Contribution**"), and the Promoters' shareholding in excess of 20% of the fully diluted post-Offer Equity Share capital shall be locked in for a period of one year from the date of Allotment.

(ii) Details of the Equity Shares to be locked-in for three years as minimum promoters' contribution are set forth in the table below.

Name of the Promoter	Date of allotment of the Equity Shares	Date of transaction and when made fully paid-up	Nature of transaction	No. of Equity Shares	Face Value (₹)	Issue/ acquisition price per Equity Share (₹) and nature of consideration	No. of Equity Shares locked-in	Percentage of the post-Offer paid-up capital (%)
Jasbir Singh	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Daljit Singh	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
	Total						[●]	[●]

The Promoters have confirmed that the Equity Shares held by them and which will be locked-in as the Promoters' Contribution have been allotted to them pursuant to a bonus issue which were allotted to them on the Equity Shares acquired by them through their own funds or received by way of inheritance and no loans or financial assistance from any bank or financial institutions have been availed by them for this purpose.

(iii) The minimum Promoters' contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as 'promoter' under the SEBI Regulations. Our Company undertakes that the Equity Shares that are being locked-in are not ineligible for computation of Promoters' Contribution in terms of Regulation 33 of the SEBI Regulations. In this connection, we confirm the following:

(a) The Equity Shares offered for Promoters' Contribution do not include Equity Shares acquired in the three immediately preceding years: (a) 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 bonus shares issued against Equity Shares, which are otherwise ineligible for computation of Promoter's Contribution;

(b) The Promoters' contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;

(c) Our Company has not been formed by the conversion of a partnership firm into a company; and

(d) The Equity Shares forming part of the Promoter's contribution are not subject to any pledge.

- *Other lock-in requirements:*

(i) In addition to the 20% of the fully diluted post-Offer shareholding of our Company held by the Promoters and locked in for three years as specified above, the entire pre-Offer Equity Share capital of our Company and any unsubscribed portion of the Offer for Sale will be locked-in for a period of one year from the date of Allotment.

(ii) The Equity Shares held by the Promoters, which are locked-in may be transferred to and among the other Promoters and the members of the Promoter Group or to any new promoter or persons in control of our Company, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Regulations, as applicable.

(iii) Pursuant to Regulation 39(a) of the SEBI Regulations, the Equity Shares held by our Promoters, which are locked-in for a period of three years from the date of Allotment may till such time that they are locked-in, be pledged only with scheduled commercial banks or public financial institutions

as collateral security for loans granted by such banks or public financial institutions, provided that such loans have been granted by such bank or institution for the purpose of financing one or more of the objects of the Offer and pledge of the Equity Shares is a term of sanction of such loans.

(iv) Pursuant to Regulation 39(b) of the SEBI Regulations, the Equity Shares held by our Promoter which are locked-in for a period of one year from the date of Allotment may be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or public financial institutions, provided that such pledge of the Equity Shares is one of the terms of the sanction of such loans.

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

(vi) Any Equity Shares Allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.

6. **Shareholding Pattern of our Company**

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

Category (I)	Category of Shareholder (II)	No. of Shareholders (III)	No. of fully paid up Equity Shares held (IV)	No. of Partly paid-up Equity Shares held (V)	No. of shares underlying depository receipts (VI)	Total No. of shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No. of Equity Shares underlying outstanding convertible securities (including warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted Equity Share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	No. of locked in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		No. of Equity Shares held in dematerialized form (XIV)
								No of Voting Rights					No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
								Class (Equity)	Total	Total as a % of (A+B+C)							
(A)	Promoter & Promoter Group	5	15,297,417	0	0	15,297,417	59.02	Equity	One vote per Equity Share	59.02	0	59.02	-		684,204	2.64%	15,297,417
(B)	Public	27	10,619,438	-	-	10,619,438	40.98	Equity	One vote per Equity Share	40.98	0	40.98	-		-		10,619,438
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-		-		-
(C1)	Shares underlying depository receipts	-	-	-	-	-	-	-	-	-	-	-	-		-		-
(C2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-	-	-	-		-		-
	Total	32	25,916,855	0	0	25,916,855	100	Equity	One vote per Equity Share	-	0	100	-		-		25,916,855

7. **Details of Equity Shareholding of the 10 largest Shareholders of our Company**

(a) The 10 largest Equity Shareholders and the number of Equity Shares held by them as on the date of filing of this Red Herring Prospectus is set forth in the table below.

No.	Name of the Shareholder	No. of Equity Shares	Percentage of the pre-Offer Equity Share Capital (%)
1.	Jasbir Singh	7,786,755	30.05
2.	Daljit Singh	6,801,795	26.24
3.	Ascent Investment Holdings Pte. Ltd.	6,577,639	25.38
4.	Edelweiss Crossover Opportunities Fund	1,124,101	4.34
5.	Kartar Singh	708,667	2.73
6.	DF International Private Partners	499,602	1.93
7.	Aadi Financial Advisors LLP	499,602	1.93
8.	Akash Manek Bhanshali	499,602	1.93
9.	GMO Emerging Domestic Opportunities Fund, A Series of GMO Trust	499,595	1.93
10.	Kirpal Singh	99,991	0.39
	Total	**25,097,349**	**96.85**

(b) The 10 largest Equity Shareholders and the number of Equity Shares held by them 10 days prior to the date of filing of this Red Herring Prospectus is set forth in the table below.

No.	Name of the Shareholder	No. of Equity Shares	Percentage of the pre-Offer Equity Share Capital (%)
1.	Jasbir Singh	7,786,755	30.05
2.	Daljit Singh	6,801,795	26.24
3.	Ascent Investment Holdings Pte. Ltd.	6,577,639	25.38
4.	Edelweiss Crossover Opportunities Fund	1,124,101	4.34
5.	Kartar Singh	708,667	2.73
6.	DF International Private Partners	499,602	1.93
7.	Aadi Financial Advisors LLP	499,602	1.93
8.	Akash Manek Bhanshali	499,602	1.93
9.	GMO Emerging Domestic Opportunities Fund, A Series of GMO Trust	499,595	1.93
10.	Kirpal Singh	299,973	1.16
	Total	**25,297,331**	**97.62**

(c) The 10 largest Equity Shareholders and the number of Equity Shares held by them two years prior to the date of filing of this Red Herring Prospectus are as follows:

No.	Name of the Shareholder	No. of Equity Shares	Percentage of the pre-Offer Equity Share Capital (%)
1.	Reliance Alternative Investments Fund Private Equity Scheme - I	7,378,948	34.00
2.	Jasbir Singh	6,685,840	30.81
3.	Daljit Singh	5,700,880	26.27
4.	Kartar Singh	1,480,320	6.82
5.	Kirpal Singh	456,800	2.10
	Total	**21,702,788**	**100**

8. **Details of Equity Shares held by our Directors and Key Management Personnel of our Company**

(i) Details of the Equity Shares held by our Directors in our Company as on the date of this Red Herring Prospectus are set forth in the table below.

No.	Name	No. of Equity Shares	Percentage of the pre-Offer share capital (%)	Percentage of the post-Offer share capital (%)
1.	Jasbir Singh	7,786,755	30.05	[●]
2.	Daljit Singh	6,801,795	26.24	[●]

(ii) Other than Jasbir Singh and Daljit Singh, none of the Key Management Personnel of our Company hold any Equity Shares of our Company as on the date of this Red Herring Prospectus.

9. As on the date of this Red Herring Prospectus, the BRLMs and their respective associates (as defined under the Companies Act) do not hold any Equity Shares of our Company.

In addition to above, Edelweiss Crossover Opportunities Fund (holding 1,124,101 Equity Shares of the Company), is a scheme of Edelweiss Alternative Investment Opportunities Trust, a SEBI registered Category II AIF ("ECOF"). Edelweiss Multi Strategy Fund Advisors LLP ("EMS LLP") is the sponsor of ECOF. Edelweiss Multi Strategy Funds Management Private Limited, a wholly-owned subsidiary of Edelweiss Financial Services Limited, which holds majority economic interest in EMS LLP.

10. ***Employee Stock Option Plan***

Our Company has instituted the Amber Enterprises India Limited – Employees Stock Option Plan 2017 ("**ESOP 2017**") pursuant to a resolution passed by our Board at its meeting held on September 26, 2017 and approved by the special resolution passed by our shareholders on September 26, 2017, in the extra-ordinary general meeting of our Company. The purpose of the ESOP 2017 is to attract, reward, motivate and retain talent in the organization. The ESOP 2017 is in compliance with the SEBI (Share Based Employee Benefits) Regulations, 2014, as amended.

A maximum number of 518,300 options can be granted to eligible employees under the ESOP 2017, in one or more tranches, from time to time, exercisable in aggregate into not more than 518,300 Equity Shares on payment of the requisite exercise price to the Company. The vesting period of options granted shall be not earlier than one year and not more than five years from the date of grant of such options.

As on date of this Red Herring Prospectus, our Company has not granted any options under ESOP 2017.

11. Our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation.

12. Except for the following transfers, none of the members of the Promoter Group, the Promoters, or the Directors and their immediate relatives have purchased or sold any securities of our Company during the period of six months immediately preceding the date of filing of the Draft Red Herring Prospectus with the SEBI:

Name of the Transferor	Name of the Transferee	Date of Transfer	Number of Equity Shares	Price per Equity Shares (₹) unless otherwise stated	Aggregate Consideration (in ₹) unless otherwise stated	Percentage (%) of the pre-Offer capital
Jasbir Singh	Amandeep Kaur	September 8, 2017	100	10	1,000	Negligible
Daljit Singh	Sukhmani Lakhat	September 8, 2017	100	10	1,000	Negligible

13. As on the date of the filing of this Red Herring Prospectus, the total number of our Shareholders is 32.

14. Neither our Company, Promoters nor the Directors have entered into any buy-back, safety net and/or standby arrangements for purchase of Equity Shares from any person. Further, the BRLMs have not entered into any buy-back, safety net and/or standby arrangements for purchase of Equity Shares from any person.

15. All Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Red Herring Prospectus.

16. A Bidder cannot make a Bid for more than the number of Equity Shares offered in the Offer, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.

17. Any oversubscription to the extent of 10% of the Offer can be retained for the purposes of rounding off to the nearer multiple of minimum allotment lot.

18. Other than with respect to the Offer for Sale by the Promoters, none of the members of our Promoters and Promoter Group will participate in the Offer.

19. There have been no financing arrangements whereby our Promoters, members of 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 business of the financing entity during a period of six months immediately preceding the date of filing of the Draft Red Herring Prospectus.

20. Our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares, or by way of further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares), whether on a preferential basis, or by way of issue of bonus Equity Shares, or on a rights basis, or by way of further public issue of Equity Shares, or qualified institutions placement, or otherwise. The foregoing restrictions do not apply to: (a) the issuance of any Equity Shares pursuant to this Offer; and (b) any allotment of options under the ESOP 2017.

21. The Offer is being made in terms of Rule 19(2)(b) of SCRR. The Offer is being made through the Book Building Process in accordance with Regulation 26(1) of the SEBI Regulations, wherein not more than 50% of the Net Offer shall be available for allocation on a proportionate basis to QIBs. Our Company and the Promoter Selling Shareholders may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, out of which one-third shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Offer Price, in accordance with the SEBI Regulations. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance of Equity Shares shall be added to the QIB Portion. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Offer Price such that subject to availability of Equity Shares, each Retail Individual Bidder shall be allotted not less than the Minimum Bid Lot, and the remaining Equity Shares, if available, shall be allotted to all Retail Individual Bidders on a proportionate basis.

22. Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the Promoter Selling Shareholders, the BRLMs and the Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws. The unsubscribed portion if any, in the Employee Reservation Portion shall be added back to the Net Offer.

23. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

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

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

26. Up to [●] Equity Shares shall be offered for allocation and Allotment on a proportionate basis to Eligible Employees in the Employee Reservation Portion. Eligible Employees Bidding in the Employee Reservation Portion can Bid upto a Bid Amount of ₹ 500,000 (which shall be less the Employee Discount). However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid Amount of upto ₹ 200,000. In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 500,000 (net basis). The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation over ₹ 200,000 and up to ₹ 500,000), shall be added to the Net Offer. Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. All Bidders shall participate in the Offer mandatorily through the ASBA process, providing the details of their respective bank accounts, which will be blocked by SCSBs.

27. No person connected with the Offer, including, but not limited to, the BRLMs, the members of the Syndicate, our Company, the Directors, the Promoters, members of the Promoter Group, and Group Companies, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid. Further, no payment, direct or indirect benefit in the nature of discount (except Employee Discount),

commission and allowance or otherwise shall be offered or paid either by our Company or our Promoters or our Promoter Group to any person in connection with making an application for or receiving any Equity Shares pursuant to this Offer.

28. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares, as on the date of this Red Herring Prospectus.

29. There will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue, conversion of convertible instruments or in any other manner during the period commencing from submission of the DRHP with SEBI until the Equity Shares to be issued pursuant to the Offer have been listed on the Stock Exchanges.

OBJECTS OF THE OFFER

The Offer comprises a Fresh Issue by our Company and an Offer for Sale by the Promoter Selling Shareholders.

The Offer for Sale

The Promoter Selling Shareholders will be entitled to the proceeds of the Offer for Sale of their respective portion of the Equity Shares after deducting their portion of the Offer related expenses and relevant taxes thereon. Our Company will not receive any proceeds from the Offer for Sale. All expenses in relation to the Offer other than the listing fees (which shall be borne by our Company) shall be shared among our Company and the Promoter Selling Shareholders in accordance with applicable laws. Each Promoter Selling Shareholder shall reimburse our Company for all expenses incurred in relation to the Offer for Sale on behalf of such Promoter Selling Shareholder.

Fresh Issue

Our Company intends to utilize the Net Offer Proceeds from the Fresh Issue towards the following objects:

1. Prepayment or repayment of all or a portion of certain borrowings availed by our Company; and

2. General corporate purposes.

The main objects and objects incidental and ancillary to the main objects set out in the our Memorandum of Association enables our Company to undertake our existing business activities and the activities for which funds are being raised by us through the Fresh Issue and for which the loans proposed to be repaid from the Net Offer Proceeds were utilised. In addition, we expect to achieve the benefit of listing of our Equity Shares on the Stock Exchanges.

The details of the Net Offer Proceeds are set forth in the following table:

Particulars		Estimated Amount (In ₹ million)
Gross proceeds of the Fresh Issue		4,750.00
Less:	Offer related expenses to be borne by our Company*	[●]
Net Offer Proceeds		[●]

* *To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC*

Requirements of Funds

The Net Offer Proceeds are proposed to be used in accordance with the details provided in the following table:

Particulars	Amount (In ₹ million)
Prepayment or repayment of all or a portion of certain borrowings availed by our Company	4,000.00
General corporate purposes[(1)]	[●]

(1) To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.

In case of a shortfall in the Net Offer Proceeds, our management may explore alternate means for such repayment or prepayment (as the case may be), including utilisation of our internal accruals or further debt financing.

Means of Finance

The entire requirement of funds towards the objects of the Offer will be met from the Net Offer Proceeds. Accordingly, as required under the SEBI Regulations, we confirm that there is no requirement 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 from the Offer.

Schedule for Utilisation of the Net Offer Proceeds

We propose to deploy the Net Offer proceeds for the aforesaid purposes in accordance with the estimated schedule set forth in the table below:

(In ₹ million)

Sr. No.	Particulars	Amount proposed to be funded from Net Offer Proceeds[(1)]	Estimated Utilisation of Net Offer Proceeds in Fiscal 2018
1.	Prepayment or repayment of all or a portion of certain borrowings availed by our Company	4,000.00	4,000.00
2.	General corporate purposes	[●]	[●]

Sr. No.	Particulars	Amount proposed to be funded from Net Offer Proceeds[(1)]	Estimated Utilisation of Net Offer Proceeds in Fiscal 2018
Total		[●]	[●]

(1) To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the ROC

To the extent our Company is unable to utilise any portion of the Net Offer Proceeds towards the aforementioned objects of the Offer, as per the estimated schedule of utilisation specified above, our Company shall deploy the Net Offer Proceeds in the subsequent Financial Years towards the aforementioned objects in accordance with the applicable law.

Details of Utilisation of Net Offer Proceeds

The details of utilisation of the Net Offer Proceeds are set forth herein below:

1. Prepayment or repayment of all or a portion of certain borrowings availed by our Company

Our Company proposes to utilise an aggregate amount of ₹ 4,000.00 million from the Net Offer Proceeds towards full or partial re-payment or prepayment of the loans availed by our Company. The selection and extent of loans proposed to be repaid from our Company's loans mentioned below will be based on various commercial considerations including, among others, the costs, expenses and charges relating to the facility including interest rate of the relevant loan, the amount of the loan outstanding, the remaining tenor of the loan, presence of onerous terms and conditions under the facility, levy of any prepayment penalties and the quantum thereof, provisions of any law, rules, regulations governing such borrowings, terms of pre-payment to lenders, if any and mix of credit facilities provided by lenders.

Given the nature of these borrowings and the terms of repayment, the aggregate outstanding amounts under these loans may vary from time to time and our Company may, in accordance with the relevant repayment schedule, repay or refinance some of its existing borrowings prior to Allotment. However, the aggregate amount to be utilised from the Net Offer Proceeds towards prepayment or repayment of loans in part or full, would not exceed ₹ 4,000.00 million. The prepayment or repayment will help reduce our outstanding indebtedness and debt servicing costs, assist us in maintaining a favourable debt to equity ratio and enable utilisation of our internal accruals for further investment in business growth and expansion. In addition, we believe that the leverage capacity of our Company will improve our ability to raise further resources in the future to fund potential business development opportunities and plans to grow and expand our business in the future.

The following table provides details of loans availed by our Company as on December 27, 2017, which we propose to prepay or repay, in full or in part, from the Net Offer Proceeds of an aggregate amount of ₹ 4,000.00 million:

(₹. In Million)

S. No.	Name of Lender	Nature of Borrowing	Date of the Loan Agreements/ Sanction Letters	Applicable Interest rate (%)	Sanction amount as on December 27, 2017	Outstanding amount as on December 27, 2017	Repayment schedule	Purpose of availing the Loan	Pre-payment penalty, if any
1	DBS Bank	Working capital demand loan ("**WCDL")**	Sanction letter dated March 20, 2017 and supplemental working capital facility agreement dated October 12, 2012	8.35%	150.00	150.00	NA	Working capital	Nil
2	DBS Bank	Sales invoice discounting	Sanction letter dated March 20, 2017 and supplemental working capital facility agreement dated October 12, 2012	8.75%	250.00	129.91	NA	Working capital	Nil
3	HDFC Bank	WCDL	Sanction letters dated March 16, 2017 and July 19, 2013 and loan agreement dated July 20, 2013	8.60%	550.00	350.00	NA	Working capital	Nil
4	IDBI Bank	WCDL	Sanction letter dated August 8, 2016 and the facility agreement dated March 3, 2014	8.80%	300.00	150.00	NA	Working capital	Nil
5	IDFC Bank Limited	Term loan	Sanction letter dated October 28, 2015 and term loan (having stamp paper dated November 05, 2015)	10.10%	300.00	219.99	44 monthly instalments starting from Jan 2017 to August, 2020	Term loan for capital expenditure	As mutually agreed
6	IDFC Bank Limited	Term loan	Sanction letter dated June 22, 2017 and term loan agreement dated June 22, 2017	9.25%	650.00	649.27	69 Monthly Instalments starting from June 2018 to Mar 2024	Takeover of term loan from IndusInd Bank Limited	Nil, in case of prepayment through IPO Proceeds

S. No.	Name of Lender	Nature of Borrowing	Date of the Loan Agreements/ Sanction Letters	Applicable Interest rate (%)	Sanction amount as on December 27, 2017	Outstanding amount as on December 27, 2017	Repayment schedule	Purpose of availing the Loan	Pre-payment penalty, if any
7	Siemens Financial Services Private Limited	Term loan	₹ 116.14 million finance agreement dated July 27, 2016 and sanction letter dated July 26, 2016 ₹ 28.4 million - sanction letter dated January 16, 2017 and finance agreement dated January 31, 2017	₹ 116.14 million - 11% 28.4 million -10.75%	144.59	103.03	₹ 116.14 million - 50 equal Monthly Instalments starting from August 2016 to September 2020 ₹ 28.4 million - 6 months moratorium & 54 equal Monthly Instalments starting from August 2017 to January 2022	Term loan for capital expenditure	4% on prepaid amount/amount outstanding (partial prepayment not allowed)
8	RBL Bank Limited	WCDL	Sanction letter dated October 25, 2017	9.00%	250.00	50.00	NA	Working capital	Nil
9	RBL Bank Limited	Term Loan	Sanction letter dated October 25, 2017 and master facilities agreement (having stamp paper dated October 27, 2017)	9.05%	400.00	400.00	22 equal quarterly installments	Term Loan	1% of the outstanding loan amount if repaid in 1 year. No prepayment penalty in case of payment made through IPO proceeds or repayment made post 1 year.
10	Societe Generale	WCDL	Sanction letter dated October 13, 2017 and working capital facility agreement (having stamp paper dated October 31,2017)	8.80%	500.00	350.00	NA	Working capital	Nil
11	Hero FinCorp Limited	Term loan	Sanction letter dated March 25, 2016 and master facilities agreement dated March 28, 2016	10.50%	750.00	725.00	24 Structured quarterly instalments starting from July 2017 to April 2023	Takeover of loans for consolidation of existing term loans	3%
12	State Bank of India (includes State Bank of Hyderabad now merged with	WCDL	Sanction letter dated May 30, 2016 and March 31, 2017 and agreement for loan for overall limit dated May	8.60%	450.00	450.00	NA	Working capital	Nil

S. No.	Name of Lender	Nature of Borrowing	Date of the Loan Agreements/ Sanction Letters	Applicable Interest rate (%)	Sanction amount as on December 27, 2017	Outstanding amount as on December 27, 2017	Repayment schedule	Purpose of availing the Loan	Pre-payment penalty, if any
	State Bank of India)		23, 2015 and January 27, 2015.						
13	Yes Bank	WCDL	Sanction Letter dated October 16, 2017 and master facility agreement (having stamp paper dated November 2, 2017)	8.40%	400.00	400.00	NA	Working capital	Nil
14	Tata Capital Financial Services Limited	Invoice Discounting	Master facility agreement (having stamp paper dated February 28, 2017) and sanction letter dated February 22, 2017	9.50%	750.00	249.56	NA	Working capital	Nil
15	Tata Capital Financial Services Limited	Term loan	Term loan agreement dated March 24, 2015 and sanction letter dated March 20, 2015.	9.75%	150.00	80.91	6 months moratorium start from the date of first tranche disbursement i.e. from October 2015, thereafter payable in equal monthly installments	Term loan for capital expenditure	2% of the amount prepaid
16	Tata Capital Financial Services Limited	Term loan	Term loan agreement dated September 07, 2016 and sanction letter dated July 28, 2016	9.75%	200.00	200.00	Payable in equal quarterly instalments starting from January 2018.	Term loan for capital expenditure	1st year - 3% of the amount prepaid from 2nd year - 2% of the amount prepaid
17	Clix Capital Services Private Limited (Formerly GE Capital Services Limited)	Finance lease	Master lease agreement dated September 24, 2014 and sanction letter dated September 8, 2014	14.00% - 15.00%	250.00	69.91	Quarterly Instalments as per various repayment schedule starting from November 2014	Finance lease	1.50% of the outstanding amount
Total						**4,727.59**			

As certified by Komondoor & Co. LLP, Chartered Accountants (FRN: 001420S/S200034), through their certificate dated December 28, 2017 ("**Utilisation Certificate**"), no exceptions have been reported in the loans set out in the table above being utilised by our Company for the respective purposes for which they were raised.

Some of our financing agreements provide for the levy of prepayment penalties. Given the nature of these borrowings and the terms of prepayment, the aggregate outstanding loan amounts may vary from time to time. In the event that there are any prepayment penalties required to be paid under the terms of the relevant financing agreements, such prepayment penalties shall be paid by our Company out of our internal accruals.

For further details in relation to the terms and conditions under the aforesaid loan agreements as well as restrictive covenants in relation thereto, see *"Financial Indebtedness"* on page 423.

2. General Corporate Purposes

Our Company proposes to deploy the balance Net Offer Proceeds, aggregating to ₹[●] million, towards general corporate purposes, subject to such utilisation not exceeding 25 % of the Gross Proceeds of the Fresh Issue, in compliance with the SEBI Regulations, including but not limited to strategic initiatives, acquisitions, partnerships and joint ventures strengthening of our marketing and distribution capabilities, meeting our working capital requirements, meeting exigencies which our Company may face in the ordinary course of business, meeting fund requirements which our Company may face in the ordinary course of business, meeting expenses incurred in the ordinary course of business and any other purpose as may be approved by the Board or a duly appointed committee from time to time, subject to compliance with the necessary provisions of the Companies Act and SEBI Regulations. Our Company's management, in accordance with the policies of the Board subject to applicable laws, will have flexibility in utilising any surplus amounts.

Offer Expenses

The total expenses of the Offer are estimated to be approximately ₹[●] million. All expenses in relation to the Offer other than the listing fees (which shall be borne by our Company) will be shared between our Company and the Promoter Selling Shareholders on a pro-rata basis in proportion to the Equity Shares issued and allotted by our Company in the Fresh Issue and the Equity Shares sold by the Promoter Selling Shareholder in the Offer for Sale, in accordance with applicable law. However, in the event that the Offer is withdrawn by our Company for any reason whatsoever, all the Offer related expenses will be borne by our Company. Any payments by our Company in relation to the Offer expenses on behalf of the Promoter Selling Shareholder shall be reimbursed by the Promoter Selling Shareholder to our Company. The break-up for the Offer expenses is as follows:

Activity	Estimated expenses[(1)] (in ₹ million)	As a % of the total estimated Offer expenses[(1)]	As a % of the total Offer size[(1)]
BRLMs fees and commissions (including underwriting commission	[●]	[●]	[●]
Brokerage and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs[(3)(4)]	[●]	[●]	[●]
Selling Commission and/processing fee for SCSBs[(2)]	[●]	[●]	[●]
Fees payable to the Registrar to the Offer	[●]	[●]	[●]
Other advisors to the Offer	[●]	[●]	[●]
Others	[●]	[●]	[●]
- BSE and NSE Processing fees, SEBI filing fees, book building software fees	[●]	[●]	[●]
- Advertising and marketing expenses, Printing and stationery	[●]	[●]	[●]
- Miscellaneous (Listing fees, Audit Fees, Demat Charges, Others)	[●]	[●]	[●]
Total estimated Offer expenses	[●]	[●]	[●]

(1) Amounts will be finalised on determination of Offer Price and other details.

(2) Selling commission payable to the SCSBs on the portion for Retail Individual Investors and Non-Institutional Investors which are directly procured by the SCSBs, would be as follows:

*Portion for Retail Individual Investors**	0.30*% of the Amount Allotted (plus applicable taxes)*
*Portion for Non-Institutional Investors**	0.20*% of the Amount Allotted (plus applicable taxes)*
*Portion for Eligible Employees**	0.15*% of the Amount Allotted (plus applicable taxes)*

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

Selling Commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE

No processing fees shall be payable by our Company and the Promoter Selling Shareholders to the SCSBs on the applications directly procured by them.

Processing fees payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Bidders which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSB for blocking, would be as follows:

*Portion for Retail Individual Bidders**	*₹ 10 per valid application (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*₹ 10 per valid application (plus applicable taxes)*
*Portion for Eligible Employees**	*₹ 10 per valid application (plus applicable taxes)*

(3) Selling commission on the portion for Retail Individual Bidders and Non-Institutional Bidders which are procured by members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, RTAs and CDPs would be as follows:

Portion for Retail Individual Bidders	*0.30% of the Amount Allotted* (plus applicable taxes)*
Portion for Non-Institutional Bidders	*0.20% of the Amount Allotted* (plus applicable taxes)*
Portion for Eligible Employees	*0.15% of the Amount Allotted* (plus applicable taxes)*

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

The Selling Commission payable to the Syndicate / Sub-Syndicate Members will be determined on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate / Sub-Syndicate Member.

Bidding Charges payable to members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs on the portion for Retail Individual Bidders and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking, would be as follows: ₹ 10 per valid Bid cum Application Form (plus applicable taxes) by the member of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs.

The selling commission and Bidding Charges payable to Registered Brokers the RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE.

The selling commission or charges, as the case may be, payable to SCSBs, members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, RTAs and CDPs is subject to finalization of the Basis of Allotment.

Interim use of proceeds

Our Company, in accordance with the policies established by the Board from time to time, will have flexibility to deploy the Net Offer Proceeds. The Net Offer Proceeds of the Offer pending utilisation for the purposes stated in this section shall be deposited only in scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Offer Proceeds for any buying, trading, or otherwise dealing in the shares of any other listed company or for any investment in the equity markets or providing inter-corporate deposits to any related parties.

Bridge Financing Facilities

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Red Herring Prospectus, which are proposed to be repaid from the Net Offer Proceeds. However, depending upon business requirements, our Company may consider raising bridge financing facilities including any other short-term instrument like non-convertible debentures, commercial papers, etc. pending receipt of the Net Offer Proceeds.

Monitoring of Utilisation of Funds

Our Company has appointed HDFC Bank Limited as the Monitoring Agency in relation to the Fresh Issue as required under the SEBI Regulations. Our Board will monitor the utilisation of the Net Offer Proceeds through its Audit Committee and the Monitoring Agency will monitor the utilization of Net Offer Proceeds of the Offer and submit its report to us in terms of Regulation 16(2) of SEBI Regulations. Our Company will disclose the utilisation of Net Offer Proceeds under separate head in our balance sheet along with relevant details for all sum amounts that have not been utilised. Our Company will indicate investments, if any, of unutilized Net Offer Proceeds in the balance sheet of our Company for the relevant Fiscals subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to the SEBI Listing Regulations, our Company shall disclose to the Audit Committee of the Board of directors the uses and applications of the Net Offer Proceeds, on a quarterly basis. Our Company shall on an annual basis, prepare a statement of funds utilised for purposes other than those stated in this Red Herring Prospectus and place it before the Audit Committee of the Board of Directors, as required under applicable law. Such disclosure shall be made only until such time that all the Net Offer Proceeds have been utilised in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with the Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Offer from the Fresh Issue as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above. This information will also be published in newspapers simultaneously with the interim or

annual financial results, and explanation for such variation (if any) will be included in our Director's report, after placing the same before the Audit Committee of the Board of Directors.

Variation in Objects

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

Appraising Entity

None of the objects of the Offer for which the Net Offer Proceeds will be utilised have been appraised by any bank/financial institution.

Other Confirmations

Apart from the proceeds from the Offer for Sale by the Promoter Selling Shareholders, no part of the proceeds from the Offer will be paid by us to the Promoters and Promoter Group, Group Companies, the Directors, associate or Key Management Personnel.

Our Company has not entered into and is not planning to enter into any arrangement/agreements with Promoters, Promoter Group, Group Companies, Directors and Key Management Personnel in relation to the utilization of the Net Offer Proceeds. Further, except in the ordinary course of business, there is not existing or anticipated interest of such individuals and entities in the objects of the Fresh Issue as set out above.

BASIS FOR OFFER PRICE

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

Investors should see "*Our Business*", "*Risk Factors*" and "*Restated Financial Statements*" beginning on pages 144, 16 and 199, respectively, to have an informed view before making an investment decision.

Qualitative Factors

We believe the following business strengths allow us to successfully compete in the industry

- Market leadership in RAC OEM/ODM industry in India
- One stop solutions provider for the RAC industry with high degree of backward integration
- Strong customer relationships with majority of leading RAC brands
- Research & development and product design capabilities leading to high proportion of ODM business
- Track record of financial performance
- Economies of Scale
- Culture of innovation and highly experienced management

For further details, see *"Our Business", "Risk Factors"* and *"Restated Financial Statements"* beginning on pages 144, 16 and 199, respectively.

Quantitative Factors

Certain information presented below relating to our Company is based on the Restated Consolidated Financial Statements and Restated Standalone Financial Statements prepared in accordance with Indian GAAP, the Companies Act, 2013 and restated in accordance with SEBI Regulations. For details, see "*Restated Financial Statements*" beginning on page 199.

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

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

As per Restated Consolidated Financial Statements:

Fiscal	Basic EPS (In ₹)	Diluted EPS (In ₹)	Weight
2015	13.26	13.26	1
2016	11.11	11.11	2
2017	12.80	12.80	3
Weighted Average	**12.31**	**12.31**	
September 30, 2017	11.47*	11.08*	

As per Restated Standalone Financial Statements:

Fiscal	Basic EPS (In ₹)	Diluted EPS (In ₹)	Weight
2015	11.65	11.65	1
2016	9.41	9.41	2
2017	13.81	13.81	3
Weighted Average	**11.98**	**11.98**	
September 30, 2017	11.26*	10.89*	

**Figures for September 30, 2017 are not annualised*

Notes:

i) Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights

ii) The figures disclosed above are based on the restated summary statements of our Company.

iii) The face value of each Equity Share is ₹ 10.

iv) Earnings per Share (₹) = Profit after tax, as restated, attributable to equity shareholders for the year/Weighted Average No. of equity shares

v) Basic EPS and Diluted EPS calculations are in accordance with Accounting Standard 20 (AS-20) 'Earnings per Share', notified under Section 133 of Companies Act, 2013 read together along with paragraph 7 of the Companies (Accounts) Rules, 2014.

vi) The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure IV beginning on page 211.

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

Particulars	P/E at the lower end of Price band (no. of times)	P/E at the higher end of Price band (no. of times)
Based on basic EPS for the year ended March 31, 2017 on a standalone basis	[●]	[●]
Based on basic EPS for the year ended March 31, 2017 on a consolidated basis	[●]	[●]
Based on diluted EPS for the year ended March 31, 2017 on a standalone basis	[●]	[●]
Based on diluted EPS for the year ended March 31, 2017 on a consolidated basis	[●]	[●]

3. Return on Net Worth ("RoNW")

As per Restated Consolidated Financial Statements of our Company:

Particulars	RoNW %	Weight
Year ended March 31, 2015	12.06	1
Year ended March 31, 2016	9.18	2
Year ended March 31, 2017	8.33	3
Weighted Average	**9.24**	
September 30, 2017	7.53*	

As per Restated Standalone Financial Statements of our Company:

Particulars	RoNW %	Weight
Year ended March 31, 2015	10.90	1
Year ended March 31, 2016	8.09	2
Year ended March 31, 2017	9.21	3
Weighted Average	**9.12**	
September 30, 2017	7.57*	

**Figures for September 30, 2017 are not annualised*

Notes:

(1) *Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights*

(2) *Return on Net Worth (%) = Net Profit after Tax (as restated) divided by Net worth at the end of the year/period (excluding revaluation reserve).*

(3) *Net worth for ratios mentioned represents sum of paid-up share capital, reserves and surplus (securities premium, capital reserve and surplus, excluding revaluation reserves) in the Statement of Profits and Losses as per the Restated Financial Information.*

4. Minimum Return on Increased Net Worth after the Offer needed to maintain Pre-Offer EPS for the year ended March 31, 2017:

Particulars	At Floor Price	At Cap Price
To maintain pre-Offer basic EPS (after adjusting bonus shares)		
On Standalone basis	[●]%	[●]%
On consolidated basis	[●]%	[●]%
To maintain pre-Offer diluted EPS (after adjusting bonus shares)		
On Standalone basis	[●]%	[●]%
On consolidated basis	[●]%	[●]%

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

(i) Net asset value per Equity Share as on March 31, 2017 on a restated consolidated basis is ₹ 140.67 and as on September 30, 2017 on a restated consolidated basis is ₹ 152.30

(ii) Net asset value per Equity Share as on March 31, 2017 on a restated standalone basis is ₹ 137.25 and as on September 30, 2017 on a restated standalone basis is ₹ 148.67

(iii) After the Offer on a consolidated basis:

(a) At the Floor Price: ₹ [●]

(b) At the Cap Price: ₹ [●]

(iv) After the Offer on an standalone basis:

(a) At the Floor Price: ₹ [●]

(b) At the Cap Price: ₹ [●]

(v) Offer Price: ₹ [●]

Notes:

(1) Offer Price per Equity Share will be determined on conclusion of the Book Building Process.

(2) Net Asset Value Per Equity Share = $\frac{\text{Net worth as per the restated financial information}}{\text{Total number of equity shares outstanding as at the end of year/period}}$

(3) Net worth has been computed by aggregating paid up share capital and reserves and surplus (securities premium, general reserve and surplus in the Statement of Profits and Losses) as per the restated financial information. There is no revaluation reserve or miscellaneous expenditure (to the extent not written off).

6. Comparison of Accounting Ratios with Listed Industry Peers

None of the listed companies in India are engaged in our line of business.

The Offer Price of ₹ [●] has been determined by our Company and the Promoter Selling Shareholders in consultation with the BRLMs, on the basis of assessment of market demand from investors for Equity Shares through the Book Building Process and, is justified in view of the above qualitative and quantitative parameters.

Investors should read the above mentioned information along with "*Risk Factors*", "*Our Business*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Restated Financial Statements*" beginning on pages 16, 144, 425 and 199 respectively, to have a more informed view. The trading price of Equity Shares could decline due to factors mentioned in "Risk Factors" beginning on page 16 and you may lose all or part of your investments.

STATEMENT OF TAX BENEFITS

To,
The Board of Directors
Amber Enterprises India Limited
[formerly Amber Enterprises (India) Private Limited]
Universal Trade Tower, First Floor
Sector-49, Sohna Road,
Gurgaon – 122001

Dear Sirs

Subject: Statement of Possible Tax Benefits

The enclosed annexure states the possible tax benefits available to Amber Enterprises India Limited ("the Company") and to the shareholders of the Company under the provisions of the Income-tax Act, 1961 , presently in force in India[1] for the Financial Year ("FY") 2017-18 – Assessment year ("AY") 2018-19, Central Excise Act, 1944, in force in India till Q1 (June) of the Financial Year ("FY") 2017-18 and Goods and Services Tax Act, 2017 in force in India from July 2017 (together referred to as "Tax Laws"). Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant Tax Laws. Hence, the ability of the Company or its shareholders to derive tax benefits is dependent upon fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfill.

The enclosed statement discusses key tax benefits including potential benefits. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for a professional tax advice. A shareholder is advised to consult his/ her/ their own tax consultant with respect to the tax implications arising out of their participation in the proposed issue of equity shares of the Company particularly in view of ever changing Tax Laws in India.

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

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

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

This report is intended solely for your information and for the inclusion in the Offer Document in connection with the proposed pubic issue of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N/N500013

per **Sumit Mahajan**
Partner
Membership No. 504822
Place: Gurugram
Date: 28 December 2017

[1] Based on rules and regulations as per Finance Act, 2017, Central Excise Act 1944 and Goods and Service Tax Act 2017

The information provided below sets out the possible tax benefits available to the shareholders in a summary manner only and is not a complete analysis or listing of all potential tax consequences of purchase, ownership and disposal of equity shares, under the Tax Laws presently in force in India. It is not exhaustive or comprehensive analysis and is not intended to be a substitute for professional advice.

YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION.

A) DIRECT TAXATION

The following is based on the provisions of the Income-tax Act, 1961 ("the Act") as amended by Finance Act, 2017. The Act is amended every fiscal year.

1. Levy of Income Tax

Tax implications under the Act are dependent on the residential status of the tax payer. We summarize herein below the provisions relevant for determination of residential status of a tax payer.

1.1. Residential status of an Individual

As per the provisions of the Act, an individual is considered to be a resident in India during any FY if he or she is present in India for:

a) a period or periods aggregating to 182 days or more in that FY; or

b) a period or periods aggregating to 60 days or more in that FY and for a period or periods aggregating to 365 days or more within the four preceding years; or

In the case of a citizen of India or a person of Indian origin living outside India who comes on a visit to India in any previous year, the limit of 60 days under point (b) above, shall be read as 182 days.

In the case of a citizen of India who leaves India as member of the crew of an Indian ship or for the purposes of employment outside India in any previous year, the limit of 60 days under point (b) above, shall be read as 182 days.

Further, in the case of an individual, being a citizen of India and a member of the crew of a foreign bound ship leaving India, the period or periods of stay in India shall, in respect of such voyage, be determined in the manner and subject to such conditions as may be prescribed.

Subject to complying with certain prescribed conditions, individuals may be regarded as 'Resident but not ordinarily resident'.

1.2. Residential status of a company

A company is resident in India if it is an Indian company or its place of effective management in that year is in India.

"place of effective management" means a place where key management and commercial decisions that are necessary for the conduct of the business of an entity as a whole, are in substance made.

1.3. Residential status of a Hindu undivided family ('HUF') firm or AOP

An HUF, firm or other association of persons or every other person is resident in India except when the control and management of its affairs is situated wholly outside India.

A person who is not a resident in India would be regarded as 'Non-Resident'.

1.4. Residential status of every other person

Every other person is resident in India in a FY in every case except when the control and management of his affairs is situated wholly outside India.

1.5. Scope of taxation

In general, a person who is "resident" in India in a FY is subject to tax in India on its global income. In the case of a person who is "non-resident" in India, only the income that is received or deemed to be received or that accrues or is deemed to accrue or arise to such person in India is subject to tax in India. In the instant case, the income from the equity shares of the Company would be considered to accrue or arise in India, and would be taxable in the hands of all categories of tax payers irrespective of their residential status unless specifically exempt (e.g. Dividend). However, a relief may be available under applicable Double Taxation Avoidance Agreement ('DTAA') to certain non-residents/ investors.

Tax Considerations

As per the taxation laws in force, the tax benefits / consequences as applicable, to the Company and the perspective shareholders are stated as under. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant Tax Laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon the fulfilling such conditions.

2. Benefits available to the Company

2.1 Special Tax Benefits

2.1.1 **Section 80-IC of the Act**

As per section 80IC(2) of the Act:

a) any company that manufactures or produces any article or thing or begins to manufacture or produce any article or thing,
   i) not being an article or thing specified in the Thirteenth Schedule to the Act, or
   ii) being an article or thing specified in the Fourteenth Schedule to the Act, or
   iii) commences any operation specified in the Fourteenth Schedule to the Act; and

b) undertakes substantial expansion in the state of Uttarakhand or Himachal Pradesh during the period of 7 January 2003 to 1 April 2012;

then such a company shall be entitled to claim a deduction of 100% of such profits and gains for five assessment years, and thereafter a deduction of 30% of such profits and gains each year.

The deduction is available subject to fulfillment of conditions prescribed under the said Section.

The Company has two units set up in Uttrakhand and one unit in Himachal Pradesh. As informed, these units are eligible for deduction under Section 80-IC of the Act.

However, as per Section 115JB of the Act, the Company shall be required to pay Minimum Alternate Tax ("MAT") at the rate of 18.5% (plus applicable surcharge, education cess and secondary & higher education cess) on book profits as computed under the said Section, irrespective of the tax benefits available under Section 80-IC of the Act.

2.2 General Tax Benefits

2.2.1. As per Section 10(34) of the Act, any income received by the Company by way of dividends on which Dividend Distribution Tax ('DDT') has been paid shall not form part of the total income of the Company and accordingly would be exempt from tax in its hands.

Under Section 14A of the Act, no deduction is permitted in respect of expenditure incurred in relation to earning of income which is not chargeable to tax including dividends exempt under Section 10(34) of the Act. The expenditure relatable to 'exempt income' needs to be determined in accordance with the provisions specified in Section 14A of the Act read with Rule 8D of the Income-tax Rules, 1962 ('the Rules').

However, the Company would be liable to pay DDT at 15% (plus applicable surcharge and education cess and secondary & higher education cess) on the grossed up amount declared, distributed or paid as dividends. The grossing up may be explained by way of the following example:

Where the amount of dividend paid or distributed by a company is Rs. 85, then DDT under the amended provision would be calculated as follows:
Dividend amount distributed = Rs. 85
Increase by Rs. 15 [i.e. (85*0.15)/(1-0.15)]
Increased amount = Rs. 100
DDT @ 15% of Rs. 100 = Rs. 15
Tax payable u/s 115-O is Rs. 15
Dividend distributed to shareholders = Rs. 85

In calculating the amount of dividend on which DDT is payable, dividends (if any, received by the Company during the tax year and subject to fulfillment of the conditions), shall be reduced by:

- dividends received by the domestic company from a subsidiary of the Company (A company shall be a subsidiary of another company, if such other company, holds more than half in nominal value of the equity share capital of the company); and
- where such subsidiary is a domestic company, it has paid tax payable under section 115-O (DDT) or where such subsidiary is a foreign company, the tax is payable under section 115BBD by the domestic company.

As per the proviso to this section, the same amount of dividend would not be taken into account for reduction more than once.

2.2.2. As per Section 10(35) of the Act, the following income shall be exempt in the hands of the Company:

i) Income received in respect of the units of a Mutual Fund specified under clause (23D) of Section 10; or

ii) Income received in respect of the units from the Administrator of the Specified undertaking; or

iii) Income received in respect of units from the specified company.

However, as per the proviso to section 10(35), the above provisions are not applicable to any income arising from transfer of units of the Administrator of the specified undertaking or of the specified company or of a mutual fund.

2.3 Deductions under "Income from House Property"

2.3.1. Under Section 24(a) of the Act, the Company is eligible for a standard deduction of 30% of the annual value of the property (i.e. actual rent received or receivable on the property or any part of the property which is let out), where the Company has income chargeable to tax under the head '*Income from House Property*'.

2.3.2. Further, under Section 24(b) of the Act, where the house property has been acquired, constructed, repaired, renewed or reconstructed with borrowed capital, the amount of interest payable on such borrowed capital shall be allowed as a deduction in computing the income, if any, from such house property.

In respect of property acquired or constructed with borrowed capital, the amount of interest payable for the period prior to the year in which the property has been acquired or constructed shall be allowed as deduction in computing the income from house property in five equal installments beginning with the year of acquisition or construction.

2.4 Computation of capital gains

2.4.1 Capital assets may be categorized into short-term capital assets and long-term capital assets based on the period for which they are held by a tax payer.

A security (other than a unit) listed in a recognized stock exchange in India or units of Unit Trust of India or units of an equity oriented fund or zero coupon bonds are considered as long-term capital assets if they are held for a period more than 12 months immediately preceding the date of their transfer. Consequently, capital gains arising on sale of these assets are considered as 'long-term capital gains'.

Capital gains arising on sale of these assets held for a period of 12 months or less are considered as 'short-term capital gains'.

Further, in case of unlisted shares and immovable property, while computing the capital gains, the period of holding is to be considered as 24 months for the purposes of determining the nature of capital gains.

2.4.2 As per Section 10(38) of the Act, capital gains arising from transfer of a long-term capital asset being an equity share in the Company or a unit of an equity oriented fund, where the transaction of sale is chargeable to Securities Transaction Tax ('STT'), shall be exempt from tax in the hands of the Company. Further, for transfer of a long-term capital asset being an equity share in the Company, the income arising on transfer shall be exempt when the transaction of purchase. other than those transactions which have been notified is chargeable to Securities Transaction Tax ('STT').

For this purpose 'Equity oriented fund' means a fund –

i) Where the investible funds are invested by way of equity shares in the domestic companies to the extent of more than 65% of the total proceeds of such funds; and

ii) Which has been set up under a scheme of a Mutual fund specified under Section 10(23D).

However, the long-term capital gains arising on sale of share or units referred above shall not be reduced while calculating the book profit under the provisions of Section 115JB of the Act. In other words, such book profit shall include the long-term capital gain as referred to in Section 10(38) of the Act and the Company will be required to pay MAT @ 18.5% (plus applicable surcharge, education cess and secondary & higher education cess) on such book profit.

2.4.3 Section 48 of the Act, (which prescribes the mode of computation of capital gains) provides for deduction of cost of acquisition / improvement and expenses incurred in connection with the transfer of a capital asset from the sale consideration to arrive at the amount of capital gains.

However, in respect of long-term capital gains (as defined in para 2.4.1 above), a deduction of indexed cost of acquisition/improvement is available.

Indexed cost of acquisition means the means an amount which bears to the cost of acquisition the same proportion as Cost Inflation Index (CII) for the year in which the asset is transferred bears to the CII for the first year in which the asset was held by the taxpayer or for the year beginning on 1 April 2001, whichever is later. In other words indexed cost of acquisition is computed as under:

Cost of acquisition X CII of the FY in which the asset is transferred/ CII of the FY in which the asset was first held by the tax payer or for the year beginning on 1 April 2001 whichever is later.

2.4.4 As per the provisions of Section 112 of the Act, long-term capital gains (as defined in para 2.4.1 above) [to the extent not exempt under Section 10(38) of the Act] would be subject to tax in the hands of the Company at the rate of 20% (plus applicable surcharge, education cess and secondary & higher education cess).

However, as per the proviso to Section 112(1) of the Act, if the tax on long-term capital gains resulting from transfer of listed securities or units [to the extent not exempt under Section 10(38) of the Act], calculated at the rate of 20% (with indexation benefit) exceeds the tax on long-term gains computed at the rate of 10% (without indexation benefit), then such gains are chargeable to tax at the concessional rate of 10% (without indexation benefit) (plus applicable surcharge, education cess and secondary & higher education cess).

2.4.5 As per the provisions of Section 111A of the Act, short-term capital gains (as defined in para 2.4.1 above) on sale of equity shares or units of an equity oriented fund where the transaction of sale is chargeable to STT shall be subject to tax at a rate of 15% (plus applicable surcharge, education cess and secondary & higher education cess). Short-term capital gains arising from transfer of shares, other than those covered by Section 111A of the Act, would be subject to tax at the rate as applicable to the Company i.e 30% (plus applicable surcharge, education cess and secondary & higher education cess).

2.4.6 Under Section 54EC of the Act and subject to the conditions specified therein, long-term capital gains arising to the Company would be exempt from tax if such capital gains are invested within 6 months after the date of such transfer in long term specified assets, being bonds issued by:

a) National Highway Authority of India constituted under Section 3 of The National Highway Authority of India Act, 1988; or

b) Rural Electrification Corporation Limited, the Company formed and registered under the Companies Act, 1956; or

c) Any other bond notified by the Central Government in this behalf.

The investment made in such bonds during the FY in which asset is transferred and in subsequent FY cannot exceed Rs. 5,000,000.

If only a part of the capital gains is invested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. However, in case the long term specified assets are transferred or converted into money within 3 years from the date of its acquisition, the amount of capital gains so exempt shall be chargeable to tax during the year of such transfer or conversion.

As long term capital gains covered under Section 10(38) of the Act are exempt from tax, there is no requirement to invest under Section 54EC of the Act in such cases.

Set off and carry forward of capital loss

2.4.7 Under section 70(2) of the Act, the Company can set off short term capital loss against other short term capital gain or long term capital gain. Under section 70(3) of the Act, the Company can set off long term capital loss against other long term capital gain.

2.4.8 Under section 74 of the Act, the unabsorbed short term capital loss can be carried forward and set off against capital gains (whether short term or long term) of subsequent years (upto 8 years). Unabsorbed long term capital loss can be carried forward and set off only against long term capital gains in subsequent years (upto 8 years). However, as per Section 80 of the Act, the unabsorbed capital loss can be carried forward only when the return of income has been filed within the time prescribed under section 139(1) of the Act.

Computation of business income

2.5 Depreciation allowance

2.5.1. Under Section 32(1) of the Act, the Company can claim depreciation allowance at the prescribed rates in respect of the following assets:

- Tangible assets being building, machinery, plant or furniture;
- Intangible assets being know-how, patents, copyrights, trademarks, licences, franchises or any other business or commercial rights of similar nature acquired on or after 1 April 1998

2.5.2. As per provision of Section 32(1)(iia) of the Act, the Company is entitled to claim additional depreciation at the rate of 20% of the actual cost of any new machinery or plant acquired and installed after 31 March 2005. However, no deduction is allowed in respect of:

a) Ships and Aircraft;

b) Any machinery or plant which, before its installation by the company, was used either within or outside India by any other person;

c) Any machinery or plant installed in any office premises or any residential accommodation, including accommodation in the nature of a guest-house;

d) Any office appliances or road transport vehicles; or

e) Any machinery or plant, the whole of the actual cost of which is allowed as a deduction (whether as depreciation or otherwise) in computing the income under the head 'Profits and gains from business and profession' of any one FY.

2.5.2.1. Further, additional depreciation as mentioned above would be allowed at the rate of 35% if the manufacturing unit is set up in any backward area notified by the central government in this regard, in the state of Andhra Pradesh, Bihar, Telangana and West Bengal. Other conditions of Section 32(1)(iia) would remain as it is. Benefits of this provision would only be applicable on plant and machinery acquired and installed between 1 April 2015 and 1 April 2020.

2.6 Carry forward of unabsorbed depreciation, unabsorbed business losses

2.6.1. Under Section 32(2) of the Act, the Company can carry forward and set off unabsorbed depreciation of one FY and adjust it against the income of subsequent years.

2.6.2. Under Section 72 of the Act, unabsorbed business loss, if any can be carried forward and set off against business profits of subsequent years (upto 8 years) subject to prescribed conditions. However, as per Section 80 of the Act, the unabsorbed business loss can be carried forward only when the return of income has been filed within the time prescribed under section 139(1) of the Act.

Potential tax benefits

2.7 Deduction of expenditure on scientific research

2.7.1 Under Section 35(1)(i) and Section 35(1)(iv) of the Act, the Company is eligible for deduction in respect of any revenue or capital expenditure (other than expenditure on the acquisition of any land) incurred on scientific research related to its business.

2.7.2 Under Section 35(1)(ii) of the Act, the Company can claim weighted deduction of one and one half times (150%) of any sum paid to an approved research association (which has as its object, the undertaking of scientific research) or to a university, college or other institution to be used for scientific research. Further, for any amount paid after 1 April 2020, the deduction shall be equal to the sum so paid.

2.7.3 Under Section 35(1)(iia) of the Act any sum paid to a company registered in India (which has as its main object the conduct of scientific research and development) and is approved by the prescribed authority can be claimed as deduction to the extent of the amount so paid.

2.7.4 Under section 35(1)(iii) the Company is eligible for a deduction of the sum paid to a research association, university, college or other institution to be used for research in social science or statistical research. This deduction is available to amounts paid to approved research association, university, college or institution.

2.7.5 The company is eligible for weighted deduction of 150% under Section 35(2AA) in respect of payments to a National Laboratory, university or Indian Institute of Technology in respect of approved programs of scientific research. The weighted deduction is available provided the sum is paid with specific direction that it is used for approved programs of scientific research.

2.7.6 Under Section 35(2AB) a weighted deduction of 150% of expenditure incurred on scientific research (excluding cost of land or building) in an approved in-house research and development facility is available to the Companies engaged in the business of manufacturing articles or things, not being items mentioned in the Eleventh Schedule.

2.8 Amortization of certain expenditure

2.8.1 Under Section 35D of the Act, a company is eligible for deduction in respect of specified preliminary expenditure incurred by it in connection with extension of its undertaking or in connection with setting up new unit for an amount equal to 1/5th of such expenditure over 5 successive AYs subject to conditions and limits specified in that Section.

2.8.2 Specified expenditure includes expenditure in connection with the issue, for public subscription, of shares in or debentures of the company, being underwriting commission, brokerage and charges for drafting, typing, printing and advertisement of the prospectus.

2.8.3 Under Section 35DDA of the Act, the company is eligible for deduction in respect of payments made to its employees in connection with his voluntary retirement for an amount equal to 1/5th of such expenses over 5 successive AYs subject to conditions specified in that Section.

2.9 Expenditure on skill development project

As per section 35CCD, the Company would be entitled to a deduction of one and a half times of an amount of expenditure (not being expenditure in the nature of cost of any land or building) incurred on any skill development project notified by the Central Board of Direct Taxes ('CBDT') in accordance with the guidelines as may be prescribed. Further, any sum paid after 1 April 2020, a deduction of the sum paid shall be allowed.

2.10 MAT credit

Under Section 115JAA of the Act, tax credit is allowed in respect of MAT paid under Section 115JB of the Act for any AY commencing on 1 April 2006 and any subsequent AY.

The credit eligible for carry forward is the difference between MAT paid and the amount of tax payable computed as per the normal provisions of the Act.

The credit is available for set off only when tax becomes payable under the normal provisions of the Act. The brought forward tax credit can be utilized to the extent of difference between the tax payable under the normal provisions of the Act and tax payable under MAT for that year. Credit in respect of MAT paid is available for set-off up to 15 AYs immediately succeeding the AY for which the MAT credit initially arose.

2.11 Foreign dividend taxable under section 115BBD of the Act

As per section 115BBD of the Act, dividend received from a foreign company in which equity shareholding is 26% or more shall be taxed at the rate of 15% (plus applicable surcharge, education cess and secondary & higher education cess).

However, while computing income, any expenditure incurred for earning such dividend shall not be allowed as deduction from such dividend.

2.12 Deduction for donations

The Company is entitled to a deduction under Section 80G of the Act in respect of amounts contributed as donations to various charitable institutions and funds covered under that Section, subject to the fulfillment of conditions prescribed therein. Please note that no deduction shall be allowed under Section 80G of the Act for any sum exceeding Rs. 10,000 unless such sum is paid by any mode other than cash.

2.13 Benefit of double taxation avoidance agreement (DTAA)

Under the provisions of section 90 of the Act, the Company shall be eligible for claiming credit of taxes paid by it on incomes in the foreign countries with which the Government of India has entered into DTAA. The tax credit shall be available as per the provisions of relevant DTAA.

Section 91 of the Act provides for unilateral relief in respect of taxes paid on incomes in the foreign countries with which no DTAA exists. Under the provisions of said section, the Company shall be entitled to deduction from the income tax of sum calculated on such doubly taxed income at the Indian rate of tax or rate of tax in the foreign country whichever is lower.

3. Benefits available to resident shareholders under the Act

3.1. Dividend income

Under Section 10(34) of the Act, any income earned by way of dividends from the Company would be exempt from tax in the hands of the shareholders, if such dividends are subject to DDT under Section 115-O of the Act.

However, as per the provisions of section 94(7) of the Act, losses arising from transfer/sale of shares, where such shares are purchased within three months prior to the 'record date' and sold within three months from the record date will be disallowed to the extent such loss does not exceed the amount of dividend claimed exempt. 'Record date' means such date as may be fixed by the company for the purposes of entitlement of the holder of securities to receive dividend

As per the provisions of section 14A of the Act, no deduction would be allowed in respect of expenditure incurred in relation to earning of dividend income which is exempt from tax.

As per the provisions of section 115BBDA, dividend received from domestic companies by a resident individual in excess of Rs. 10 Lakh shall be chargeable to tax at a gross basis of 10% (excluding surcharge and education cess).

3.2. Computation of capital gains

3.2.1. As per the provisions of section 2(42A) of the Act, securities (other than units) listed on a recognized stock exchange in India will be considered as short term capital asset if they are held for a period of 12 months of less immediately preceding date of their transfer. If the period of holding of shares is more than 12 months immediately preceding date of transfer, they will be treated as long term capital asset.

The capital gain/loss on sale of short term capital assets is regarded as short term capital loss. The capital gain/loss on sale of long term capital assets is regarded as long term capital loss.

Further, in case of unlisted shares and immovable property, while computing the capital gains, the period of holding is to be considered as 24 months for the purposes of determining the nature of capital gains.

According to Section 10(38) of the Act, long-term capital gains on sale of equity shares, where the transaction of sale is chargeable to STT, shall be exempt from tax. Further, for transfer of a long-term capital asset being an equity share in the Company, the income arising on transfer shall be exempt when the transaction of purchase other than those notified is chargeable to Securities Transaction Tax ('STT').

However, in case of a shareholder being a company, gains arising from transfer of above referred long-term capital asset shall be taken into account for computing the book profit for the purposes of computation of MAT under Section 115JB of the Act.

3.2.2. Section 48 of the Act, (which prescribes the mode of computation of capital gains) provides for deduction of cost of acquisition / improvement and expenses incurred in connection with the transfer of a capital asset from the sale consideration to arrive at the amount of capital gains.

However, in respect of long-term capital gains, a deduction of indexed cost of acquisition/improvement is available.

Indexed cost of acquisition means the means an amount which bears to the cost of acquisition the same proportion as Cost Inflation Index (CII) for the year in which the asset is transferred bears to the CII for the first year in which the asset was held by the taxpayer or for the year beginning on April 1, 2001, whichever is later. In other words indexed cost of acquisition is computed as under:

Cost of acquisition X CII of the FY in which the asset is transferred/ CII of the FY in which the asset was first held by the tax payer or for the year beginning on April 1, 2001 whichever is later.

3.2.3. As per the provisions of Section 112 of the Act, long-term capital gains (to the extent not exempt under Section 10(38) of the Act) would be subject to tax in the hands of the shareholders at the rate of 20% (plus applicable surcharge, education cess and secondary & higher education cess).

As per the proviso to Section 112(1) of the Act, if the tax on long-term capital gains resulting from transfer of listed securities [to the extent not exempt under Section 10(38) of the Act], calculated at the rate of 20% (with indexation benefit) exceeds the tax on long-term gains computed at the rate of 10% (without indexation benefit), then such gains are chargeable to tax at the concessional rate of 10% (without indexation benefit) (plus applicable surcharge, education cess and secondary & higher education cess).

3.2.4. As per the provisions of Section 111A of the Act, short-term capital gains on sale of equity shares where the transaction of sale is chargeable to STT shall be subject to tax at a rate of 15% (plus applicable surcharge, education cess and secondary & higher education cess).

Short-term capital gains arising from transfer of shares of the Company, other than those covered by Section 111A of the Act, would be subject to tax as calculated under the normal provisions of the Act.

3.2.5. Under Section 54EC of the Act and subject to the conditions specified therein, long-term capital gains arising on the transfer of equity shares of the Company (other than those covered by section 10(38) of the Act) would be exempt from tax if such capital gains are invested within 6 months after the date of such transfer in specified assets, being bonds issued by:

a) National Highway Authority of India constituted under Section 3 of The National Highway Authority of India Act, 1988;

b) Rural Electrification Corporation Limited, the Company formed and registered under the Companies Act, 1956;

c) Any other bond notified by the Central Government in this behalf.

The investment made in such bonds during the FY in which asset is transferred and in subsequent FY cannot exceed Rs. 5,000,000.

If only a part of the capital gains is invested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. However, in case the long term specified assets are transferred or converted into money within 3 years from the date of its acquisition, the amount of capital gains so exempt shall be chargeable to tax during the year of such transfer or conversion.

3.2.6. As per the provisions of Section 54F of the Act, long term capital gains [which are not covered under Section 10(38)] arising from the transfer of any capital asset (not being residential house property) held by an Individual or Hindu Undivided Family ('HUF') will be exempt from tax, if net consideration is utilised, within a period of one year before or two year after the date of transfer, for purchase of a residential house, or for construction of a residential house within three years. The exemption is available subject to fulfillment of prescribed conditions.

3.2.7. Under section 70(2) of the Act, the short term capital loss can be set off against other short term capital gain or long term capital gain. Under section 70(3) of the Act, the long term capital loss can be set off against other long term capital gain.

3.2.8. Under section 74 of the Act, the unabsorbed short term capital loss can be carried forward and set off against capital gains (whether short term or long term) of subsequent years (upto 8 years). Unabsorbed long term capital loss can be carried forward and set off against long term capital gains only in of subsequent years (upto 8 years). However, the unabsorbed capital loss can be carried forward only when the return of income has been filed within the time prescribed under section 139(1) of the Act.

3.3. Deduction of STT while computing business income

As per Section 36(1)(xv) of the Act, the STT paid by the tax payer in respect of the taxable securities transactions entered into in the course of business during the FY will be allowable as deduction, if the income arising from such taxable securities transactions is included in the income computed under the head 'Profits and gains of business or profession'.

3.4. Income from other sources

As per the provisions of section 56(2)(x) of the Act, where any property, other than immovable property (including shares) is received by any person-

i) without consideration and the aggregate fair market value of such property exceeds Rs. 50,000, whole of the aggregate fair market value of such property, or

ii) for a consideration which is less than the aggregate fair market value of such property by at least Rs.50,000, then the difference between fair market value and consideration paid will be taxable as income from other sources.

This provision is applicable only if shares are held by the shareholders as a capital asset.

This provision is not applicable where shares are received in any of the following modes, namely–

1) From any relative;

2) On the occasion of marriage of the individual;

3) Under a will or by way of inheritance;

4) In contemplation of death of the payer or donor;

5) From any local authority as defined in Explanation to Section 10(20);

6) From any fund or foundation or university or other educational institution or hospital or other medical institution or any trust or institution referred to in Section 10(23C); or

7) From any trust or institution registered under Section 12AA.

4. Benefits available to Non-resident shareholders (Other than Foreign Institutional Investors) under the Act

4.1. Dividends exempt under Section 10(34) of the Act

Under Section 10(34) of the Act, any income earned by way of dividends from the Company would be exempt from

tax in the hands of the shareholders, if such dividends are subject to DDT under Section 115-O of the Act.

However, as per the provisions of section 94(7) of the Act, losses arising from transfer/sale of shares, where such shares are purchased within three months prior to the record date and sold within three months from the record date will be disallowed to the extent such loss does not exceed the amount of dividend claimed exempt. 'Record date' means such date as may be fixed by the company for the purposes of entitlement of the holder of securities to receive dividend.

As per the provisions of section 14A of the Act, no deduction would be allowed in respect of expenditure incurred in relation to earning of dividend income which is exempt from tax.

4.2. Computation of capital gains

4.2.1. As per the provisions of section 2(42A) of the Act, securities (other than units) listed on a recognized stock exchange in India will be considered as short term capital asset if they are held for a period of 12 months of less immediately preceding date of their transfer. If the period of holding of shares is more than 12 months immediately preceding date of transfer, they will be treated as long term capital asset.

Further, in case of unlisted shares and immovable property, while computing the capital gains, the period of holding is to be considered as 24 months for the purposes of determining the nature of capital gains.

The capital gain/loss on sale of short term capital assets is regarded as short term capital loss. The capital gain/loss on sale of long term capital assets is regarded as long term capital loss.

2.13.1 According to Section 10(38) of the Act, long-term capital gains on sale of equity shares, where the transaction of sale is chargeable to STT, shall be exempt from tax. Further, for transfer of a long-term capital asset being an equity share in the Company, the income arising on transfer shall be exempt when the transaction of purchase other than those notified is chargeable to Securities Transaction Tax ('STT').

However, in case of shareholder being a company and liable to MAT in India, gains arising on transfer of above referred long term capital asset shall not be reduced in computing the "book profit" for the purposes of computation of MAT under Section 115 JB of the Act.

4.2.2. First proviso to section 48 of the Act contains special provisions relating to computation of capital gains, in the hands of non-residents arising from transfer of shares of an Indian company which were purchased in foreign currency.

In such a case, the capital gains are computed by converting the cost of acquisition, expenditure incurred wholly and exclusively in connection with transfer and the full value of consideration into the same foreign currency that was initially used to purchase of such shares. The capital gain so computed in the original foreign currency is reconverted into Indian Rupees at the prescribed exchange rate. The said manner of computing capital gains is used in respect of capital gains accruing or arising from every reinvestment thereafter in and sale of shares of an Indian company.

The non-resident shareholders are not entitled to indexation benefit (for a detailed discussion on indexation, refer para 2.4.3 above).

4.2.3. As per the provisions of Section 112 of the Act, long-term capital gains (to the extent not exempt under Section 10(38) of the Act) would be subject to tax in the hands of the shareholders at the rate of 20% (plus applicable surcharge, education cess and secondary & higher education cess).

As per the proviso to Section 112(1) of the Act, if the tax on long-term capital gains resulting from transfer of listed securities [to the extent not exempt under Section 10(38) of the Act], calculated at the rate of 20% (with indexation benefit) exceeds the tax on long-term gains computed at the rate of 10% (without indexation benefit), then such gains are chargeable to tax at the concessional rate of 10% (without indexation benefit) (plus applicable surcharge, education cess and secondary & higher education cess).

4.2.4. As per the provisions of Section 111A of the Act, short-term capital gains on sale of equity shares where the transaction of sale is chargeable to STT shall be subject to tax at a rate of 15% (plus applicable surcharge, education cess and secondary & higher education cess).

Short-term capital gains arising from transfer of shares of the Company, other than those covered by Section 111A of the Act, would be subject to tax as calculated under the normal provisions of the Act.

4.2.5. Under Section 54EC of the Act and subject to the conditions specified therein, long-term capital gains arising on the transfer of equity shares of the Company (other than those covered by section 10(38) of the Act) would be exempt from tax if such capital gains are invested within 6 months after the date of such transfer in specified assets, being bonds issued by:

a) National Highway Authority of India constituted under Section 3 of The National Highway Authority of India Act, 1988;
b) Rural Electrification Corporation Limited, the Company formed and registered under the Companies Act, 1956.;
c) Any other bond notified by the Central Government in this behalf.

The investment made in such bonds during the FY in which asset is transferred and in subsequent FY cannot exceed Rs. 5,000,000.

If only a part of the capital gains is invested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. However, in case the long term specified assets are transferred or converted into money within 3 years from the date of its acquisition, the amount of capital gains so exempt shall be chargeable to tax during the year of such transfer or conversion.

4.2.6. As per the provisions of Section 54F of the Act, long term capital gains [which are not covered under Section 10(38)] arising from the transfer of any capital asset (not being residential house property) held by an Individual or Hindu Undivided Family ('HUF') will be exempt from tax, if net consideration is utilised, within a period of one year before or two year after the date of transfer, for purchase of a residential house, or for construction of a residential house within three years. The exemption is available subject to fulfillment of prescribed conditions.

4.2.7. Under section 70(2) of the Act, the short term capital loss can be set off against other short term capital gain or long term capital gain. Under section 70(3) of the Act, the long term capital loss can be set off against other long term capital gain.

4.2.8. Under section 74 of the Act, the unabsorbed short term capital loss can be carried forward and set off against capital gains (whether short term or long term) of subsequent years (upto 8 years). Unabsorbed long term capital loss can be carried forward and set off against long term capital gains only in of subsequent years (upto 8 years). However, the unabsorbed capital loss can be carried forward only when the return of income has been filed within the time prescribed under section 139(1) of the Act.

4.3. Deduction of STT while computing business income

As per Section 36(1)(xv) of the Act, the STT paid by the tax payer in respect of the taxable securities transactions entered into in the course of business during the FY will be allowable as deduction, if the income arising from such taxable securities transactions is included in the income computed under the head 'Profits and gains of business or profession'.

4.4. Special benefit available to Non-resident Indian shareholders

4.4.1. In addition to some of the general benefits available to non-resident shareholders, where 'specified assets' (as defined in Section 115C (f) of the Act, which includes equity shares in the Company) have been subscribed or acquired or purchased by Non-Resident Indians, they have the option of being governed by the provisions of Chapter XII-A of the Act, which *inter alia* entitles them to the benefits mentioned below.

As per section 115C (e) of the Act, a 'non-resident Indian' (NRI) has been defined to mean an individual being citizen of India or person of Indian origin who is not a resident.

4.4.2. As per the provisions of section 115E of the Act, investment income (income derived from specified assets other than dividends referred to in section 115O) or income from long- term capital gains on transfer of assets other than specified asset shall be taxable at the rate of 20% in the hands of a NRI. Income by way of long term capital gains in respect of a specified asset, shall be chargeable to income tax at the rate of 10%. The rates would be increased by the applicable rate of surcharge education cess and secondary & higher education cess.

4.4.3. Under provisions of Section 115F of the Act, any long term capital gains arising from the transfer of shares of the Company acquired in convertible foreign exchange shall be exempt from tax if the whole or any part of the net consideration (consideration less expenditure incurred wholly and exclusively on transfer) is reinvested within six months of the date of the transfer in any 'specified assets' or savings certificates referred to in clause (4B) of section 10.

If only a part of the net consideration is reinvested, the exemption shall be proportionately reduced. The amount so exempted shall be chargeable to tax as "capital gains" subsequently, if the specified assets or savings certificate are transferred or converted into money within three years from the date of their acquisition. The taxability shall arise in the year in which the transfer or conversion, as the case may be, takes place.

4.4.4. As per the provisions of section 115D, no deduction is allowed for any expenditure or allowance under any provision of the Act in computing the investment income of the NRI. Further no deduction is allowed to NRI under chapter VIA against investment income or income by way of long term capital gains. The benefit of indexation is also not available.

4.4.5. As per the provisions of Section 115G of the Act, NRIs are not required to furnish a return of income under Section 139(1) of the Act, if:

- Their income chargeable under the Act consists of only investment income or long term capital gains arising from the transfer of specified asset or both and;
- Tax deductible at source has been deducted as per the provisions of Chapter XVII-B of the Act from the income.

4.4.6. As per the provision of Section 115H of the Act, where a person who is NRI in any FY, becomes assessable as resident in India in respect of total income of any subsequent year, the provisions of Chapter XII-A shall continue to apply to him in relation to the investment income derived from any foreign exchange asset being an assets specified in sub clause (ii), (iii), (iv) or (v) of Section 115(C)(f) for that AY and for every subsequent AY until there is transfer or conversion into money of such asset. For this provision to apply, NRI is required to file a declaration along with his return of income for the AY in which he becomes assessable as resident in India.

4.4.7. In accordance with Section 115I of the Act, where a NRI opts not to be governed by the provisions of Chapter XII-A for any AY, his total income for that AY (including income arising from investment in the company) will be computed and tax will be charged according to the other provisions of the Act.

4.5. Taxability as per DTAA

4.5.1. The tax rates and consequent taxation mentioned above will be further subject to any benefits available under the DTAA, if any, between India and the country or any specified territory in which the non-resident has fiscal domicile.

As per the provisions of Section 90(2) of the Act, the provision of the DTAA would prevail over the provisions of the Act to the extent they are more beneficial to the non-resident.

4.5.2. As per provisions of section 90(4) of the Act, a non-resident, shall not be entitled to claim any relief under DTAA, unless a certificate of his being a resident in any country outside India or specified territory outside India, as the case may be has been obtained by him from the government of that country or specified territory. In other words, the non-resident tax payers shall be entitled to be governed by the provisions of the DTAA only when they obtain a tax residency certificate from the government of their country of residence.

In addition, as per the provisions of section 90(5) of the Act, a non-resident shall also provide prescribed documents.

5. Benefits available to Foreign Institutional Investors ('FIIs') under the Act

5.1. Dividends exempt under Section 10(34) of the Act

Under Section 10(34) of the Act, any income earned by way of dividends from the Company would be exempt from tax in the hands of the shareholders, if such dividends are subject to DDT under Section 115-O of the Act.

However, as per the provisions of section 94(7) of the Act, losses arising from transfer/sale of shares, where such shares are purchased within three months prior to the record date and sold within three months from the record date will be disallowed to the extent such loss does not exceed the amount of dividend claimed exempt. 'Record date' means such date as may be fixed by the company for the purposes of entitlement of the holder of securities to receive dividend.

As per the provisions of section 14A of the Act, no deduction would be allowed in respect of expenditure incurred in relation to earning of dividend income which is exempt from tax.

5.2. Taxability of capital gains

5.2.1. As per the provisions of Section 115AD of the Act, FIIs will be taxed on the capital gains that are not exempt under Section 10(38) of the Act at the rates as follows:

Nature of income	***Rate of tax (%)***
Long term capital gain [other than the short term capital gain covered by the provisions of section 10(38)]	10
Short term capital gain (other than the short term capital gain covered by the provisions of section 111A)	30

The above tax rates would be increased by the applicable rate of surcharge education cess and secondary & higher

education cess.

The benefits of indexation and foreign currency fluctuation protection are not available to an FII.

The above mentioned capital gains are not subject to tax deduction at source as per the provisions of section 196D(2) of the Act.

5.2.2. According to Section 111A of the Act, short-term capital gains on sale of equity shares where the transaction of sale is chargeable to STT shall be subject to tax at a rate of 15% (plus applicable surcharge, education cess and secondary & higher education cess) in addition to the other requirements, as specified in the Section.

5.3. Capital gains - not subject to Income- tax

5.3.1. According to Section 10(38) of the Act, long-term capital gains on sale of equity shares, where the transaction of sale is chargeable to STT, shall be exempt from tax. Further, for transfer of a long-term capital asset being an equity share in the Company, the income arising on transfer shall be exempt when the transaction of purchase other than those notified is chargeable to Securities Transaction Tax ('STT').

However, in case of shareholder being a company and liable to MAT in India, gains arising on transfer of above referred long term capital asset shall not be reduced in computing the "book profit" for the purposes of computation of MAT under Section 115 JB of the Act.

5.3.2. Under Section 54EC of the Act and subject to the conditions specified therein, long-term capital gains arising on the transfer of equity shares of the Company (other than the long term capital gain covered by the provisions of section 10(38)) would be exempt from tax if such capital gains is invested within 6 months after the date of such transfer in specified assets, being bonds issued by:

a) National Highway Authority of India constituted under Section 3 of The National Highway Authority of India Act, 1988;

b) Rural Electrification Corporation Limited, the Company formed and registered under the Companies Act, 1956.

c) Any other bond notified by the Central Government in this behalf.

The investment made in such bonds during the FY in which asset is transferred and in subsequent FY cannot exceed Rs. 5,000,000.

If only part of the capital gain is so reinvested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. However, in case the specified asset is transferred or converted into money within 3 years from the date of its acquisition, the amount so exempted shall be chargeable to tax during the year of such transfer or conversion.

5.3.3. Under section 70(2) of the Act, the short term capital loss can be set off against other short term capital gain or long term capital gain. Under section 70(3) of the Act, the long term capital loss can be set off against other long term capital gain.

5.3.4. Under section 74 of the Act, the unabsorbed short term capital loss can be carried forward and set off against capital gains (whether short term or long term) of subsequent years (upto 8 years). Unabsorbed long term capital loss can be carried forward and set off against long term capital gains only in of subsequent years (upto 8 years). However, the unabsorbed capital loss can be carried forward only when the return of income has been filed within the time prescribed under section 139(1) of the Act.

5.4. Income from Business Profits

As per Section 36(1)(xv) of the Act, the STT paid by the tax payer in respect of the taxable securities transactions entered into in the course of business during the FY will be allowable as deduction, if the income arising from such taxable securities transactions is included in the income computed under the head 'Profits and gains of business or profession'.

5.5. Taxability as per DTAA

5.5.1. The tax rates and consequent taxation mentioned above will be further subject to any benefits available under the DTAA, if any, between India and the country or any specified territory in which the non-resident has fiscal domicile.

As per the provisions of Section 90(2) of the Act, the provision of the DTAA would prevail over the provisions of the Act to the extent they are more beneficial to the non-resident.

5.5.2. As per provisions of section 90(4) of the Act, a non-resident, shall not be entitled to claim any relief under DTAA, unless a certificate of his being a resident in any country outside India or specified territory outside India, as the case may be has been obtained by him from the government of that country or specified territory. In other words, the non-resident tax payers shall be entitled to be governed by the provisions of the DTAA only when they obtain a tax residency certificate from the government of their country of residence.

In addition, as per the provisions of section 90(5) of the Act, a non-resident shall also provide prescribed documents.

5.6. Benefits available to Mutual Funds under the Act

As per the provisions of Section 10(23D) of the Act, any income of:

- A mutual fund registered under the Securities and Exchange Board of India Act, 1992 or regulations made there under;
- Mutual Funds set up by public sector banks or public financial institutions or authorised by the Reserve Bank of India

would be exempt from income-tax, subject to the conditions as the Central Government may by notification in the Official Gazette specify in this behalf.

However, the Mutual Funds would be required to pay tax on distributed income to unit holders as per the provisions of Section 115R of the Act.

6. Benefits available to Venture Capital Companies/Funds

6.1. Under Section 10(23FB) of the Act, any income of Venture Capital Companies or Venture Capital Funds registered with the Securities and Exchange Board of India, from investment in a venture capital undertaking would be exempt from income tax, subject to conditions specified therein. 'Venture capital undertaking' means:

- A venture capital undertaking as defined in clause (n) of the regulation 2 of Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 or
- A venture capital undertaking as defined in clause (aa) of sub regulation (1) of regulation 2 of Alternate Investment Fund Regulations.

6.2. According to Section 115U of the Act, any income accruing or arising to or received by a person from his investment in venture capital companies/ funds would be taxable in his hands in the same manner as if it were the income accruing/ arising/ received by such person had the investments been made directly in the venture capital undertaking.

6.3. Further, as per Section 115U(5) of the Act, the income accruing or arising to or received by the Venture Capital Company/ Funds from investments made in a Venture Capital Undertaking if not paid or credited to a person (who has made investments in a Venture Capital Company/ Fund) shall be deemed to have been credited to the account of the said person on the last day of the previous year in the same proportion in which such person would have been entitled to receive the income had it been paid in the previous year.

7. Benefits available under the Wealth-tax Act, 1957

The Parliament has abolished wealth tax with effect from 1 April 2015 or FY 2015-16.

8. Benefits available under the Gift-tax Act, 1958

Gift tax is not leviable in respect of any gifts made on or after October 1, 1998. However as per the provisions of Section 56(2)(x) of the Act, value of any property including shares and securities received without consideration or for inadequate consideration will be included in the total income of the recipient and be subject to tax, unless exempt(for detailed discussion, refer para 3.4 above).

9. Loss under the head 'Capital Gains'

In general terms, loss arising from transfer of a capital asset in India can only be set off against capital gains. Long term capital loss arising on sale of equity shares not subjected to STT during a year is allowed to be set-off only against long term capital gains. A short term capital loss can be set off against capital gains whether short term or long term. To the extent that the loss is not absorbed in the year of transfer, it may be carried forward for a period of 8 years

immediately succeeding the year for which the loss was first determined and may be set off against the capital gains assessable for such subsequent years. In order to set off a capital loss as above, the investor (resident/ non- resident) is required to file appropriate and timely income-tax returns in India.

Notes:

1) The above Statement of Possible Direct Tax Benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of equity shares;

2) The above Statement of Possible Direct Tax Benefits sets out the possible tax benefits available to the Company and its shareholders under the current Tax Laws presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant Tax Laws;

3) This Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing Tax Laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue;

4) In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the Double Taxation Avoidance Agreement, if any, between India and the country/specified territory (outside India) in which the non-resident has fiscal domicile; and

5) The stated benefits will be available only to the sole/first named holder in case the shares are held by joint shareholders.

6) The tax rates (including rates for tax deduction at source) mentioned in this Statement are applicable for FY 2017-18 (AY 2018-19) and are exclusive of surcharge, education cess and higher education cess.

Surcharge @ 15% of income tax is applicable in case of individuals where total income under the Act exceeds Rs 1 crore and @ 10%. of income tax is applicable in case of individuals where total income under the Act exceeds Rs 50 lakhs and upto Rs. 1 crore

Surcharge @ 7% is applicable in case of domestic companies where total income under the Act exceeds Rs 1 crore and is up to Rs. 10 crore. If the total income of the resident companies exceeds Rs. 10 crore, surcharge would be leviable @ 12%.

In case of foreign companies, surcharge @ 2% is applicable in case of where total income under the Act exceeds Rs 1 crore and is upto Rs. 10 crore. If the total income exceeds Rs. 10 crore, surcharge would be leviable @ 5%.

Further, FY 2017-18, a tax rate of 25% would be applicable where turnover or gross receipt of the company does not exceed Rs. 50 Crore in the FY 2015-16.

B) INDIRECT TAXATION

1. Benefits available to the company under Central Excise Act

1.1. Section 5A of Central Excise Act read with Notification no 50/2003 dated 10-06-2003

As per Notification no 50/2003, the exemption shall apply to

(a) new industrial units set up in areas mentioned in Annexure-II and Annexure-III of the said notification, which have commenced commercial production on or after the 7th day of January, 2003, but not later than the 31st day of March, 2010;

(b) industrial units existing before the 7th day of January, 2003 in areas mentioned in Annexure-II, but which have undertaken substantial expansion by way of increase in installed capacity by not less than twenty-five per cent. on or after the 7th day of January, 2003, but have commenced commercial production from such expanded capacity, not later than the 31st day of March, 2010.

Then the goods specified in the First Schedule and the Second Schedule to the Central Excise Tariff Act, 1985 (5 of 1986), other than the goods specified in Annexure-I cleared from a unit located in the Industrial Growth Centre or Industrial Infrastructure Development Centre or Export Promotion Industrial Park or Industrial Estate or Industrial Area or Commercial Estate or Scheme Area, as the case may be, specified in Annexure-II and Annexure-III, from the whole of the duty of excise or additional duty of excise, as the case may be, leviable thereon under the tax laws.

The exemption contained in the notification shall apply to any of the said units for a period not exceeding ten years from the date of publication of this notification in the Official Gazette or from the date of commencement of commercial production, whichever is later.

The deduction is available subject to fulfillment of conditions prescribed under the said notification.

The exemption contained in the notification shall not apply to such goods which have been subjected to only one or more of the following processes, namely, preservation during storage, cleaning operations, packing or repacking of such goods in a unit container or labelling or re-labelling of containers, sorting, declaration or alteration of retail sale price and have not been subjected to any other process or processes amounting to manufacture in the States of Uttarakhand or Himachal Pradesh.

The Company has two units set up in Uttrakhand and 1 unit in Himachal Pradesh the details of which are mentioned below. As informed, these units are eligible for exemption under Notification 50/2003.

Unit	**Address**	**Period for which benefit already availed**	**Pending Period for which benefit will be availed**
Dehradun unit - VI	AMBER ENTERPRISES INDIA PVT LTD, PLOT No. A-1/1A,UPSIDC INDUSTRIAL AREA,SELAQUI,DEHRADUN,UTTARAKHAND-248197	Feb 2010 to June 2017	July 2017 to Feb 2020
Dehradun unit - V	AMBER ENTERPRISES (INDIA) PVT. LTD,UNIT-5,H-23,INTEGRATED INDUSTRIAL ESTATE,SELAQUI,-DEHRADUN,UTTARAKHAND- 248197	April 2009 to June 2017	July 2017 to April 2019
KALA AMB	AMBER ENTERPRISES INDIA PRIVATE LIMITED, VILLAGE OGLI, TRILOKPUR ROAD, KALA AMB, SIRMOUR, HIMANCHAL PRADESH-173030	November 2009 to June 2017	July 2017 to November 2019

2. Status of Area based exemption under Goods and Services Tax Act, 2017

Area-based tax exemptions are likely to undergo a key change in the proposed Goods and Services tax (GST) regime. GST council on its 2nd meeting held on 30-September-2016 has decided that units in the specified areas will be required to pay the GST first and get a refund. Further keeping in mind the Doctrine of Promissory Estoppel, it is expected that the government will continue to provide tax relief to units availing area based exemption under the earlier indirect tax regime. However, to align it with the principles of GST, the modus operandi to provide such relief may be different.

Update (as on 07 Dec 2017)

In pursuance of the decision taken by the Government of India (GOI), the Ministry of Commerce and Industry vide Notification F. No. 10(1)/2017-DBA-II/NER dated 5 October 2017 has notified a new scheme called *'Scheme of budgetary support under Goods and Services tax regime to the units located in the states of Jammu & Kashmir, Uttarakhand, Himachal Pradesh and North east including Sikkim'* for the units which were eligible for drawing benefits under the erstwhile laws.

Further, CBEC vide circular no 1060/9/2017-CX dated 27/11/2017 has released the procedure for manual disbursement of budgetary support under the said scheme and *inter-alia* provides for separate registration for each of the eligible units.

The scheme has been implemented w.e.f. 01st July 2017 and shall remain operational for the residual period for each of the eligible unit with an overall validity up to 30th June 2027.

The scheme is available to the units which were eligible to avail benefit of exemption from payment of excise duty under the notifications mentioned under Para 2 of the said scheme before 1st July 2017 and were availing the said exemption immediately before 1st July 2017.

The scheme provides for quarterly filing and disbursement of the budgetary support to be worked out @ 58%/29% of the Central tax/Integrated tax respectively paid through debit in the electronic cash ledger after utilization of input tax credit of Central tax and integrated tax.

SECTION IV: ABOUT OUR COMPANY

INDUSTRY OVERVIEW

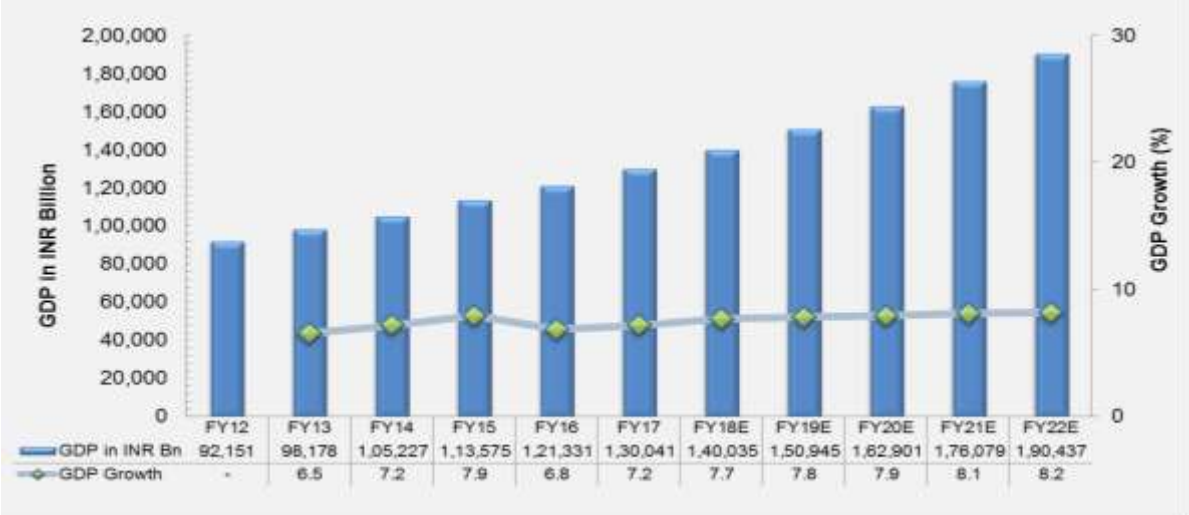
*Unless specified otherwise, the information in this section has been obtained or derived from the "Indian Room Air Conditioners Market Study" of September 2017 by Frost & Sullivan India Private Limited ("**F&S Report**") which has been commissioned by our Company. For risks in relation to commissioned reports, see "Risk Factors – We are not able to guarantee the accuracy of third party information included in this Red Herring Prospectus including from the industry report commissioned by us." on page 31. All information contained in the F&S Report has been obtained by Frost & Sullivan India Private Limited from sources believed by it to be accurate and reliable. None of the Company, the Promoter Selling Shareholders, the BRLMs or any other person connected with the Offer has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on or base their investment decision on this information.*

MACROECONOMIC SCENARIO IN INDIA

India remains a beacon of growth

The country's GDP grew at an accelerated 6.4% in Fiscal 2013, up from 5.5% in Fiscal 2012. Aided by stronger macroeconomic fundamentals including lower inflation, a narrow current account deficit, and a replenishment of foreign currency reserves, the Indian economy grew by a better-than-expected 7.9% in Fiscal 2015. Though, it slowed down to 6.8% in 2016 on account of low industrial activity and slump in private investments in the economy. However, the growth increased marginally to reach 7.2% in Fiscal 2017, on account of revival in industrial activity.

Indian GDP and GDP growth



Note: E refers to Estimate

Source: IMF

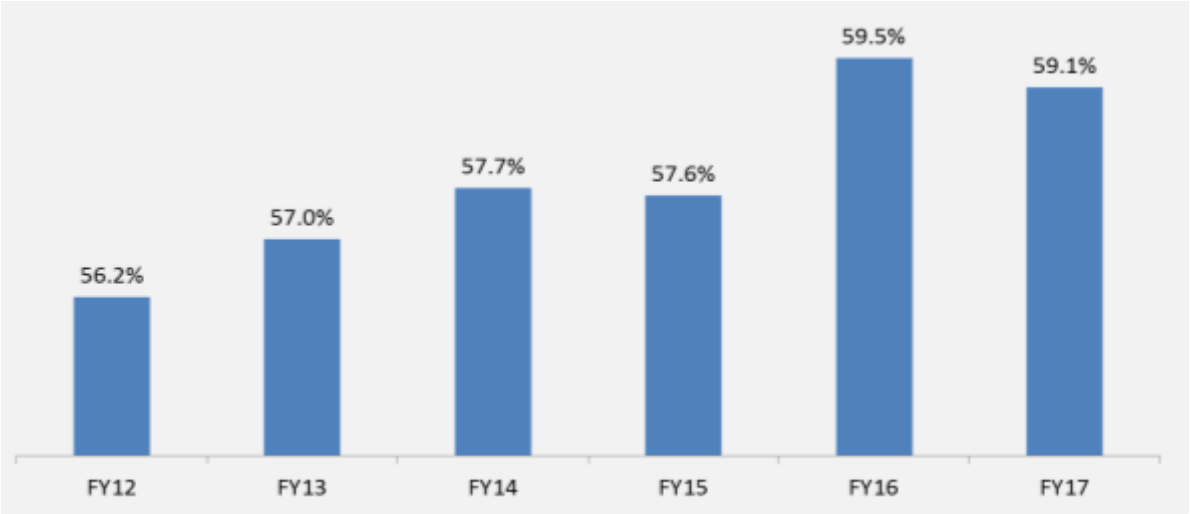
As per the World Bank, India is one of the fastest growing economies in the world. India's GDP is expected to expand at a CAGR of 6.3% between 2018 and 2022. Positive policy actions, strong domestic demand, improving business climate, and a pickup in industrial activity have all helped to strengthen India's macroeconomic fundamentals and ensure a sustainable growth trajectory. Certain landmark reforms like GST implementation and new code to deal with bankruptcies, as well as decisive action to resolve the non-performing assets ("**NPA**") challenge of public sector banks that further are expected to boost the potential economic growth of the country.

Per Capita Income Growth in India (₹)

Source: MOSPI

The per capita income is a broad indicator of prosperity. India's per capita income at current prices during Fiscal 2017 is estimated to have attained a level of ₹ 103,219 as compared to the estimates for Fiscal 2016 of ₹ 94,130 registering a rise of 9.7% indicating the improving standard of living of the population in the country. The increasing per capita also has a positive impact on the demand for consumer durable products especially consumer electronics and appliances.

Household Final Consumption Expenditure (% of GDP)



Source: MOSPI

Private consumption expenditure has crept up from 56.2% of GDP in Fiscal 2012 to 59.5% of GDP in Fiscal 2016. However it declined to 59.1% in Fiscal 2017, on account of drop in household disposable and discretionary expenditure during Fiscal year.

Implementation of GST would have a short term impact on industry dynamics

The GST regime has adopted a differential policy when it comes to different products that fall under the products and components. On one hand, products like smartphones have been placed at 12% which is marginally lower than the effective tax rate previously. On the other side, consumer durables such as Televisions ("**TVs**"), RACs and washing machines have been placed under the peak rate of 28%. The industry is expected to experience a net increase of 2-4% in price and this is likely to have a minor impact in the near term, depending on the states being considered.

The OEM/ODM companies would benefit from overall reduction in costs on account of seamless logistics across the Indian geography. The industry will be able to factor in the input tax credit, thus leading to insignificant impact on the manufacturers. Overall the OEM/ODM industry will witness positive momentum on account of reduced cost, lower operational complexity,

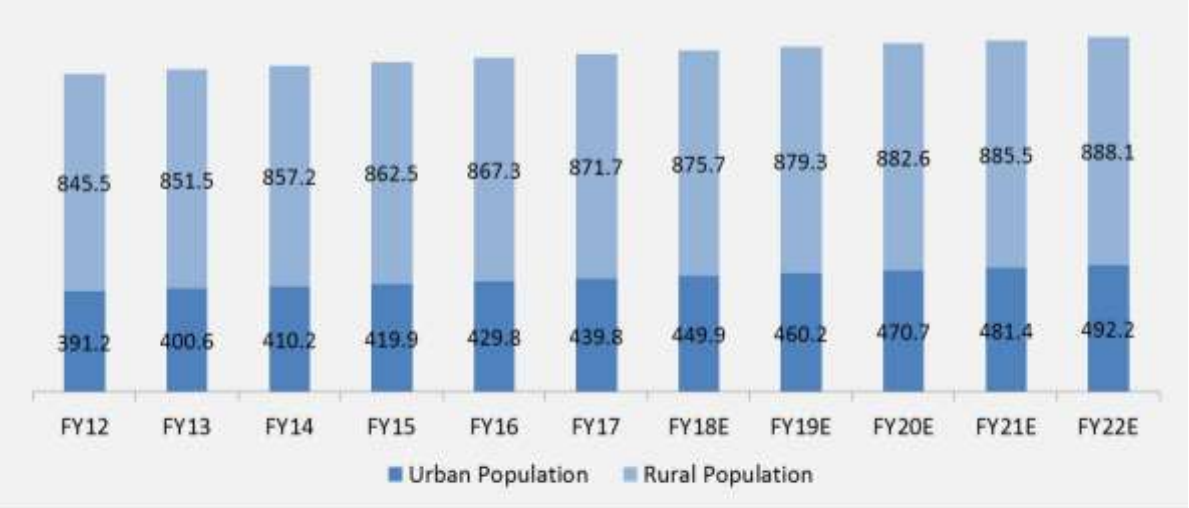
increased propensity of consumer durable brands to outsource manufacturing to OEM/ODM and more options for local component sourcing.

It is to be noted that the increase in taxes is agnostic to players and geographies, offering no competitive advantage. The short-term challenges are likely to pave way for long term healthy growth of this industry.

Growth of urban agglomeration has resulted in increased urbanization

India is in the midst of a massive wave of urbanization as some 10 million people move to towns and cities each year in search of better economic opportunities. India's seven largest metropolitan areas – Mumbai, Delhi, Bengaluru, Kolkata, Chennai, Hyderabad, and Ahmedabad – dominate the country's economic landscape. In case of major cities like Delhi, Mumbai, Hyderabad, and Kolkata, population growth has been fastest on their peripheries with development of emerging metropolitan clusters.

Urbanization in India



Note: E refers to Estimate

Source: UN Urbanization Prospects

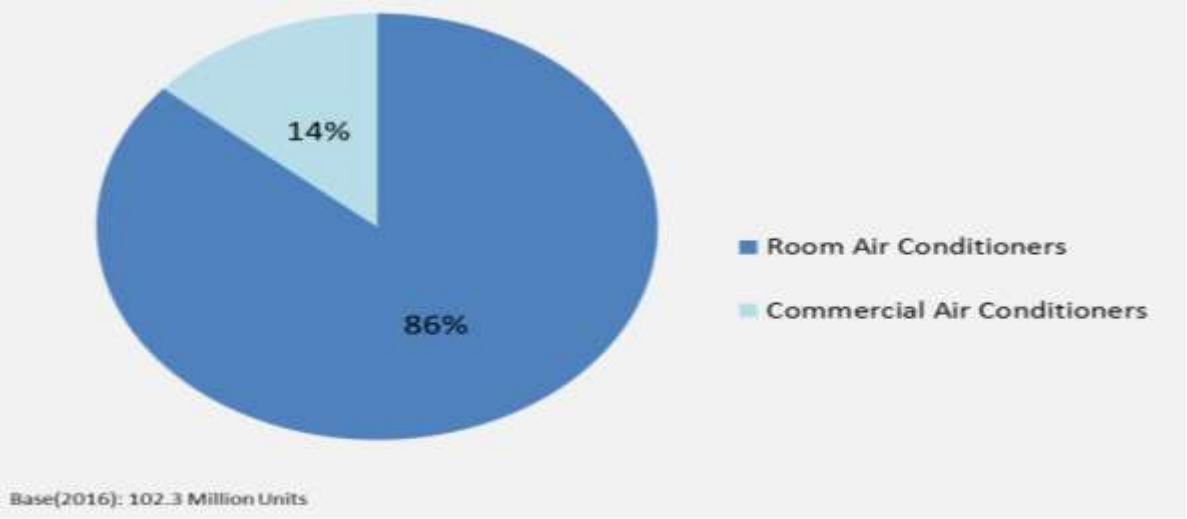
The urbanization trend in India was strong during the last decade (2001-2011) compared to the previous ones. Urban population reached 31.16% of the total population as per census 2011; increased from 27% in 2001. As per Census 2011, this surge in urban population was supported by an increase in cities. There were 35 urban agglomerations with greater than 1 million populations in 2001 which expanded to 53 in 2011.

GLOBAL ROOM AIR CONDITIONER MARKET OVERVIEW

Infrastructure investments in developing economies revive global sales

Global demand for ACs is rising due to rapid demand from emerging countries and focus on energy efficiency in developed economies. After a contraction in demand in 2015, the global ACs market grew at a modest rate of 2% in 2016, registering a demand of 102.3 million units. The revival was majorly driven by late demand from China due to the unexpected variation in the weather pattern. China accounts for almost 40% of the total market in 2016 followed by the region Asia Pacific with 16% share.

Global Air Conditioner Market – Split by Segments



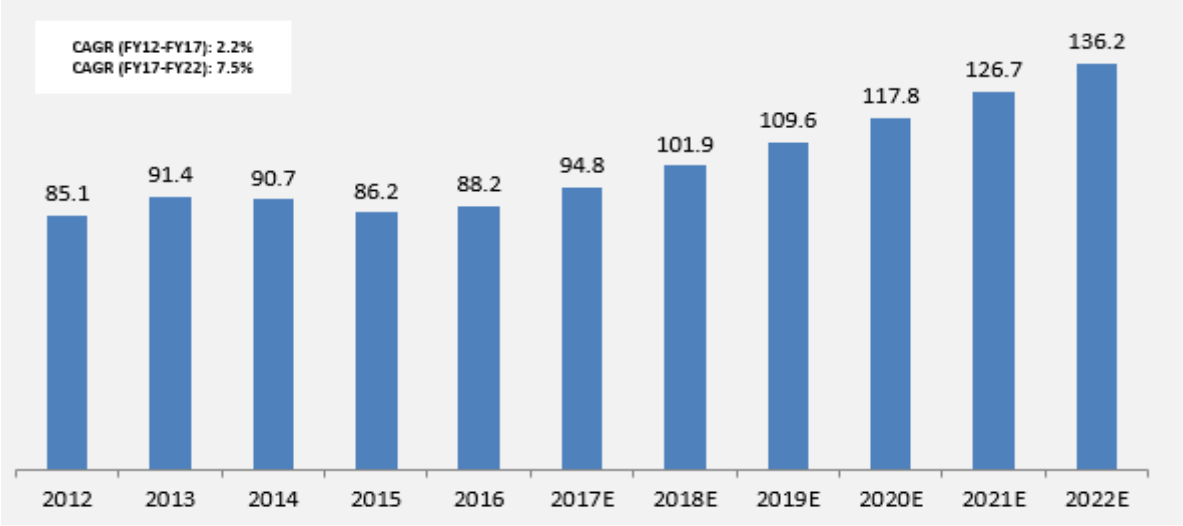
Source: The Japan Refrigeration and Air Conditioning Industry Association (JRAIA) ; Frost & Sullivan Analysis

Commercial infrastructure projects in the developing economies bode well for the market and have been instrumental in driving the volume for the commercial ACs segment at 14.1 million units in 2016. Growing middle class incomes especially in China and India has led to increased sales of RACs in the region contributing in the overall RAC demand of 88.2 million units in the same year.

Energy efficiency and technology innovation driven sales trend

The RAC market witnessed a moderate growth from 2012 to 2016 backed by improved construction activities only to decline in 2015 due to a demand dip in some regions. The drop in demand in Saudi Arabia and Brazil were instrumental in the demand contraction, however the continual demand from China revived the market in 2016. Energy efficient RAC with star ratings and inverter technologies have also influenced growth in sales of RACs.

Global RAC Volume Market Size and Forecast (Million Units)

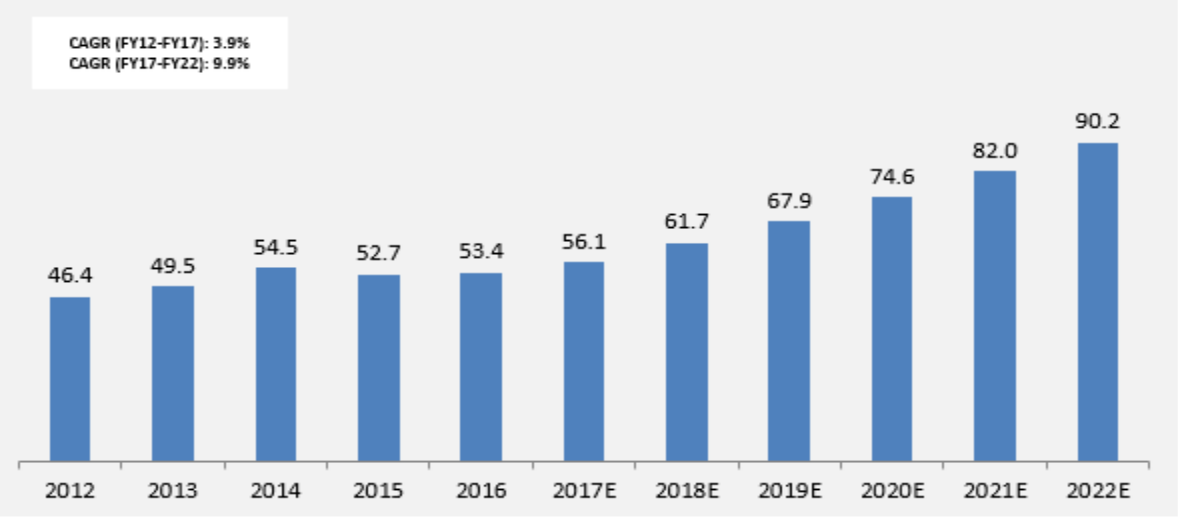


Note: E refers to Estimate

Source:JRAIA; Global Industry Analysts, Frost & Sullivan Analysis

The outlook for the market shows positive signs backed by technological advancements in RAC space in aspects of costs and efficiency. The demand for RAC is expected to grow at a CAGR of 7.5% during the forecast period 2017-2022 primarily driven by increasing market penetration in emerging economies as well as high replacement demand in the developed countries.

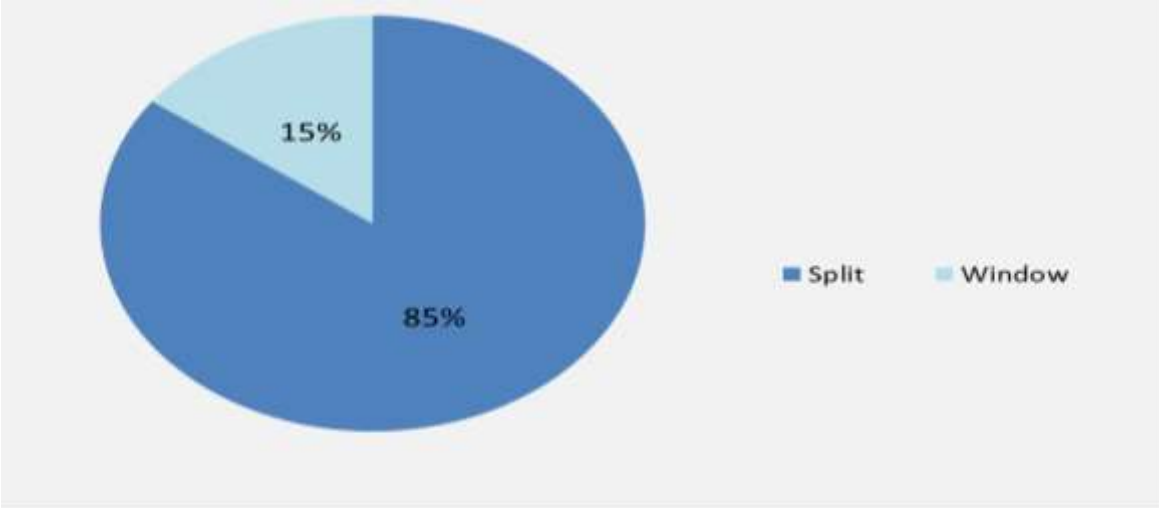
Global RAC Value Market Size and Forecast (USD billion)



Note: E refers to Estimate Source: The Building Services Research and Information Association (BSRIA), Frost & Sullivan Analysis

Increased competition and stringent regulations have prompted the players in the RAC market to find innovative ways to reduce costs and increase the overall efficiency which has been beneficial to the end-users. Also the rise in disposable incomes of the middle income population has led to greater affordability. Hence RAC purchase in most instances is considered as a necessary lifestyle product rather than luxury. These factors have helped the sales of the global revenues reach USD 53.4 billion in 2016 and the revenues are expected to grow at a CAGR of 9.9% to reach USD 90.2 billion in 2022.

Global RAC Market: Split by Segments



Base(2016): 88.2 Million Units Source:JRAIA; Frost & Sullivan Analysis

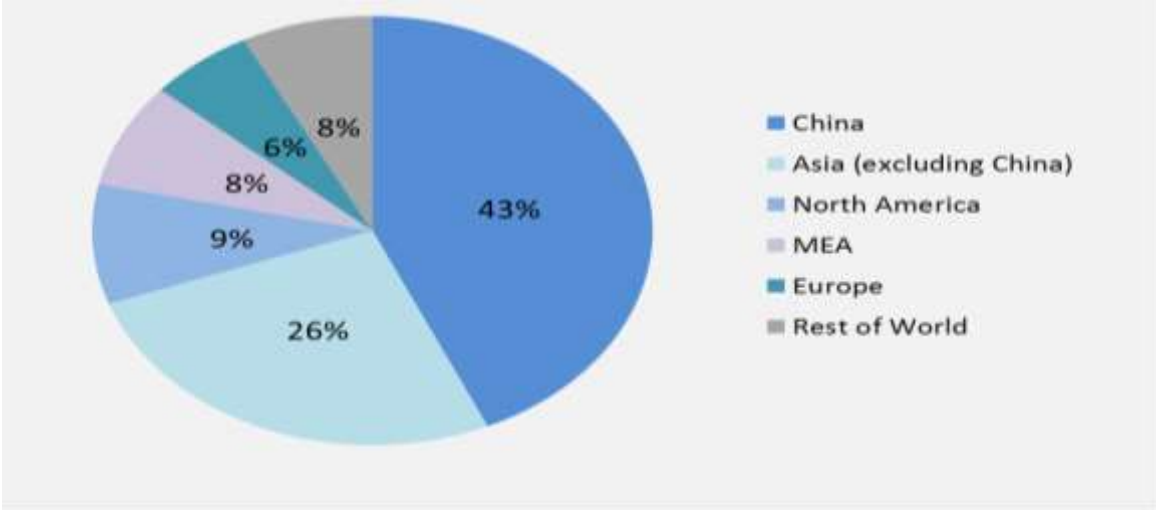
Asia pacific to witness the strongest growth due to growing middle class incomes

With increasing penetration levels of RACs, China dominated the global RAC market accounting for 43% of the overall demand. Japan and India are the key countries contributing to the demand in the rest of Asia Pacific region.

North America witnessed a decline of 1% in RAC sales in 2016 due to slowdown in economy, however it accounted for 9% of the global market in 2016, thus signifying a steep decline in prices. The RAC market in Europe accounts for 6% of the global share with 5.37 million units and is expected to increase in future.

The Middle East and Africa region accounted for 8% registering lower demand due to subdued business sentiments in the region led by economic challenges of Saudi Arabia. Rest of the world included Latin America and Oceania such that Latin America contributed to 6.5% of the global market.

Global RAC Market – Split by Key Regions

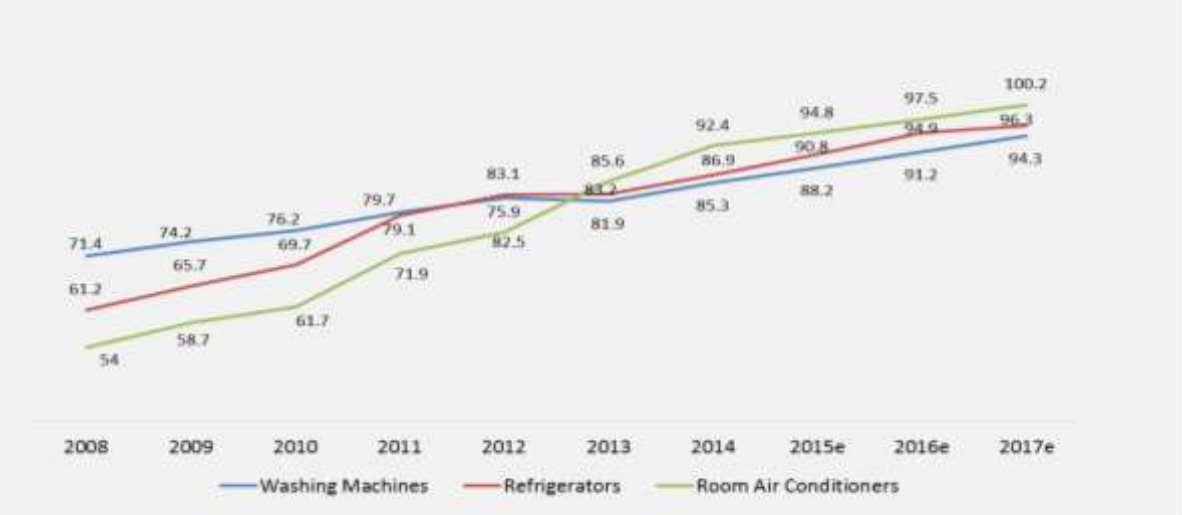


Base(2016): 88.2 Million Units

Source:JRAIA; Frost & Sullivan Analysis

The penetration of RAC in China has grown tremendously from 54% in 2008 to 100% in 2017. The growth rate of the RAC segment was significant in comparison to other categories such as washing machines and refrigerators.

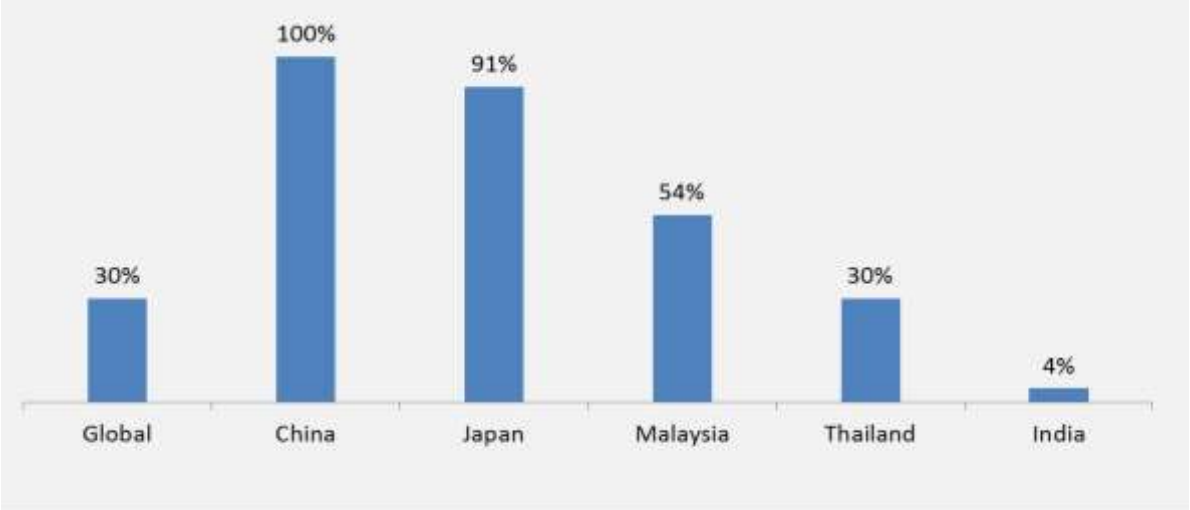
China Consumer Durables – Market Penetration Comparison



Source: CEIC, HSBC, Frost & Sullivan Analysis

In comparison to other Asian countries, there is tremendous potential in the Indian market as the overall RAC penetration is relatively much lower. This defines how Indian RAC market would be leading the path of global market growth in the next few years.

RAC Market Penetration - Select Asian Countries and Global



Source: CEIC, HSBC, BELDA Asia, Frost & Sullivan Analysis

Lifestyle changes and increasing affordability leading to growth of RAC

Rapid developments in urban areas have led to paved spaces, reduced greenery and extensive use of dark roofs, all of which leading to escalating urban heat island effect resulting in rise in temperatures worldwide. The rising temperature has driven the demand for RACs to battle heat. Growing income levels in developing economies with larger middle class population has enabled affordability and discretionary spending.

It is expected that by 2030, two-thirds of the global middle class will reside in the Asia-Pacific region. India and China will lead this trend with the latter with 150 million people as part of the middle class will contribute 500 million. India's middle class share is around 50 million people and is expected to reach 200 million by 2020.

MARKET ASSESSMENT OF INDIAN CONSUMER DURABLES

High demand and un-tapped regions presents huge growth opportunity

Indian consumer durables market has been witnessing sustained double digit growth rate in the past few years. A robust Indian middle class with growing disposable incomes has been instrumental in driving demand of various consumer durables. Increasing product awareness, affordable pricing, innovative products and the high disposable incomes have aided in the strong growth in the white market in India. Rapidly shrinking replacement cycle for consumer durables is observed as sustaining demand in urban India. The existing low penetration rates and the increasing usage of consumer durables have catapulted rural India to the high demand potential segment. The consumer durables market in India is characterized by technological advancements, innovative product introductions, price fluctuations and intense competition.

Market Size and Forecast of Consumer Durables (Volume in Million Units)

Note: E refers to Estimate

Source: Company Websites, Frost & Sullivan Analysis

Consumer durables volumes are expected to witness an impressive CAGR of 14.3% from Fiscal 2017 to Fiscal 2022. Products such as FPD televisions ("**FPD TV**"), refrigerators ("**REF**"), washing machines ("**WM**"), RACs and air coolers find pan India adoption. In the consumer durables market, almost 55-60% of the revenues are contributed by the urban markets. Innovation by consumer durable brands product lining, marketing and delivery models, complemented by rising disposable incomes and evolving life styles are expected to bring about growth in overall revenues by Fiscal 2022.

Market Size and Forecast of Consumer Durables (Value in ₹ billion)

Note: E refers to Estimate

Source: Company Websites, Frost & Sullivan Analysis

Implementation of minimum energy efficiency performance standards by Bureau of Energy Efficiency ("**BEE**") and the need for cost effective air conditioning solutions shall drive the demand for energy efficient RAC in India. Increasing number of nuclear families, urbanization, lifestyle changes, large untapped market and environmental changes will fuel the growth in TVs, REFs, RAC, air coolers and WM markets during the forecast period.

In consumer durable industry, some of the critical selection factors will be price competitiveness, promotion initiatives, service support, product durability, improved features and availability of energy efficiency models. Consistent increase in indigenous production, emphasis on product localization by suppliers, and continuous focus on R&D has led to the growth of domestic manufacturers in consumer durables industry.

The Indian air conditioning market is divided into two major segments: commercial ACs (VRF, Chillers) and RACs (Split and WACs). RAC segment has 95% share in terms of volume in the overall AC market in India. RAC, along with REF market is expected to grow more in upcoming years, mainly guided by rising household income, improving living standards, rapid urbanization, increasing number of nuclear families and large untapped semi-urban and rural market. The major players are adopting various pricing strategies and launching the new models with advanced features and new designs.

Low penetration of RAC in comparison to other consumer durables

India's consumer durables market has been growing over the last few years but remains fragmented. The growth of consumer durables market is driven by the increase in disposable income including higher salaries of Government employee post seventh pay commission, urbanisation and easy consumer financing. With increase in efforts on product innovation and launch of new variants of products, the overall market is increasing. The scope of penetration is supported by increase in organised retail market in future.

Market Penetration of Consumer Durables, India vs. Global (%), Fiscal 2015

Source: Motilal Oswal, Ernst & Young, Frost & Sullivan Analysis

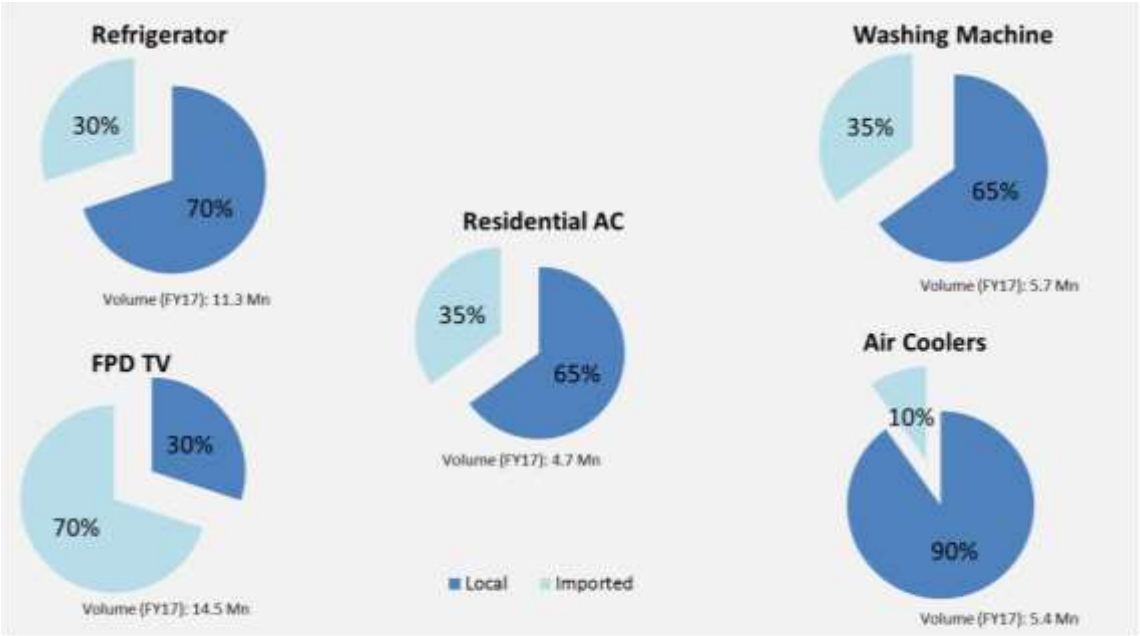
The RAC penetration level in India (4%) lags when compared to the global level (30%) implying the room for growth. With the increasing temperature conditions in India the scope of demand will increase in the next few years. Overall Indian market remains at sub-par level when compared to the global average. With increase in rural market sales and product lining strategies, the market penetration is expected to improve in future.

Low localization levels offer an opportunity to domestic component manufacturers

Although the level of localization has increased in assembling in the last few years, the manufacturing of consumer durables in India is still low. Majority of electronic components in major appliances are imported due to the low supply base in India. Ease of procurement and abundance of components availability in India's neighbourhood supports high imports scenario.

In RACs, localization is around 65% as compressors are imported. Localization is comparatively higher in case of air coolers due to presence of numerous indigenous players procuring products domestically.

Localization level in appliances manufacturing in India (Fiscal 17)



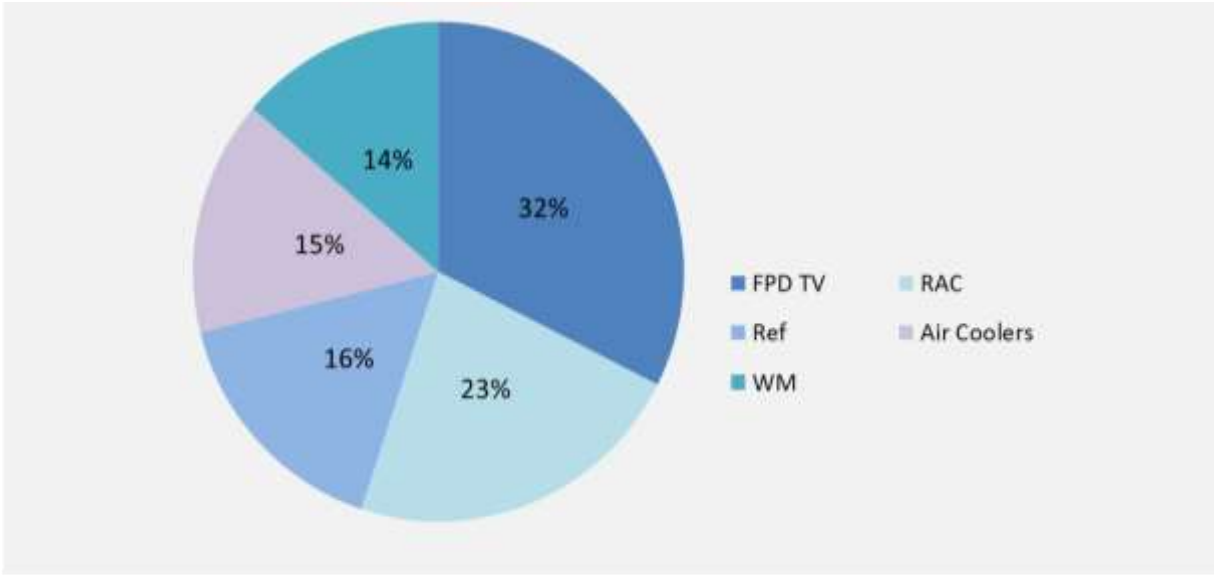
Source: Frost & Sullivan Analysis

OEM/ ODM adding value to the business of consumer durable brands

A booming consumption economy where demand for consumer durables is on an exponential rise has cast the Indian OEM/ODM market into the limelight zone. Propelled by the need for import substitution, domestic manufacturing of consumer durables in India has attracted immense attention from both industry and policy makers. Favourable policy initiatives in recent years along with the changing dynamics in global manufacturing landscape have shifted the focus onto India for being a preferred destination for manufacturing investments. Following are the key reasons for the growth of OEM/ODM industry in India:

- Outsourcing allows consumer durables brands to restrict their focus to their core competence areas of innovation, differentiation, marketing and distribution.
- Economies of scale is another advantage offered by OEM/ODM companies and this is further encouraging consumer durable brands to collaborate with OEM/ODM partners for their design, manufacturing and even reverse logistics requirements.
- Consumer durable brands also save on the logistics and warehousing costs by partnering with OEM/ODM players.
- Technology and product dynamism in the consumer durables industry necessitates frequent call for innovation. Innovation in business models aimed at enhancing productivity and profitability have been driving consumer durable brands to embrace the services of OEM/ODM companies.
- Reduction in the working capital cycle by outsourcing the manufacturing part.
- Flexibility of providing multiple RAC models with quick turnaround time.

Market Segmentation of Consumer Durables OEM/ODM Industry



Base (FY17): 7.1 Million Units

Source: Frost & Sullivan Analysis

RAC is the second most prominent industry with 23% share in the total volumes of outsourced production in consumer durables segment in Fiscal 2017. OEM/ODM companies which started off as pure contract manufacturers have over time enhanced their capabilities to offer systems design and aftermarket services. This trend has been facilitated by the growing confidence of consumer durables brands in outsourcing activities beyond the core assembly. The move has been partly driven by the OEM/ODM companies' aspiration to explore higher returns than that is currently available. The increase in production volumes has enabled the OEM/ODM companies to negotiate favourable sourcing contracts for components and strengthen its supply chain.

OEM/ODM market in India enjoys unique benefits of an explosive domestic demand and the migration of manufacturing from other manufacturing havens driven by multiplicity of factors. These reasons have resulted in higher growth rate of Indian OEM/ODM market in comparison to average global market growth, and are expected to intensify in the next decade.

Growth drivers overshadow barriers in OEM/ODM industry

The geographical expanse of India and complexity of its target markets, call for high level of investment in the marketing and aftermarket functions. OEM/ODM offer consumer durable brands flexibility in product design updates, faster time to market, cost effectiveness; avoid manufacturing challenges besides offering value added services like design and aftermarket services. The need to offer a wider portfolio of models is necessary to achieve a presence across the target markets. Wider portfolio is difficult to manage; OEM/ODM can help consumer durable brands manage it. Thus consumer durable brands can focus on their core functions and avoid spreading their resources in their quest to achieve higher performance.

On the other hand, the government's stated objective of enhancing manufacturing content within India has been backed up by creation of a favourable environment. Whether it is the customs duty for certain products or removal of duties on components or encouraging local component manufacturing, there has been appreciable movement to drive domestic manufacturing. The government has also taken several steps towards increasing the ease of doing business, which has resulted in increased manufacturing setups by multiple foreign manufacturers in the country.

This environment has certainly encouraged the OEM/ODM segment as consumer durable brands continue to push for collaboration with them. While consumer durable brands with smaller share of the market have naturally gravitated towards OEM/ODM to conserve their resources and maintain focus, larger RAC brands have also found merit in forging relationship with OEM/ODM players to retain their edge. Moreover, new players entering India find it easier to bank on OEM/ODM companies' services while they focus on building the brand and establishing an effective distribution network.

Key Drivers for Consumer Durables OEM/ODM Industry

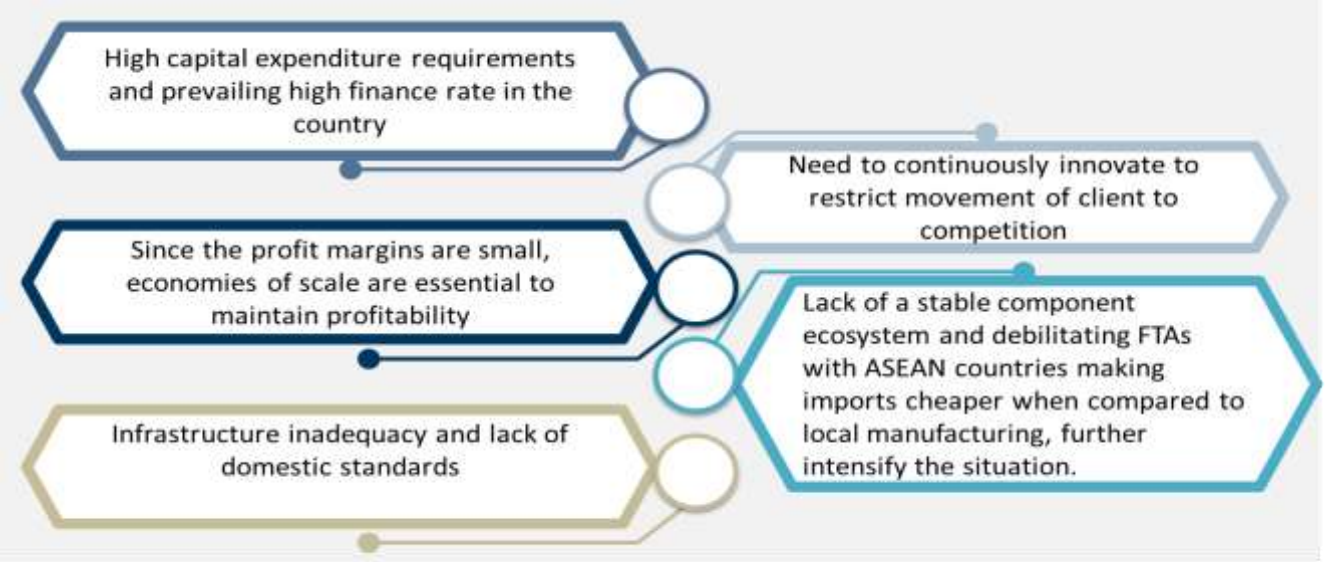
Source: Frost & Sullivan Analysis

As manufacturers look to set-up facilities in proximity to cater to growing demand for localized products and with India gaining scale in its manufacturing operations; there is a potential export opportunity to demographically similar and neighboring regions such as Africa, SAARC and the Middle East in the coming years. Growing demand and rising import dependence will spur local manufacturing growth.

Although there are multiple positives for the OEM/ODM growth story in India but because of the nature of this industry, there are some inherent challenges too. The investment required in the OEM/ODM industry is very high thus is an entry barrier for a new player entering the market. The situation is aggravated by the high finance costs which make borrowing a costly affair. Since margins in appliances are thin, the OEM/ODM players essentially need high volumes to make their operations profitable, thus making attainment of economies of scale a necessity for them.

Seasonality and variable nature of many product markets result in fluctuations in demand by the consumer durable brands and this uncertainty affects the production cycle of an OEM/ODM provider. They also need to continuously innovate and bring out new and refined capabilities in order to restrict the consumer durable brand partners from moving to the competition. The trend toward short product lifecycles critically affects the OEM/ODM industry. Consumer preferences change frequently, requiring OEM/ODM companies to maintain fast and effective processes that can enable new product introduction.

Key Barriers for Consumer Durables OEM/ODM Industry



Source: Frost & Sullivan Analysis

Free Trade Agreements with ASEAN countries result in making imports cheaper when compared to local manufacturing. Many consumer durable players like Sony, Panasonic, Samsung, etc. import from these destinations at lower costs in comparison to domestic manufacturing. Inadequate domestic standards and testing facilities for many of the products in India paves way to supply sub-standard products and also does not control the dumping of sub-standard products into India. In spite of the development of Special Economic Zones and Electronics Manufacturing Clusters ("**EMCs**"), the infrastructure requirement in terms of constant water, electricity, utilities supply is still an evolving set of benefits. Non-operational Greenfield EMCs and high cost of capital (12 to 14% cost of borrowed capital) poses a challenge for local manufacturing.

The advantages of domestic manufacturing over-shadow the associated disadvantages. Consumer durable brands have an option of increasing in-house manufacturing capacity or associating with the OEM/ODM players. The value offered by OEM/ODM players is superior to in-house manufacturing undertaken by the consumer durable brands themselves. The protection offered to designs and intellectual property of a consumer durable brand being strong and assuring, the preference for OEM/ODM option trumps the investment to be made by the former.

OEM dominates the outsourced manufacturing segment while ODM makes a strong emergence

- ODM allows distinct advantages of faster product development, design support along with manufacturing.
- Being an ODM is a step forward in gaining the confidence of the consumer durable brands besides acquiring a higher wallet share.
- RAC brands save on the investment in R&D and design when they partner with an ODM service provider.
- New market entrants find ODM an attractive option in order to achieve a faster market penetration.
- Association with ODM is strategic whereas, OEM collaboration is more transactional.

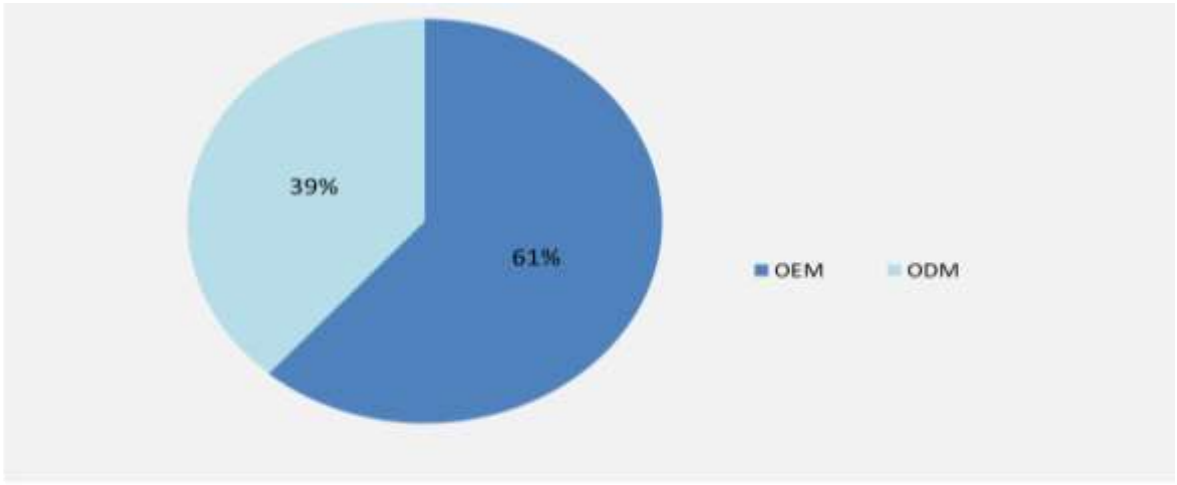
The consumer durables industry in India is expected to ride on the economic growth with urbanization, low penetration, demand for products with local characteristics and policy support from the government. The growth potential of this market has attracted new players and existing market participants are preparing themselves for the next wave of growth. The next wave will likely witness, greater value-addition to take advantage of the requisite volume for manufacturing besides designing and developing India centric products. The immense choice available to consumers has brought in discerning character to the buying behaviour. Hence the intensifying competition ensures that the consumer durable brands will have to be innovative to capture market shares and achieve profitability.

Leading consumer durable players like LG, Samsung, Whirlpool, who by virtue of their historical presence and investment in product design and development enjoy competitive edge over others in the market place. In the recent years, the share of these companies has declined as new domestic players carve out regional and value conscious market segments. This shift is characterized by their focus on product marketing and distribution strategies. Technology, product design and manufacturing, being intense functions, consume considerable resources at the consumer durable brands. Collaboration with OEM/ODM

companies to outsource manufacturing is an attractive proposition that is gaining currency. Distinct advantages of faster product development, design support, manufacturing and in some instances, reverse logistics is driving consumer durable brands closer to OEM/ODM companies.

ODM operations are gaining financial, operational and business superiority over the OEM operations. An ODM business is technologically superior to the OEM business, thus on one hand, it offers better solutions to the brands, on the other it also adds to defensibility of the business of the ODM company. An ODM has strong backward integration capabilities, thus it allows higher control over the cost component of the final product and cuts down on the lead time that would otherwise be required to procure components. This brings down the cost of the final product, hence provides the dual advantages of a lower cost to the brand and higher margins to the ODM. A brand also likes to associate with an ODM supplier for long term engagements as unlike OEM, an ODM provides complete end-to-end solutions.

OEM/ODM Industry – Split by Type of Requirement



Base (FY17): 7.1 Million Units

Source: Frost & Sullivan Analysis

The push from the government towards greater domestic manufacturing has OEM/ODM companies as the key enabling player in its planned success. The increasing cost of manufacturing in China on account of its high labour costs has consumer durable brands exploring cost effective locations. India with its competitive labour and overhead costs ranks as an attractive destination for relocating investments. Though concerns about infrastructure and component ecosystem exist, they pale in comparison to the significant advantages offered by domestic demand and labour costs.

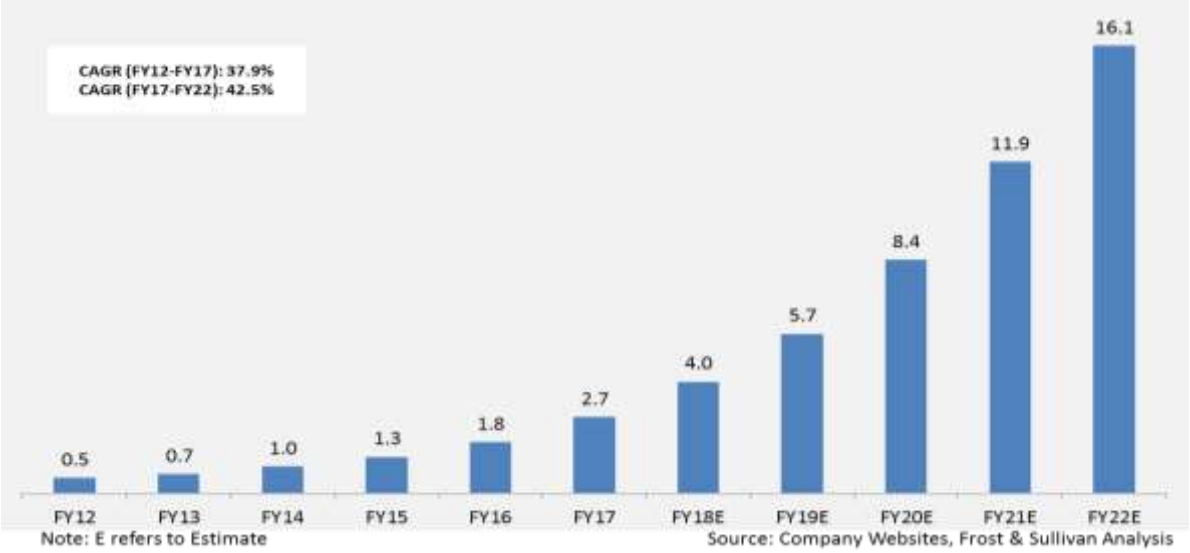
OEM/ODM companies are increasingly focussing on the ways to enhance their value offering by moving up the value chain. Being an ODM is seen as a step forward in gaining the confidence of the consumer durable brands besides acquiring a higher wallet share. Many OEM/ODM players provide design services as part of their bouquet of offering to customers, while relying on their core OEM/ODM services.

Various players like Micromax, Intex, Abaj etc. are expected to witness a faster growth and this segment will be high reliant on the services of ODM services. The larger players today primarily solicit OEM/ODM services but the evolution of this industry can drive higher possibility of ODM services too. New market entrants will find OEM/ODM an attractive option in order to achieve a faster market penetration. The future appears bright for the OEM/ODM industry in India as the relationship between consumer durable brands and their manufacturers move from a transactional to a strategic one.

Growing importance of ODM segment in the OEM/ODM industry

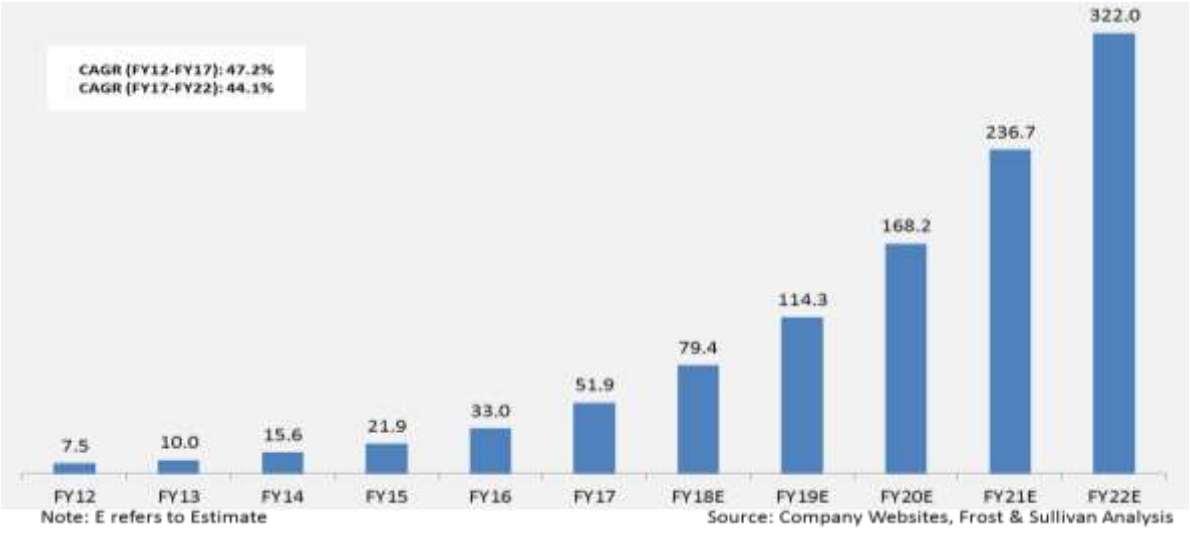
Consumer durables have frequent design revisions, as the users demand new features, comfort, safety and therefore creativity and innovation from the brands. Consumer durables brands have to innovative in products and market presence in order to maintain competitiveness. The companies invest in their in-house design team so that there is an undiluted focus. Barring some leading brands, most companies lack the capacity to sustainable investments in R&D and product design. This gap and the strong need for product innovation are encouraging the ODMs to fulfil the same.

Market Size and Forecast of Consumer Durables ODM Industry – Volume (Million Units)



Consumer durables ODM is expected to increase from 2.7 million units in Fiscal 2017 to 16.1 million units in Fiscal 2022, at a CAGR of 42.5%. Owing to their economies of scale, expertise and dedicated focus, ODMs are better suited to invest and operate design operations. On account of larger operations and associated overheads, RAC brands' flexibility in frequent design changes is limited. Hence it is natural for RAC brands to bank on ODMs for quick support and faster time to market in a highly competitive environment.

Market Size and Forecast of Consumer Durables ODM Industry - Value (₹ billion)



Consumer durables ODM value is expected to grow from ₹ 51.9 billion in Fiscal 2017 to ₹ 322 billion in Fiscal 2022, at an impressive CAGR of 44.1%. Consumer durables brands find more value in an ODM collaboration whereby ODMs operate as partners to these brands by providing them with a full range of services, which include contract design service, prototyping, final system assembly and after-sale services.

In Fiscal 2017, the ODM market was 39% of the total OEM/ODM volumes. As the relationship between consumer durables companies and OEM/ODM industry develops, the former will find it increasingly lucrative to outsource product design to manufacturing functions and focus on its core marketing and customer acquisition activities. It is imperative for OEM/ODM to move up on their value deliverance and undertake as many functions on behalf of consumer durable brands and in the process innovate for market demand and customer aspirations.

Government is treating manufacturing as the priority sector

Long years of low focus or neglect of the electronics and appliances industry had resulted in poor ecosystem development. The potential of a robust ecosystem for local product development and manufacturing is a well-recognized need and successive

governments over the last decade have worked towards changing the prevailing scenario. The Government's endeavour has been to rationalize duties and taxes to enable local manufacturing and reduce reliance on imports of finished goods. Lower duties on components and inputs for manufacturing have enabled a positive environment vital for encouraging value addition. Introduction of GST has also played a supporting role in enabling lower cost and greater ease of operations.

Regulatory Support for OEM/ODM Industry

Source: Frost & Sullivan Analysis

GST will subsume Countervailing Duty ("**CVD**") and Special Additional Duty ("**SAD**"), however, Basic Customs Duty ("**BCD**") will continue to be applicable in imports. The key customs duty applicable on completely built electronics hardware is at the peak rate of 10%. As far as the inland taxes are concerned the consumer durables have experienced a marginal price revision on account of 28% tax under GST. The earlier tax rate applicable on the products ranged from 22% to 24%, which has hence been hiked to 28% under the GST regime. The months of July and August in 2017 witnessed a slight increase in prices though the same has been neutralized by significant uptake in market demand.

Refund of duty – Under the new law, tax paid during import will be available as a credit under *"Import and Sale"* model, whereas no such credit is available presently. Also refund of SAD which is available now, after doing specific compliance, no such restrictions are placed under GST. The government has treated the electronics manufacturing sector as a priority under its *"Make in India"* program, and announced several policy initiatives (such as EDF, PMA, skill development and MEIS) and incentives (such as MSIPS), which will act as drivers to boost domestic supply. It has also taken several steps towards increasing the ease of doing business, which has resulted in increased manufacturing units by multiple foreign manufacturers in the country.

Manufacturing competitiveness of India is increasing vis-à-vis China

India has always been considered to be a high cost destination with lower ease of doing business. In the recent years, India has made quantum jumps in its global rankings to become a preferred destination for investment.

India's manufacturing industry, hitherto plagued by low demand and value addition was not considered among the top destination by decision makers. This status underwent a change with the change in the government in 2014 and its undiluted focus on manufacturing through Make-in-India policies, which caught the imagination of the global and domestic companies.

China, given the long history and dominance in the manufacturing has been the favourite target for companies. The downturn in global economic conditions and years of high growth resulted in downward movement in China's fortunes. Also many countries in the Asian region offered global investors with options which encouraged them to explore. Though the manufacturing ecosystem is still the strongest, the recent years have witnessed an increase in labour costs which have dampened its standing as a low cost manufacturing location.

On the other hand, India has been leveraging its demographic dividend while bringing in the much required flexibility in its manufacturing policies. The conscious efforts to attract global investors have led to increase in FDI and also investor confidence.

The following driving factors reflect the increasing preference for India for manufacturing:

- Stable political government that assures global investors on consistency in policies;
- Rising cost of labour in China while India is still at a lower end of this cost;

- Creation of National Manufacturing Zones ("**NMZ**"), EMC, close coordination between centre and states for investment promotion;

- Investment by OEM/ODM companies; and

- Duties and tariffs to discourage imports and encourage domestic value addition.

Procurement from China experiences a time lag of forty to forty-five days. This lead time results in a cost escalation that is sought to be avoided. In order to overcome this challenge, many suppliers are evaluating establishing units in India to negate this disadvantage in logistics. The factors which are aiding this move are low labour costs, large potential user base, existing engineering capabilities in plastics, metal fabrication and power management.

Tier-II Indian consumer durable brands prefer the ODM engagement model which has turned out to be extremely cost competitive than in other countries. Government has been encouraging manufacturing through policy support and duty elimination for components so as to enhance cost competitiveness of local manufacturing. This includes tax holiday and waiver on utility charges, thus lowering this cost component. The creation of industrial clusters is expected to be highly beneficial in reducing the utilities costs for manufacturers.

A major pull factor for major manufacturers is the political friction between Japan and China, which has influenced Japanese brands to prefer India as a manufacturing destination for local market and exports the states in India are competing with each other to offer best incentives to manufacturers. The trust deficits suffered by Japanese investments have influenced many brands such as Panasonic to prefer Indian manufacturing partners. To source from China, manufacturers have to plan six months in advance to book capacities. To hedge better against consumer demand volatility and manage inventory efficiently, India is emerging as a preferred manufacturing location.

The labour cost in China is increasing on account of lower availability of cost effective manpower. The aspiration level of Chinese workers has increased dramatically over the last decade and they focus on high-tech jobs, leaving gaps in the low end of manufacturing value chain. This has led to shortage of labour and a higher cost due to lack of commensurate manpower.

MARKET ASSESSMENT OF INDIAN ROOM AIR CONDITIONERS

Product innovation and energy efficiency driving RAC sales in India

The Indian RAC market has been witnessing robust growth trend in the past five years with a CAGR of 9.4% by volumes. In the next five years, the market is expected to witness a CAGR of 12.8% reinforced by the surge in rural consumption, shorter replacement cycles, energy-efficient RACs and availability of multiple brands at various price points. The RAC volumes are expected to increase from 4.7 million units in Fiscal 2017 to reach 8.6 million units by Fiscal 2022. Future demand for RAC is expected to be driven by better features and energy efficiency as two of the key buying criteria in Indian market. The large domestic demand has seen major global RAC brands focusing on India as a manufacturing base aided by supportive Government programs especially the 'Make in India' program.

Market Size and Forecast of RAC (Volume in million Units)

Note: E refers to Estimate

Source:Frost & Sullivan Analysis

Low RAC penetration in India presents huge opportunity

Due to the current low penetration of 4%, the Indian RAC market presents huge opportunity for players to garner larger share of the market. Viewed as a luxury product in the recent past, the sweltering and longer summers in the country have led to creation of new demand for RACs not only in the larger cities, but also in Tier II/III cities where heightened economic activity has resulted in greater affordability. Additionally, new product features and technological advancement in the RAC market has added to the increase in replacement demand of the product.

Market Size and Forecast of RAC (Value in ₹ billion)

Note: E refers to Estimate

Source: Frost & Sullivan Analysis

The RAC market revenues are expected to grow at a CAGR of 15.6% from Fiscal 2017 to Fiscal 2022 to reach a market size of ₹ 246.1 billion in 2022. It is to be noted that during the forecast period, the average selling prices of RAC is expected to increase further. The price rise is attributed to rising raw material cost, impact of energy efficiency technology infusion among others. Although RAC prices have remained stable in 2016, OEMs are expected to pass on the cost increase onto customers to retain their margins.

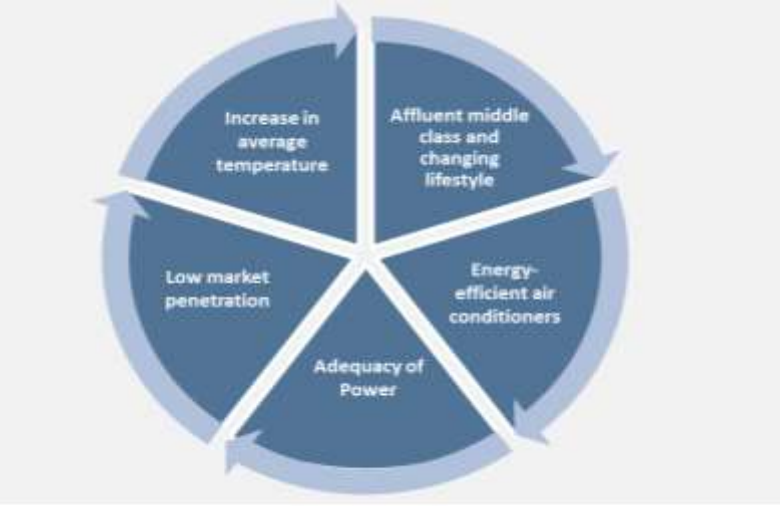
Affluent middle class drives the Indian RAC market

The growth of RAC market is driven by the increase in disposable income, urbanisation and easy consumer financing. The constant change in the consumer preference leads the manufacturers to bring in new innovative and value-added products.

In 2012, about 52% of population in India were concentrated in the middle-income group. This proportion of the population has witnessed a steady income on back of economic growth and is expected to command 69% share by 2020. This segment of the population is the key generator of consumer demand and also the driver for the RAC market. Moreover, 64% of the total population (534.8 million) of India will be living in urban clusters by 2025 while cities will account for 70% of India's GDP in 2030.

The Indian market is also witnessing a rising trend of lifestyle changes among its younger population leading to an early adoption of white goods. The lower age profile also reflects an aspirational population which has a different buying behaviour with a significantly higher risk-averse character. The availability of easy finance offers the younger generation an added flexibility in exercising its buying options. The usage pattern of this generation leads to lower life cycle and shorter replacement cycle of the products, thus expanding the market potential.

Indian RAC Market Drivers



Source: Frost & Sullivan Analysis

India's average temperature is on the rise due to global warming leading to extreme and adverse weather conditions. This is also contributed to new users of RACs and greater demand generation. In India, 2016 was recorded as the warmest year since 1901 with three out of the four seasons (approximately nine months) witnessing higher temperature and heat waves across the country. Additionally, up-gradation and privatization of power utilities has led to adequate power availability making people enjoy the comfort offered by RACs from rising temperatures.

Indian RAC Market Challenges

Source: Frost & Sullivan Analysis

The increasing cost of energy and the emphasis on energy efficient technology leads consumers to opt for star rated and inverter technologies to enjoy product benefits without the burden of higher operational cost. A price sensitive segment of the market opt for cheaper alternatives like air coolers but the significant functional difference ensures that such products can never be a real alternative.

The high up-front cost of an RAC is one of the challenges in adoption for many Indian households. This challenge exacerbates as users plan to move towards RAC with higher energy efficient features like inverter technology. Cost of the product also been impacted by transition to expensive R410A refrigerant from the ozone depleting R22 refrigerant. The RAC industry also gets affected by the revision in regulation and energy efficiency standards by the BEE regulation which results in greater investments by the company in defining product line.

High entry barriers for new entrants and high competition rivalry is prevalent

RAC market is dominated by well-established global and domestic players in India which makes the industry extremely competitive. Indian brands enjoyed a dominant market position during the formative years. The entry of Korean and Japanese brands with innovative, feature rich products and extensive marketing efforts led to considerable market development. This trend continued and attracted more foreign and Indian companies to enter the market. Currently the market witnesses intense

competition with product technology, features, distribution and after sales support defining the competitive advantage of one over the other. The entry of tier 2 consumer brands into the RAC market created new segments in smaller cities and towns hitherto under-addressed geographies. Today, the market is catered to by at least 12 key players who have strengths in select regions besides pan-India presence. Entry of more players into the Indian RAC market cannot be ruled out but the existing players are expected to sharpen their marketing activities to ensure retention of their market shares.

The RAC brands have established manufacturing units in India to hedge against higher cost of manufacturing in China. China has enjoyed an advantageous position in low cost manufacturing however due to issues in supply chain management, such as logistics costs, lead time, higher working capital, rising wages, etc., forced manufacturers to explore alternative locations to maintain cost. Global RAC brands now prefer India as the new manufacturing location for addressing the domestic demand and also for limited exports. Government support and favourable policies ensure success for these players through local manufacturing. Local manufacturing either in-house or through OEM/ ODM players is a key contributor to competitiveness. RAC brands are working on the right proportion of own and outsourced manufacturing to gain market edge.

Porter's Five Force Analysis- RAC Market

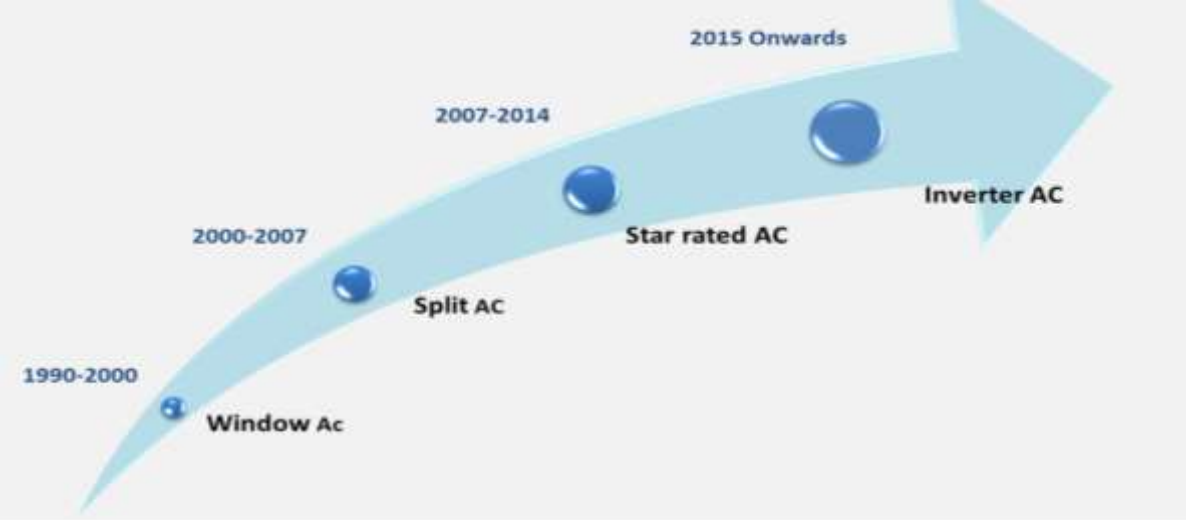
Source: Frost & Sullivan Analysis

Source: Frost & Sullivan Analysis

Indian consumers eagerly adopting energy efficient RACs to cut their energy cost

The perception of RAC in India has transformed from a luxury product in the past to becoming a necessity in households. Greater affordability coupled with weather conditions has encouraged the penetration levels of RACs in the Indian market. Increasing awareness among customers about cost benefits from energy efficient RACs in long run have resulted in manufacturers shift from window RACs to split variant.

Evolution of Room Air Conditioners in India



Source: BEE, Frost & Sullivan Analysis

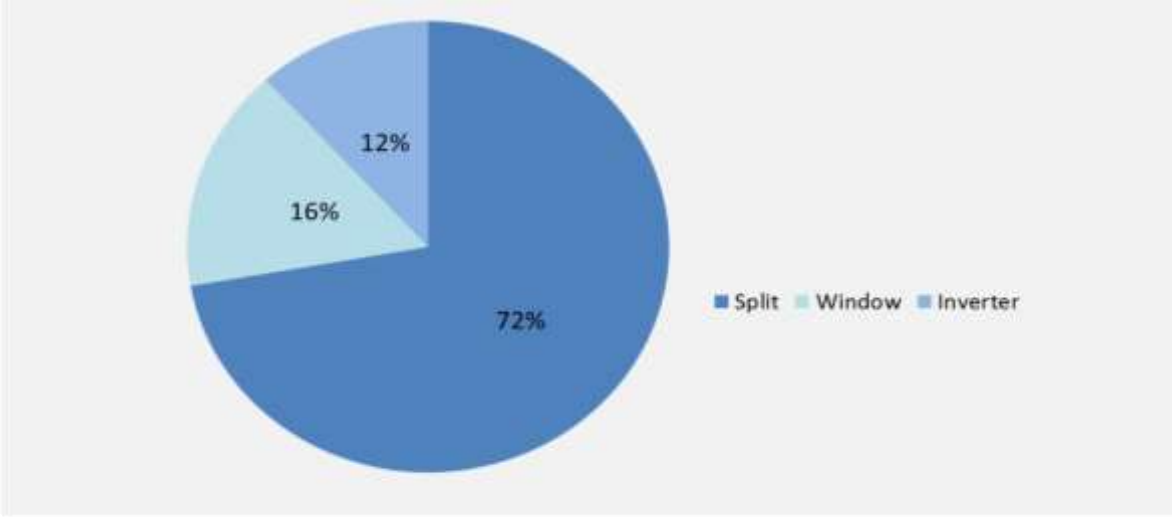
The spilt RAC segment has gained a lion share of the market over the past few years at the expense of window ACs. Some of the key players such as Samsung ceased offering window RAC and are focused on split RAC with better features and technologies.

The transformation in the RAC market commenced with the introduction of star ratings from BEE in 2007 to promote energy efficiency. The star rating was made mandatory from 2007 and was upgraded in 2012 and 2014. The enforcement of first energy efficiency ratio was introduced in 2015. Voluntary labelling of Inverter RACs which is considered more efficient in comparison to conventional RACs, started from 2016.

Split RACs have the highest market share; Inverter RACs are gaining prominence

With close to 60% market share, RACs dominate the ACs market in India. Split RAC occupies the highest market share, followed by the recently introduced Inverter RACs. On the other hand, window RAC market share has been steadily shrinking. The loss of window ACs has been the gain of split ACs as the latter's share has witnessed a commensurate growth. The growth drivers for split ACs has been the ease of installation, lower price differential, lower noise levels and also colourful indoor units to go with indoor ambience. Inverter RAC has gained currency on account of its distinct energy efficiency advantage. The share of Inverter RAC in the total market has witnessed the steepest growth signifying the popularity of this relatively new technology.

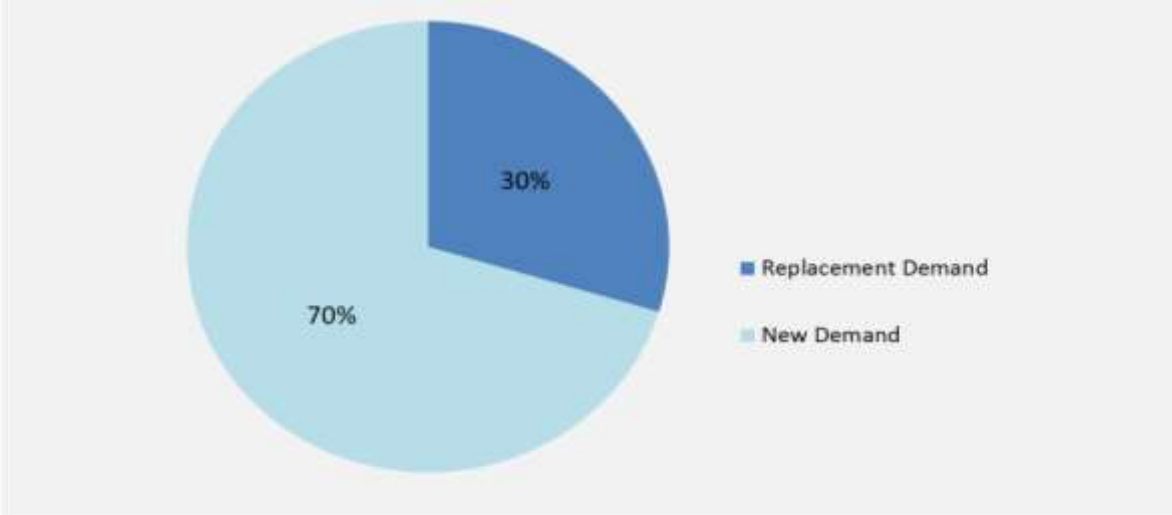
Market Segmentation by Type of RAC



Base (FY17): Volume 4.7 Mn

Source: Annual Reports, Frost & Sullivan Analysis

Market Segmentation of RAC by Type of Demand



Base (FY17): Volume 4.7Mn

Source: Annual Reports, Frost & Sullivan Analysis

The average life for window RACs is typically seven years, whereas, for split ACs, it is 10-12 years. The installed base of RACs is higher reflecting a historical demand for the same. Due to lower life span and availability of cost effective split ACs, replacement has been a key contributor to market demand. Typically the window RACs are replaced with split RACs by repeat AC buyers. While replacement of room AC with split continues to be strong, users are leapfrogging the transition by adopting Inverter ACs due to obvious advantages.

Decline in Imports of RAC components indicate an evolving domestic manufacturing ecosystem

Most RAC brands in India have historically been operating their plants at approximately 80% capacity, and imports to meet the remaining local demand. As the need for localization grows stronger, players will make efforts to move from assembly to full-fledged manufacturing. The trend of imports has been witnessing a decline in the recent years as domestic capacities were on an upswing through in-house manufacturing and OEM/ODM mode. Local capacities and capabilities continue to climb as traction in local manufacturing of RAC has gained due to reduction on custom duties on components.

Many RAC brand suppliers have already invested in outsourcing their manufacturing requirements to OEM/ODM players in an effort to reduce their reliance on China and imports. India is increasingly becoming a RAC export source to cater to various Middle East, South Asian and African countries. The trend is expected to continue, thus leading to expansion in domestic manufacturing capacities.

COMPETITION LANDSCAPE OF INDIAN ROOM AIR CONDITIONERS

In the highly fragmented RAC market, LG and Voltas are the market leaders

The Indian RAC market is highly fragmented and with varied set of players – global, indigenous and importers – selling wide range of products in the market. These companies may be segmented as Premium, Popular and Economy brands.

Market Structure – RAC

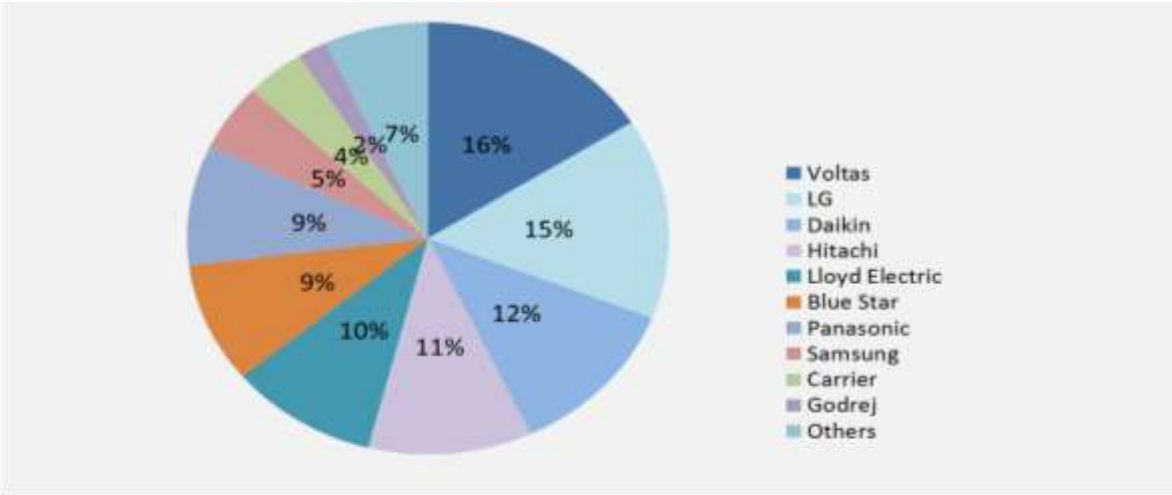
Source: Frost & Sullivan

Voltas and LG are the front runners in the market, together sharing 31.0% of the total RAC market. Strong branding, promotion, distribution reach, relationship with distributors/ dealers, various choice availability in their product portfolio, focus on continuous innovation through R&D and wide network of after-sale service centres are the reasons contribution to their high market share and growth.

Panasonic in mid-2003 brought in its AC business in India. But, soon after that, Japanese parent Panasonic Corporation decided to get out of the WACs market. India at that time was a big window market, and split a very small segment. These events really brought the brand's India growth story pretty much to a standstill. Moreover, with Panasonic incurring losses in most other markets, it realised that India is one of the very few regions still on the growth path and offering great potential. Therefore, it decided to re-enter AC market in India and currently occupies 9% of market share in RAC segment.

Voltas has high presence in window RACs and was able to cater to the increased demand and thus gained market share due to large outsourcing to the OEM/ODM partners. Although window RAC market has shrunk in the past with price reduction of split ACs but owing to shift of buyers from air coolers to RACs in Tier 2 and 3 cities, the market share is now constant.

Market Share Analysis – RAC



Base (FY17): Revenue INR 119.3 Bn
Others; Sharp, Haier, Whirlpool, Onida, IFB, Sansui, O General, Mitsubishi

Source: Annual Reports, Frost & Sullivan Analysis

Indian customers are highly brand conscious and word-of-mouth promotion plays a major role in selection. Voltas and LG have a higher mind share of customers in comparison to other brands. This is also due to their presence in other electronics and appliances segments and also on account of a legacy of presence in Indian market. However, Japanese brands like Daikin, Hitachi & Panasonic are gaining market share in India. RAC brands spend substantially on advertising and brand building in order to exploit the potential from the underpenetrated Indian market.

Almost half of demand for RACs comes from Tier 2 and Tier 3 cities, which make distribution network an important factor for reach and availability. Since Voltas, LG and Samsung offer a range of products in consumer durables, they command a large distribution network, which gives them an edge over competition. While Voltas and LG adopt an approach of high dealer margins, brands like O-General and Mitsubishi rely on brand pull and offer low margins to dealers.

Voltas has the maximum number of models on offer, followed by LG. Both the players have 16.0% contribution derived from inverter technology based models. On the contrary, Japanese brands like Hitachi and Daikin more than 30% of revenue contribution from their inverter offering. This clearly highlights the focus of these brands on the inverter range of RACs.

Most RAC brands outsource RAC manufacturing and allocate low spend on R&D. Industry spend on R&D are observed to be in the range of 0.5%-3.0% of sales.

After sales service is a very important factor that customers evaluate before they decide on a brand. The quality of power supply being erratic in many regions in India, RACs are likely to need the repair services regularly. After sales services provided by the RAC brands and the availability of wide network of service centres in the country is critical factor in the success of brands. The Annual Maintenance Contracts ("**AMC**") offered by RAC brands not only provides support assurance to users, but also opens up a revenue stream for RAC brands. Voltas operates the highest number of service centres in the country followed closely by LG and Carrier.

Comparison of the Company with listed consumer durable brands

Company	Revenue growth from FY14 - FY 17 (%)	EBITDA Margin (%) FY 17	ROC (%) FY 17
Voltas	2.4	9.4	21.0
Hitachi	21.4	8.7	21.0
Blue Star	14.1	5.8	28.1
IFB	19.4	6.2	10.9
Whirlpool	15.7	12.6	31.5
Industry	11.7	8.2	24.1
Amber	19.1	8.3	15.0

Source: Annual Reports, Frost & Sullivan Analysis

North India has the largest market for RACs

The hot climate, rising economic activities, high rise buildings and higher disposable income together make the north India largest market for RACs. Most consumer durables brands are headquartered in North India due to the concentration of demand in the region.

After northern regions, the other regions of high demand are southern and western parts of India. Western India is the financial and trade hub while southern India houses the majority IT/ITeS and manufacturing industries. The demand for RACs is expected to rise in all parts of India in the forecast period.

Regional Share Analysis – RAC

Base(FY17): 4.7 Million Units Source:Frost & Sullivan Analysis

Online platforms add dynamics to RAC brands sales strategies

The penetration of online retail in electronics and appliances sales was around 3-5% in 2016 and it is expected to reach around 20-25% by 2020. This is expected to translate into the online retailing in electronics and appliances increasing at a CAGR of 75% between 2016 and 2020. During festive season in 2016, it was observed that approximately 25% of LED TV sales, 8-10% of WM, REF and ACs, and 30% of microwaves sales were contributed through the online channel.

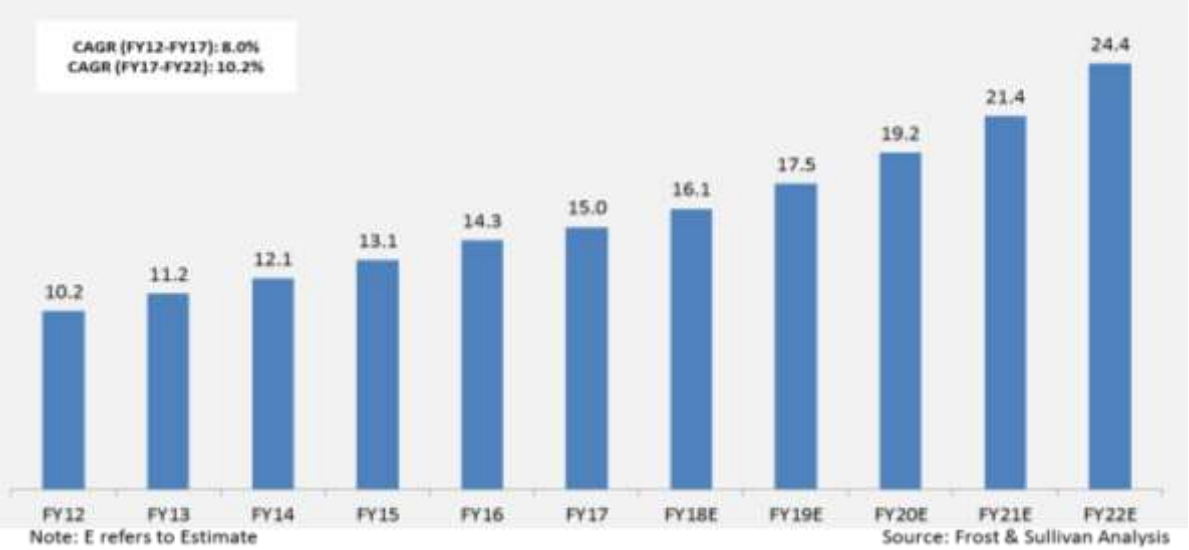
Riding on the high tide of digital revolution, RAC brands have accepted the influence online platforms have on consumers psyche when involving in the purchase of RACs. With the ever expanding internet access and greater preference to shop online,

it is expected that the landscape of Indian consumer durables will transform in the next five years. A large number of RAC brands run different sales strategies to target potential buyers in both physical stores and through online platforms. Online marketplaces provide a seamless experience to its customers with the option of easy returns in case of quality issues.

In addition to building a superior brand perception, after sales service also provides alternate revenue stream during post warranty period

Most of the India customers are first time buyers of RACs, therefore, are not habitual with its functioning and operational procedures. Add to it, the power fluctuation situation prevailing in the country today and a scenario of frequent need for after sale services develops. Most customers also look for the reach and expertise of a brand in providing post purchase services before opting for it. In Fiscal 2017, the market for after sale services of RAC is ₹ 15 billion.

After sale services market in RAC

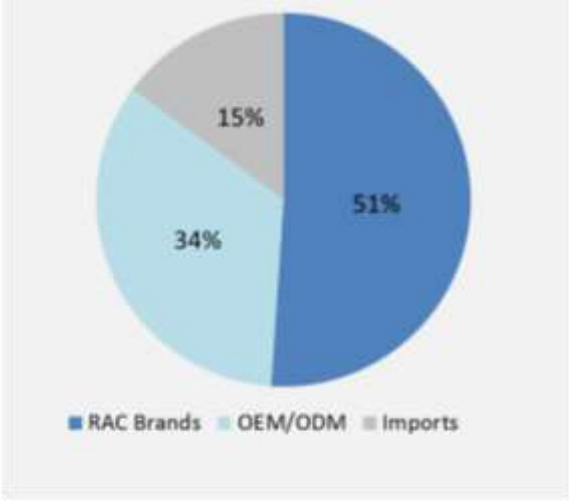


The after sale market has been growing at a CAGR of 8.0% from Fiscal 2012 to Fiscal 2017 and is expected to grow at the rate of 10.2% from Fiscal 2017 to Fiscal 2022. In the warranty period, the after sale services are generally offered free of cost. Therefore, in this period, it acts only as a medium to build positive image in the customer's perception. Pots warranty, the services are charged. After sale services is gaining prominence in business strategies of RAC brands as they are starting to look at it as an alternate revenue stream.

Faster product development cycles paving the growth of OEM/ODM companies in RAC and RAC components

As domestic demand has been continually rising in Indian RAC market, the volume of manufacturing that is outsourced by RAC brands to OEM/ODM companies is expected to grow manifold. Another key contributor towards growing OEM/ODM market share is the entry of many new players in the RAC market. These new but relatively smaller players lack backward integration capabilities making them rely entirely on OEM/ODM companies to bring out their products in the market. The rate of change of technology and product features of consumer durables, especially the RACs have undergone tremendous changes such that RAC brands find it challenging to match the pace. This brings the OEM/ODM players to forefront as they exhibit flexibility in a dynamic environment through nimble manufacturing operations, shorter timelines and attractive economics.

Outsourcing vs. In-house Manufacturing in RAC Industry



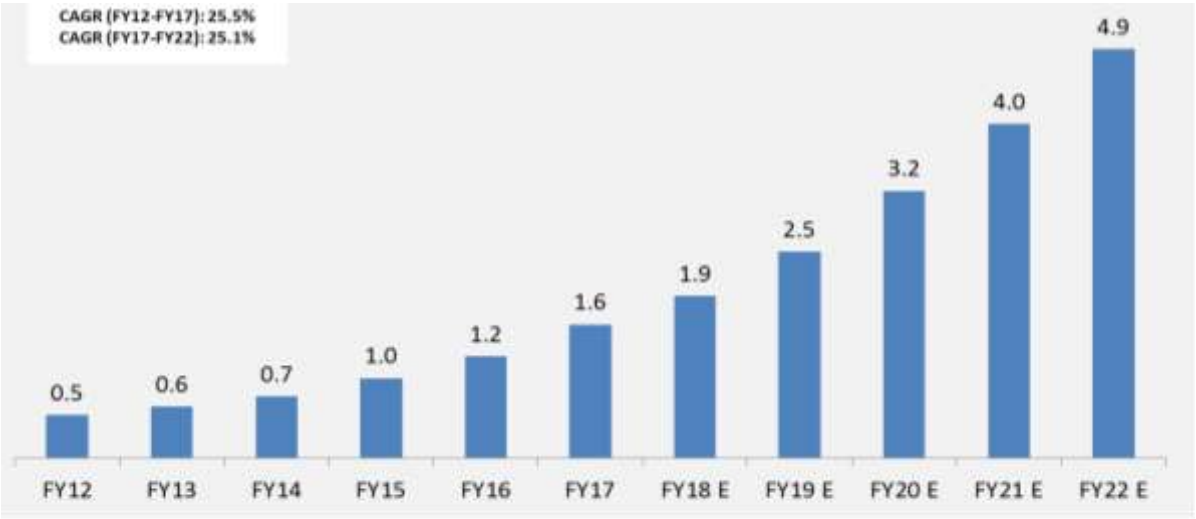
Base(FY17): 4.7 Million Units Source:Frost & Sullivan Analysis

During Fiscal 2017, OEM/ODM manufactures around 34% of the total RAC market volumes by demand. By Fiscal 2022, the OEM/ODM volume share is expected to reach 56% of the total RAC market volumes highlighting the immense potential held by this key contributor to the industry.

Intense competition and growing number of RAC brands in the market has forced RAC brands to concentrate of marketing and promoting their product to spread their sales reach expand their market share pie. RAC brands are adopting asset light strategy hence they are choosing to outsource most of the manufacturing of RAC and RAC components to ODM/OEM players.

The Indian OEM/ODM players have also invested in expanding and building newer capabilities to serve the overall white goods market. R&D, design and engineering were substantially negligible revenue generating activities in the overall portfolio of services offered to RAC brands five years back. With increasing dependence of RAC brands on OEM/ODM companies, priority has been placed to strengthen R&D, design and engineering capabilities, which are high-value activities amongst all services.

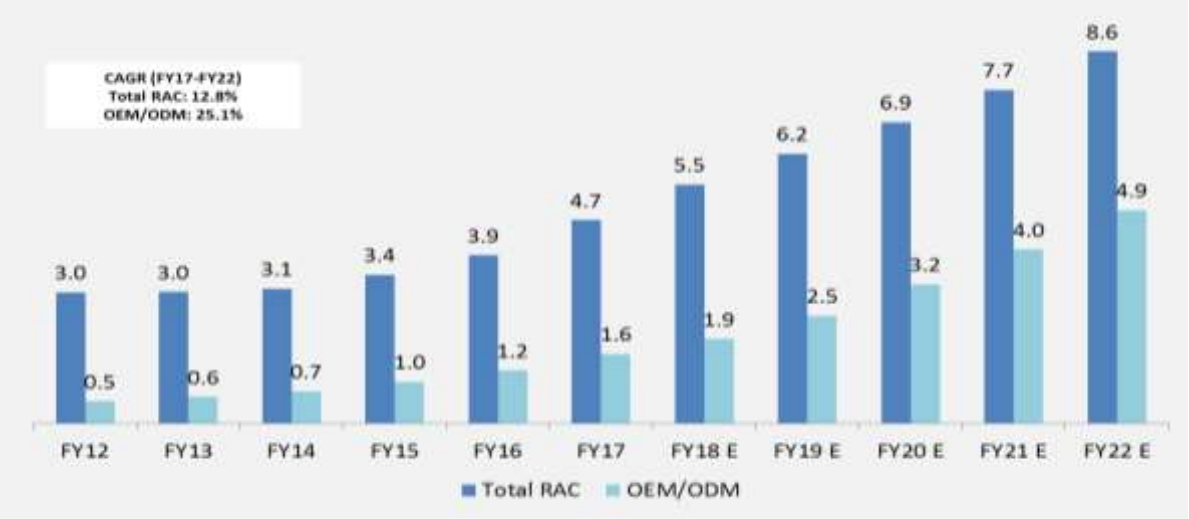
Market Size and Forecast of RAC OEM/ODM Industry (Volume in million Units)



Note: E refers to Estimate Source:Frost & Sullivan Analysis

As the growing RAC market demand drives local manufacturing volumes, it complements OEM/ODM companies' investment in their facilities and capabilities as they gain edge over vendors on sourcing contracts, thereby strengthening their supply chain. Improving economies of scale in manufacturing has accelerated the shift in manufacturing locations shifting form South East Asian countries to India in overall consumer durables market, which also includes RAC and RAC component manufacturing.

Market Forecast of Total RAC and OEM/ODM in RAC-Volume (million Units)



Note: E refers to Estimate

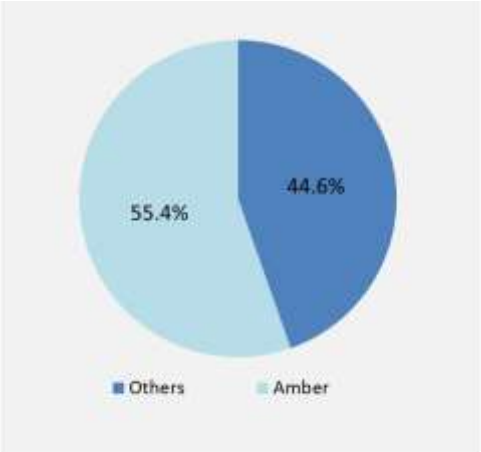
Source: Frost & Sullivan Analysis

Large OEM/ODM players such as the Company have a substantial revenue contribution from ODM activities and the trend is going to strengthen in the future. In-house manufacturing is mostly with large RAC brands who can manage their cost of manufacturing operations and to support design and R&D activities. In future, however most RAC brands find immense value in partnering with OEM/ODM players that helps them avoid or defer project investments and facilitate faster time to market.

Share of imports would gradually decrease in the next few years as domestic production aims to substitute the imports. The efficiency of an OEM/ ODM player to cater to the requirements of the RAC brands will define growth of individual companies in the segment. The comparison of CAGR for the overall RAC market *vis-à-vis* outsourced manufacturing clearly shows the high growth expected in the OEM/ODM market in future.

In Fiscal 2012, 16% of the total value RAC market was catered by the OEM/ODM players, which grew to 34% in Fiscal 2017. Further, in Fiscal 2022, this % is anticipated to grow to 56% by volume. The trend is unequivocal evidence of the industry tilting towards OEM/ODM players. The Company is the leading player with 55.4% share in volume terms in the overall OEM/ODM market in India.

Market share of RAC OEM/ODM Industry (Fiscal 2017)

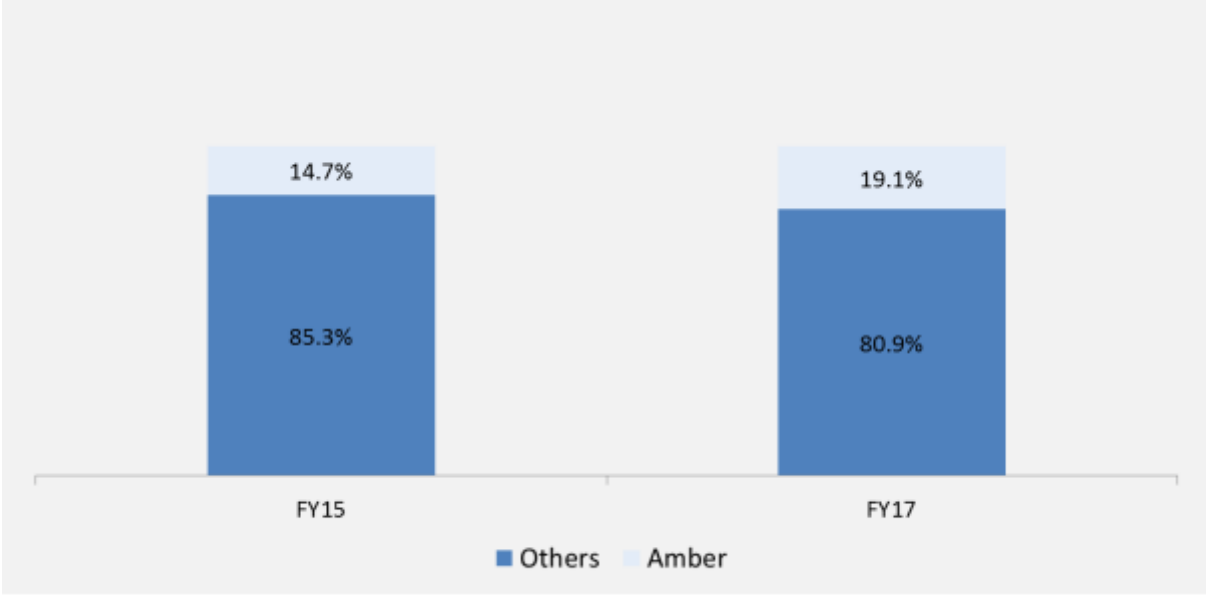


Base(FY17): 1.6 Million Units

Source:Frost & Sullivan Analysis

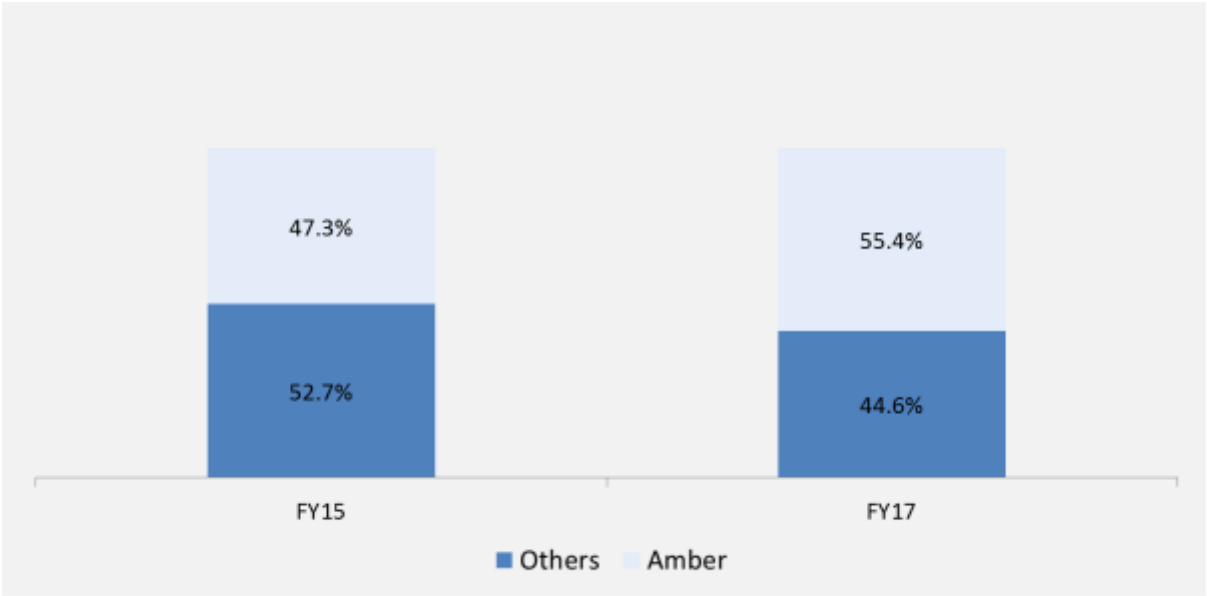
The Company is one of the most prominent companies in RAC manufacturing such that it servers eight out of 10 top RAC brands in India. In case of overall RAC market, it commands a volume share of 19.1% in Fiscal 2017 which grew from 14.7% in Fiscal 2015.

Share of the Company in the overall RAC market (By volume)



Source: Company Websites, Frost & Sullivan Analysis

Share of the Company in the RAC OEM/ODM market (By volume)



Source: Company Websites, Frost & Sullivan Analysis

Global companies evince interest in India

The increase in demand, supply advantage and policy support is making it attractive for various global companies to participate in the Indian market. The *"Make in India"* policy, also draws attention to India with its emerging strength as the hub for manufacturing, design and innovation. In next few years many companies are expected to execute their investment plan to design, produce and distribute in India. These investors foresee India as a parallel manufacturing hub to China for export of key product across Europe and US. Government is currently working on export – oriented policy to promote greater exports of electronics and attract investments by setting up port-based electronic manufacturing clusters.

Investment Announcements

- With an investment of ₹ 320 billion, Foxconn anticipates partnering with local players in setting up of a display fab, lithium ion cells and facilities for printed circuit boards ("**PCB**"), that will find acceptance and usage across a multitude of OEMs

- Chinese appliance maker Midea plans to invest ₹ 8 billion to set up a manufacturing facility in Pune. The unit will have a production line for appliances such as REF, WM and water treatment products.

- Jabil India is likely to acquire Ericsson India's manufacturing unit which involves PCBA assembly and test and other activities that are currently carried in the Jaipur pant.

- Voltas and Ardutch BV, a subsidiary of Arcelik AS, have agreed to establish a ₹ 6.5 billion joint venture ("**JV**") in India, to address the white goods market in the country. The proposed JV will launch REF, WM, microwaves and many others products in India.

Emergence of new players will positively impact the OEM/ODM business

Over the last few years, the trend of new mid-sized players entering the white goods markets has generated excitement. These players are primarily engaged in retailing activities for leading brands. Some of the top durable retailers of the country, namely Croma, Reliance Digital, Next, eZone, etc. have started offering in-house brands of WMs, ACs, microwave ovens, etc. which has found wide acceptance with consumers.

OUR BUSINESS

Some of the information in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section "Forward-Looking Statements" on page 15 for a discussion of the risks and uncertainties related to those statements and also the section "Risk Factors" beginning on page 16 for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Certain information included in this section has been extracted from the F&S Report which has been commissioned by our Company. For risks in relation to commissioned reports, see "Risk Factors – We are not able to guarantee the accuracy of third party information included in this Red Herring Prospectus including from the industry report commissioned by us." on page 31.

Unless the context otherwise requires, in this section, the terms "the Company" or "Our Company" refer to Amber Enterprises India Limited on a standalone basis and terms "we", "us" or "our" refer to Amber Enterprises India Limited and its Subsidiaries on a consolidated basis. Unless otherwise indicated, all financial information included herein is based on our Restated Consolidated Financial Statements included in this Red Herring Prospectus beginning on page 199.

Overview

We are a market leader in the RAC OEM/ODM industry in India with a market share of 55.4% in terms of volume in Fiscal 2017 *(Source: F&S Report)*. We are a one-stop solutions provider for the major brands in the RAC industry and currently serve eight out of the 10 top RAC brands in India *(Source: F&S Report)*.

We have a diversified product portfolio as set out below:

- **RACs**: We design and manufacture complete RACs including window air conditioners ("**WACs**") and indoor units ("**IDUs**") and outdoor units ("**ODUs**") of split air conditioners ("**SACs**") with specifications ranging from 0.75 ton to 2 ton, across energy ratings and types of refrigerant. We also design and manufacture Inverter RACs on ranging from 1 ton to 2 ton.

- **RAC Components**: We manufacture critical and reliability functional components of RACs such as heat exchangers, motors, inverter and non-inverter printed circuit boards and multi-flow condensers. We manufacture other RAC components such as sheet metal components, copper tubing and injection molding components.

- **Other Components**: We manufacture components for other consumer durables and automobiles such as case liners for refrigerator, plastic extrusion sheets and printed circuit boards for consumer durables and automobile industry, sheet metal components for microwave, washing machine tub assemblies and for automobiles and metal ceiling industries.

Our key customers include leading RAC brands such as Daikin, Hitachi, LG, Panasonic, Voltas and Whirlpool. Our customers command around 75% share in the Indian RAC market in Fiscal 2017 *(Source: F&S Report)*. We have built strong and long-standing relationships with our customers by aligning our offerings with their business needs. We provide them with a range of additive manufacturing solutions at their doorsteps by supplying them components and RACs through OEM/ODM models. In recognition of our efficient services and products, we have received several awards from our customers such as 'Best of Best Performance Award' from LG for 2015 and 2016 and 'Leadership Business Innovation Award' from Panasonic for 2015-2016.

We are focused on consistently upgrading the technology used in our products as well as the processes used in manufacturing them through our research and development ("**R&D**") efforts. We have a dedicated R&D centre located at our Rajpura facility. R&D centre is equipped with a psychometric lab which is accredited by National Accreditation Board for Testing and Calibration Laboratories ("**NABL**") with ISO/IEC 17025:2005 certification and facilities for 3D modelling, quality and product testing and a dedicated team. Through our R&D and innovation capabilities, backed by an in-house tool room, we have successfully designed and developed a portfolio of wide ranging RACs and components. We have the ability to manufacture most of our products from the concept and design stage till the final delivery thereby covering the entire manufacturing value chain.

The Indian RAC market volumes are expected to grow at a CAGR of 12.8% from Fiscal 2017 to Fiscal 2022. Due to the current low penetration of 4%, the Indian RAC market presents huge growth opportunity *(Source: F&S Report)*. Due to factors such as the growth of Indian economy, population, disposable income and urbanization as well as changing lifestyle trends, shortening of replacement cycle, easy access to credit, longer hot weather conditions, better availability of electricity, increasing affordability of operating a RAC due to launch of energy efficient models and the growing advantage of domestic manufacturers compared to import markets (due to lower lead time and greater flexibility to adjust with market trends), we believe that we are well placed not only to benefit from the growth in domestic market but also expand our export footprint.

From a single factory in Rajpura, Punjab, that commenced operations in 1994, we have today grown to 11 manufacturing facilities across seven locations in India. Our manufacturing facilities have a high degree of backward integration and are strategically located in proximity to our customers' facilities. All our manufacturing facilities, except Kala Amb (which is currently non-operational) confirm to ISO 9001:2008 or ISO 9001:2015 quality management systems certification. Further, our UP Unit I has ISO 14001:2004 and OHSAS 18001:2007 certifications for manufacturing of extruded and thermoformed plastic components. Our Rajpura unit has OHSAS 18001:2007 certification for manufacturing of sheet metal components for automotive industry, air conditioners kits and for design and development of air conditioners. In addition to our organic growth, we have also grown inorganically through the acquisition and successful integration of PICL. PICL's OHSAS 18001:2007 and ISO 14001:2004 for design, manufacture and marketing of fractional horse power motors for domestic appliances and general applications.

Our Promoters, Jasbir Singh and Daljit Singh, are experienced in the RAC and components manufacturing sector and our key management persons include experts from the industry with wide experience. For further details, see *"Our Management"* on page 175. As on November 30, 2017, we had 1,152 full-time employees. Our Company has also seen three rounds of private capital infusion (IFCI Venture Capital Funds Limited, Reliance Alternative Investments Fund – Private Equity Scheme I through Fairwinds Trustees Services Private Limited and ADV Opportunities Fund I, L.P. through their investment entity Ascent). For further details, see *"History and Other Corporate Matters"* on page 164.

For Fiscal 2017, our total revenue and EBITDA were ₹ 16,522.55 million and ₹ 1,364.38 million, respectively and for the six month period ended September 30, 2017, our total revenue and EBITDA were ₹ 9,415.50 million and ₹ 871.28 million, respectively. Our total revenue has grown at a CAGR of 19.03% from ₹ 9,797.00 million in Fiscal 2014 to ₹ 16,522.55 million in Fiscal 2017 in comparison with the average revenue of the consumer durable industry, which grew at a CAGR of 11.7% over such period *(Source: F&S Report)*.

Our Competitive Strengths

Our primary competitive strengths are the following:

1. Market leadership in the RAC OEM/ODM industry in India

We are a market leader in the RAC OEM/ODM industry in India with a market share of 55.4% in terms of volume in Fiscal 2017 *(Source: F&S Report)*. Further, our share of the overall RAC market in India in terms of volumes has grown from 14.7% in Fiscal 2015 to 19.1% in Fiscal 2017 *(Source: F&S Report).*

Over the years, we have demonstrated the ability and expertise in manufacturing RACs and components that has enabled us to become a trusted solutions provider to major RAC brands operating in India. We have 11 manufacturing facilities with a total installed capacity as on March 31, 2017 to manufacture up to 1.59 million ODUs, 1.37 million IDUs and 0.59 million WACs annually, for further details, see *"-Installed Capacity and Capacity Utilisation"* on page 156. Our leadership position is owed to experience in the development and manufacturing of RACs and components and our ability to excel in measurable quality, cost, delivery and technology.

Further, we have the capability to develop, design and manufacture models of RACs across energy ratings specified by the Bureau of Energy Efficiency, Ministry of Power, GoI ("**BEE**") and by using various types of refrigerant including green refrigerants. We also develop and manufacture complete WAC and SAC kits and components according to the designs and specifications required by the customers. We are one of the few Indian manufacturers with the capability to design and manufacture Inverter RACs *(Source: F&S Report)*.

2. One stop solutions provider for the RAC industry with high degree of backward integration

With our experience, product development expertise and capabilities in the manufacturing of RACs and components, we have become a one-stop solutions provider in India for the RAC industry. In addition to designing and manufacturing complete WAC, IDUs and ODUs, we offer our customers manufacturing solutions ranging from critical components such as heat exchangers, multi-flow condensers and motors to non-critical components such as sheet metal and injection molding. In terms of bill of material, depending on the model of RAC, we manufacture up to 49% of the ODUs, 62% of the IDUs and 54% of WAC, which includes most of the critical components (except compressors, which are largely imported for the RAC industry in India) *(Source: F&S Report).*

We have the capacity to offer product development and manufacturing solutions from designing, tooling and validating to final assembling and testing. Most of our operations are backward-integrated and the processes are carried out in-house. This backward integration gives us the flexibility to control our manufacturing processes and reduces dependence on external suppliers. This helps to make us a consistent and reliable OEM/ODM supplier. We believe that our backward integrated capability to manufacture most of the critical components to be used in our manufacturing chain makes us uniquely competitive in the RAC manufacturing industry in India.

3. Strong customer relationships with the majority of leading RAC brands in India

We have strong and established relationships with our customers, which includes eight out of the 10 top RAC brands in India. Our key customers include leading RAC brands such as Daikin, Hitachi, LG, Panasonic, Voltas and Whirlpool. Our customers command around 75% share in the Indian RAC market *(Source: F&S Report)*. We provide our customers with a range of additive manufacturing solutions at their doorsteps. Majority of our top 10 customers have been associated with us for more than five years and these long term relationships have enabled us to understand and cater to diverse requirements of such customers and to develop new products with and for these customers.

Product approval cycle, especially for leading brands, can be as long as 2-3 years for certain critical components. Further, acquisition of customers in the RAC industry requires persistent and continued investment of time, effort and capital. We have gained the confidence of our customers by initially supplying certain components to our customers, and then moving to reliability functional components and eventually to complete RACs. Our established relationships with our existing customers also presents us with cross selling opportunity. While maintaining and strengthening our relationships with our existing customers, over the last three years we have also been successful in acquiring large MNC customers such as Daikin and Hitachi.

We strategically set up our manufacturing facilities in proximity to our customers, which allows us greater interaction and gives us the ability to respond quickly to the needs our customers. In addition, locating our manufacturing facilities near our customers' production centers reduces logistical and operating costs, allowing us to produce cost-competitive products for our customers. Given our experience in supplying components to the majority of leading international and domestic RAC brands in India, we are well positioned to seek new clients in India and across the globe.

4. R&D and product design capabilities leading to high proportion of ODM business

We place strong emphasis on research and development to enhance our product range and improve our manufacturing processes, which has been a key pillar of our growth. We believe that we have developed strong product design capabilities, which allow us to provide customised solutions to our customers and service them more effectively and in a timely manner. Leveraging on the experience and knowledge derived from manufacturing our products, we have set-up a dedicated R&D centre located in Rajpura, which is approved by the Department of Scientific and Industrial Research, Ministry of Science and Technology, GoI **("DSIR")**. This centre is equipped with a 3D modeling and product lifecycle management softwares and has access to equipment such as 3-D CAD, 3-D printers, psychometric lab which is accredited ISO/IEC 17025:2005 by NABL and has infrastructure and facilities for undertaking various tests such as product reliability, power consumption, sound and drop tests. For further detail, see *"– Research and Development"* on page 158.

The R&D team has the capabilities to conceptualize, design, verify and develop various designs received from customers and successfully convert such designs into deliverable products. The R&D team also aims to provide solutions to improve manufacturing efficiency on our existing products, reduce production costs and also assists our customers in designing RACs and components by providing design and engineering support. We have successfully designed and developed various components and RAC models, including Inverter RACs.

We have been building up our design, product development and manufacturing capabilities as we believe that as an ODM service provider, we provide an attractive value proposition to RAC brands. The technological advancements and frequent design changes in the RAC industry in India necessitate innovation and we believe that our ODM service enables RAC brands to focus on their core competencies such as product differentiation, marketing and distribution. We believe that RAC brands' focus on such factors create a market opportunity for our ODM services and new entrants in the RAC industry find ODM an attractive option to achieve faster market penetration, while our ODM capabilities differentiate us from contract manufacturers and help us to develop strong partnerships with RAC brands.

5. Track record of financial performance

We have demonstrated strong financial performance in the recent years. Our revenue from operations has grown at a CAGR of 19.1% which is higher than the industry average of listed consumer durables brands of 11.7% for the period from Fiscal 2014 to Fiscal 2017. Further, our EBITDA margins of 8.3% for Fiscal 2017 was in line with the average of EBITDA margin of listed consumer durables brands for Fiscal 2017 *(Source: F&S Report)*.

While we have grown quickly in recent years, we have managed to deleverage our balance sheet and improve our credit rating in the process. Our debt to equity ratio for Fiscal 2015, Fiscal 2016 and Fiscal 2017 was 1.4, 1.3 and 1.0, respectively. As of April 2017, our long-term bank facilities were rated as CRISIL A-/Stable and our short-term bank facilities were rated CRISIL A2+.

We believe that our financial stability and positive cash flow from operations position us well to meet the present and future requirement of our customers.

6. Economies of Scale

Our multiple manufacturing locations allow us optimal utilisation of facilities and enable us to distribute manufacturing across them. This helps us to ease the pressure of seasonality and simultaneous demand schedules of multiple customers. Further, our assembly lines are flexible and can shift from assembling WACs to ODUs of SACs within a short time. The flexibility of our assembly lines provide us with a major competitive advantage as we are able to handle changes in market demands in an efficient manner. Our scale provides us with greater resources to support our fixed costs, such as R&D expenses, and permits the use of shared services to eliminate duplicative business functions and administrative expenses. We believe that this also helps us to compete with imports from countries such as China as we are able to make more efficient deliveries to our customers.

The large scale of production has also strengthened our relationship with our raw material suppliers and provided us better insight into the markets for procuring material. We have a centralised system across our manufacturing facilities for procurement of raw material, ensuring cost efficiency and timely delivery of supplies. This results in reducing the overall cost of production.

7. Culture of innovation and highly experienced management

We are led by a management team and staffed with employees who have significant experience in our industry. Our Chairman and CEO, have been involved in the RAC, consumer durables and component industries for over 13 years and has played a pivotal role in our innovation, success and growth. Our Key Management Personnel are experienced in the RAC and component industry and have acted in various capacities in their careers. Through their commitment and experience, we believe our management team has established a good reputation for our Company with our customers and has been instrumental in our growth by being able to rapidly respond to market opportunities, adapt to changes in the business landscape, customer demands and competitive environment and bring innovations to our business, marketing and strategy.

We have remained focused towards development of human resources by carefully planning and executing recruitment, training and retention of a highly skilled employee base. As of November 30, 2017, we had 1,152 full-time employees which includes certain engineering graduates and diploma holders.

We have ingrained a culture of innovation and horizontal deployment of best practices amongst the employees across facilities to achieve efficiency and reduce the cost of production. We have taken various initiatives such as 'TPI-30' (Total Productivity Innovation by 30%), 'COI' (Cost of inefficiency), and 'SLE-50' (Safety Improvement and Loss Elimination by 50%) which helped us to train our employees and managers to increase efficiency, reduce cost of production and innovate new products.

We undertake various shop floor and staff training programs and initiatives to educate and create awareness about safety and efficiency, and to enhance skill, among our staff. We have also opened an in-house training center in Noida and have a dedicated innovation team member at every facility. This, coupled with continuous on-site learning and training programmes, has helped us to develop and adopt new technologies, maintain high productivity and achieve faster product development cycle. We also instituted a quarterly evaluation and award system to motivate our employees and have awards including for best employees and best productivity area.

Our Key Strategies

The key elements of our strategy are as follows:

1. Expansion of existing product portfolio with a focus on ODM

With our R&D and innovation capabilities backed by an in-house tool room, we have successfully designed and developed various components and RAC models. We already manufacture RACs and Inverter RACs of various energy efficiency ratings using green refrigerant. We will continue to add new products for the RAC industry to our offerings. Our R&D team is developing new IDU and ODU chassis and we will focus on increasing the share of ODM based manufacturing in our overall sales. We believe Inverter RACs have huge growth potential in the Indian market *(Source: F&S Report)* and we plan to grow this business. We are also working on developing new models of fan coil unit and IOT based Inverter RACs.

In the component segment of our business, we plan to add new RAC components to our portfolio in order to achieve further backward integration and gain greater wallet share of our customers. Such new products will include brushless

DC motor, resin-core motors and inverter controllers. We are developing heat exchangers for refrigerators and dryers and we will continue to add further components for other consumer durables.

2. Expand domestic customer base and grow export sales

The RAC demand in India is growing, owing to low penetration of RACs, rising disposable income, increased urbanisation, changing lifestyle trends, longer hot weather season and shortening of replacement cycle. The Indian RAC market volumes are expected to grow at a CAGR of 12.8% from Fiscal 2017 to Fiscal 2022 *(Source: F&S Report)*.

Such growth may result in expansion of existing RAC brands as well as entry of new consumer durable brands in the RAC segment. Further, we believe that this growth will require RAC brands to focus on marketing aspects and will result in greater share of manufacturing being outsourced to OEM/ODM. In Fiscal 2017, 34% of the total value of Indian RAC market was catered by OEM/ODM players which is anticipated to grow to 56% by Fiscal 2022 *(Source: F&S Report)*. This provides us with an opportunity to increase our sales and expand our customer base. Moreover, being among few players with complete ODM offering in the RAC segment in India and with our experience in providing customer-centric additive manufacturing solutions, we believe we are well placed to tap into this growth.

Further, with '*Make in India'* initiative of GoI and the growing advantage of domestic manufacturers compared to import markets due to lower lead time and working capital cycle, greater flexibility to adjust with market trends and improving cost competitiveness, we believe we are well poised to grow our domestic and export sales. We also seek to expand our global reach through increased customer acceptance of our products in international markets. As the globalisation trend continues and barriers to trade in various markets are reduced across the world, we believe that an export oriented strategy offer us business advantages. Indian manufacturing is increasingly becoming competitive with China, see *"Our Industry - Manufacturing competitiveness of India is increasing vis-a-vis China"* on page 129. We believe that this trend coupled with our relationship with reputed international RAC brands will provide us with opportunities to further grow our export sales.

We currently export to Saudi Arabia, Oman, Sri Lanka, Nigeria and Maldives. We intend to leverage the low cost advantages of manufacturing in India and aim to initiate RACs exports into others countries in Middle East, South and South East Asia as well as Europe. India's geographic location helps in exporting competitively to these countries, as compared to other regional hubs such as China. This, we believe, will help us in securing export orders. An increase in our exports will also lower seasonal volatility of our business leading to higher capacity utilisation of our manufacturing facilities. Further, the export revenue will act as a natural foreign currency hedge against imports of several components.

3. Continuing innovation and strengthening the R&D capacity

Customers' demand for higher performance and top quality products is growing rapidly in the RAC industry. In response to this, a key part of our strategy is to continually improve our research and design capabilities to pre-empt market dynamics and meet our customers' requirements. We believe that high-value added and technology-driven components will provide us with opportunities to capture shifts in customer preferences as well as evolving regulatory requirements, such as heightened energy efficiency requirement. By providing high-value added and innovative products, we seek to be a preferred supplier to our customers, thus giving us the opportunity to consolidate our position with our customers and increase the share of their supply needs that we fulfil. As the industry will focus on high efficiency and environmentally friendly products, our R&D team will seek to design higher energy efficient models across various green refrigerants such as R-290 and R-32 which have low ozone depletion potential.

To enhance our R&D capabilities we are undertaking a number of short-term and long-term R&D initiatives. For example, we are aiming to develop electronic R&D capacity which will focus on technologies such as 'internet of things' (**"IoT"**, i.e. interconnection of computing devices embedded in appliances through internet) which we believe could be change the way RACs are monitored, analysed and controlled in the future. Further, our R&D team is working on new models of Inverter RACs, hybrid chassis and adoption of green technology and we will continue to realign our R&D focus to the changes in technology and customer preferences.

In addition, we also intend to implement improvements to our R&D process through virtual validation and computer aided engineering analyses, rapid prototyping, accelerated testing and improved problem solving efficiency. In line with these initiatives, we plan to expand our talent pool and increase our research and design manpower.

4. Pursue selective acquisitions, partnership opportunities and inorganic growth

We believe that the track record of our growth and expansion of our business coupled with our vision of expanding our operations enables us to look for opportunities for inorganic growth in order to complement our existing businesses.

Accordingly, we continue to evaluate opportunities, domestically and internationally, to acquire established businesses or technologies which may be complementary to our existing business, including in the HVAC and refrigeration components sectors. Further, we will actively seek out such opportunities that, in our assessment, are aligned with our existing product lines. These opportunities could be by way of strategic acquisitions, joint ventures, new partner tie ups and asset purchases. We will pursue such opportunities where we believe they will add value to our business, our stakeholders and our customers.

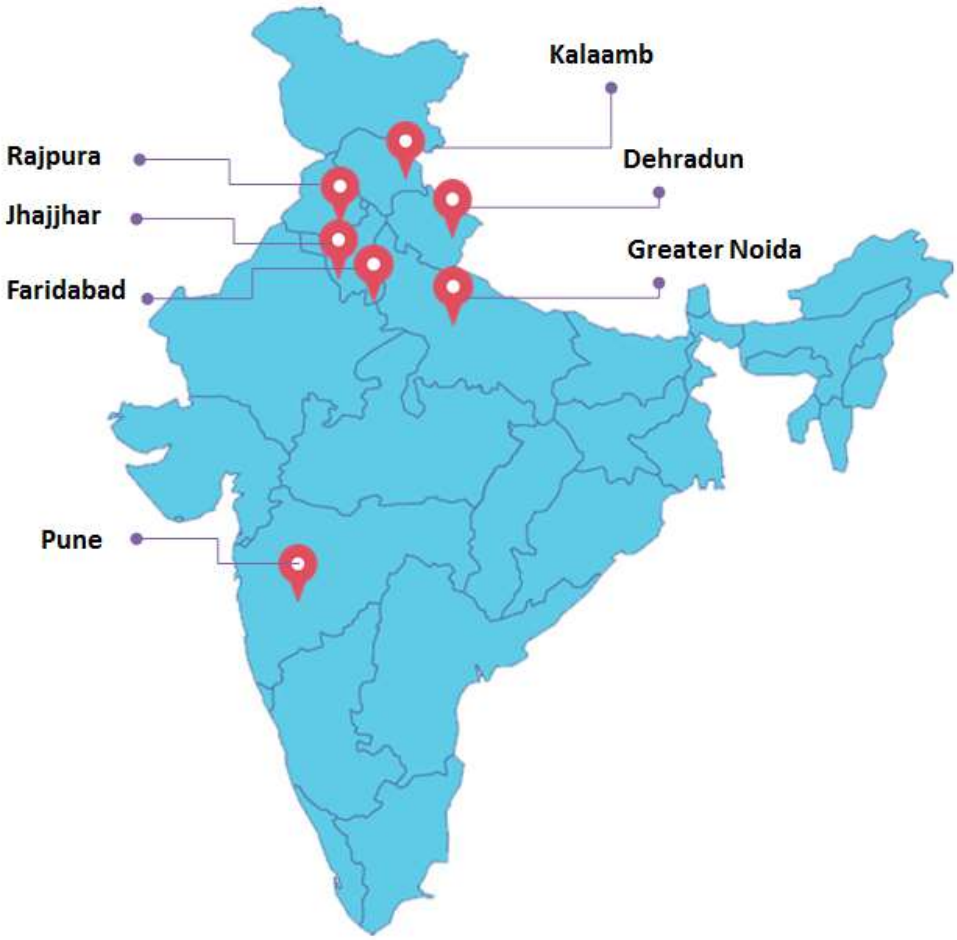
5. Continue to focus on increasing efficiency and profitability

Increased competition and stringent regulations have prompted the players in RAC market to find innovative ways to reduce cost and increase the overall efficiency. Improving cost efficiency in our manufacturing processes continues to be one of our key strategies. We have implemented innovative strategic cost-saving and efficiency improvement measures. We intend to continue further integration of our manufacturing facilities and to carry out most of the processes in-house to maximise our efficiencies. We have undertaken initiatives to reduce costs, such as SLE 50 and COI, to bring efficiency in all processes with objectives such as reduction of cost of input material, optimisation of tool consumption by using designated tools for designated processes, reduction of waste, reduction of power and utilities costs and loss elimination. We aim to continue the culture of innovation as we propose to undertake other initiatives and programmes aimed at enhancing operational efficiencies and optimising asset and material flows.

We also focus on our relationships with vendors to ensure that our quality, costs and delivery objectives are met and we have taken steps such as regular audits of major vendors for this purpose. We will continue to have a centralised approach towards sourcing and vendor management to gain economies of scale in raw material procurement.

Our Manufacturing Facilities

We have 11 manufacturing facilities spread across seven locations in India, as indicated in the map below:



The table below provides brief details of our manufacturing facilities in terms of their location, property and key products manufactured:

Serial No.	Name/Location	Land area (in square meters)	Property (Leased or owned)	Key Products Manufactured
1.	UP Unit I: 38- C, Ecotech 2 Udyog Vihar, Gautam Nagar, Uttar Pradesh	5,058	Lease	Inner case and plastic sheets
2.	UP Unit II: C-3, UPSIDC, Industrial Area, Kasna Road, Gautam Nagar, Uttar Pradesh	4,845	Lease	Painted and unpainted sheet metal parts for ACs, refrigerators, microwave oven cavity, and water tank
3.	Haryana Unit: 15 KM Mile Stone, Village Dadri TOE, Jhajjar, Haryana	28,300	Owned	Painted plastic molding, heat exchanger, IDU and ODU kit assembly, and tub unit assembly
4.	Dehradun Unit I: A-1/1A, Industrial Area, Selaqui, Dehradun	9,455	Lease	RAC-IDU and ODU, MFC and molding
5.	Dehradun Unit II: D-36, 37, 38, Industrial Area, Selaqui, Dehradun	13,450	Lease	Sheet metal AC parts and heat exchanger
6.	Dehradun Unit III: H-23, Integrated Industrial Estate, Selaqui, Dehradun	22,329	Lease	WAC, ODU and copper tube fabrication
7.	Pune Unit: D-93, 163 and 165 MIDC Ranjangaon, Pune	15,200	Lease	AC ODU, sheet metal and painted parts
8.	Rajpura Unit: C-l, Phase-II, Focal Point, Rajpura, Punjab	4,897	Owned	Painted and unpainted sheet metal parts and AC assembly
9.	Faridabad Unit: Plots Nos. 92, 99 and 79, Sector 6, Faridabad, Haryana	4,925	Owned	Electrical motors for RACs and commercial ACs
10.	HP Unit- 686/58,691/59, Trilok Road, Kheri, Kala Amb, Himachal Pradesh*	4150	Owned	Non-operational
11.	Industrial Plot No. 27 and 28, Sector-Udyog Kendra, Ecotech-III, Greater Noida Industrial Development Area, Gautam Budha Nagar, Uttar Pradesh	11,227	Lease	PCBs for home appliances (such as RACs and washing machines) and for automobile applications

* *Currently non-operational.*

Our Products Portfolio and Manufacturing Processes

I. Window Air Conditioners

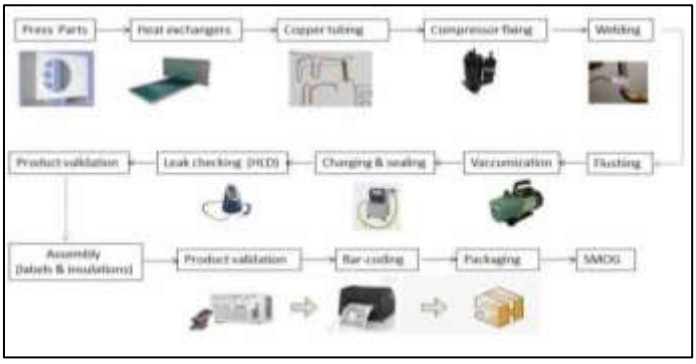
WAC is a single cubicle unit, assembled in a case consisting of all the components of the air conditioning unit. It is installed/mounted in a window, thus providing the name for it.

The following chart sets forth the step-wise process involved in the manufacturing and assembly of WACs:

II. Outdoor Units for Split Air Conditioners

ODU of SAC is installed outside the room containing the important parts such as compressor, condenser, expansion valve etc. It is installed outside for the flow of heat exhaustion.

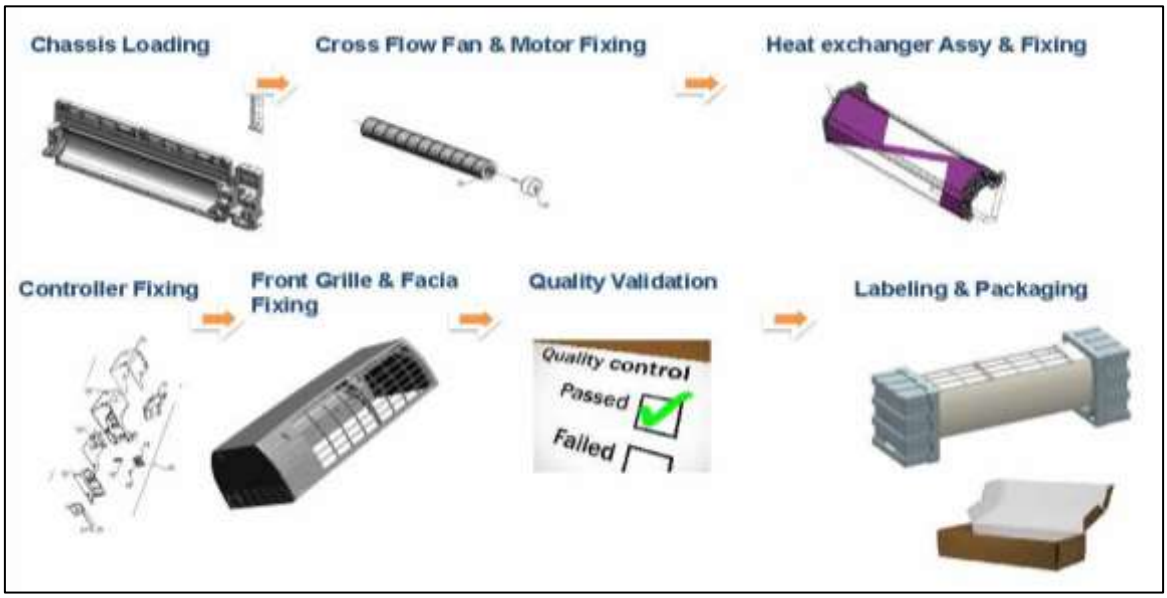
The following chart sets forth the step-wise process involved in the manufacturing and assembly of ODUs:



III. Indoor Units for Split Air Conditioners

IDUs of SACs are installed in the desired space for heat accumulation and producing the cooling effect inside the room.

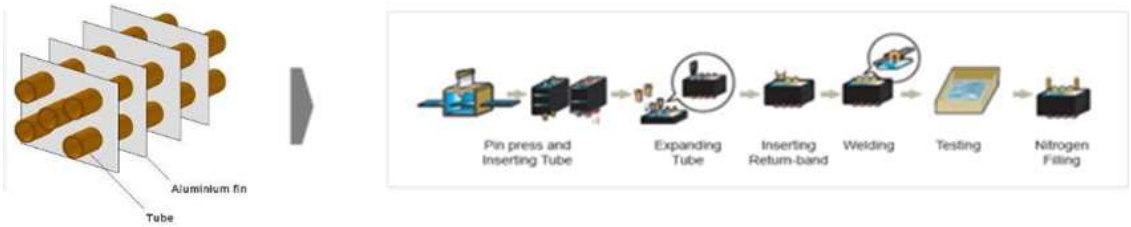
The following chart sets forth the step-wise process involved in the manufacturing and assembly of IDUs:



IV. Heat Exchangers

A heat exchanger is a component used to transfer heat between a solid object and a fluid, or between two or more fluids. The fluids may be separated by a solid wall to prevent mixing or they may be in direct contact. It is widely used in RACs, refrigerators and other HVAC segment.

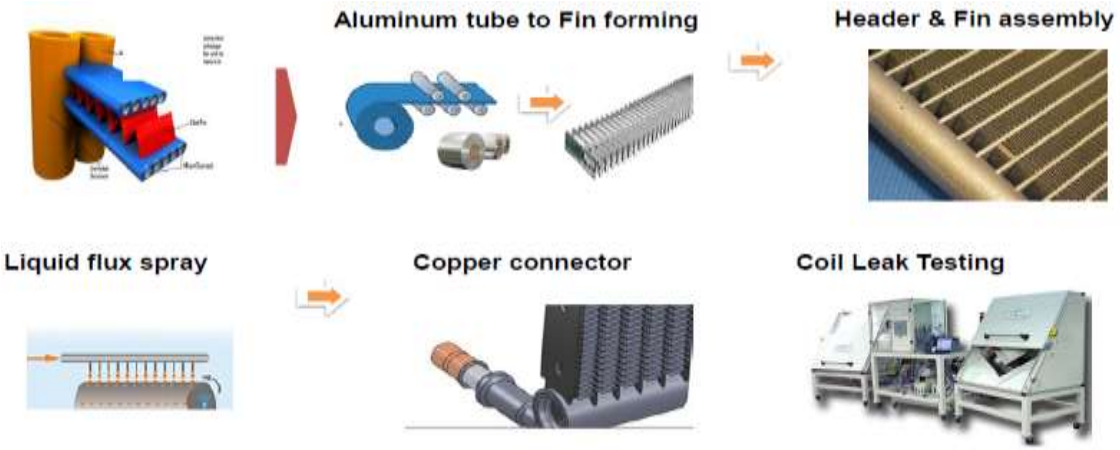
The following chart sets forth the step-wise process involved in the manufacturing and assembly of heat exchangers:



V. Multi Flow Condenser

Multi flow condenser is a type of heat exchanger also named as parallel flow condenser. In this, multiple flow paths are provided instead of one for rapid heat transfer. This contains parallel cooling circuits and a slim design that help in utilizing space and thereby enhancing the overall performance.

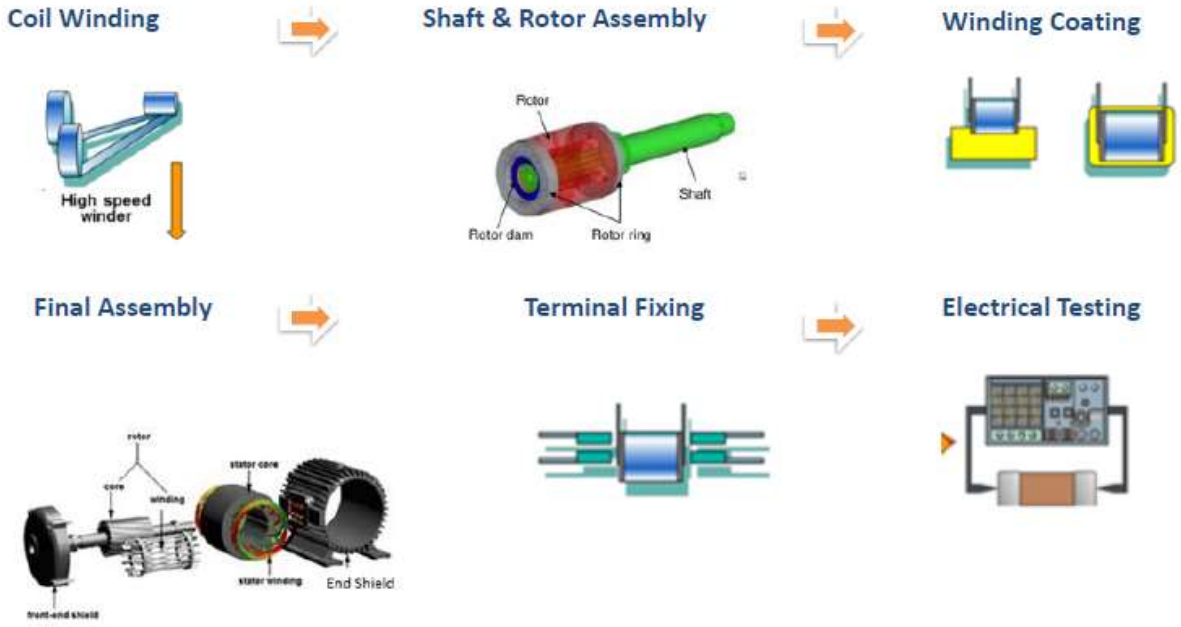
The following chart sets forth the step-wise process involved in the manufacturing and assembly of multi flow condenser:



VI. Electrical Motors

An electric motor is an electrical machine that converts electrical energy into mechanical energy. In our Faridabad Unit, we manufacture a range of residential and commercial electrical motors used for different products including RACs, commercial ACs, air coolers and washing machines.

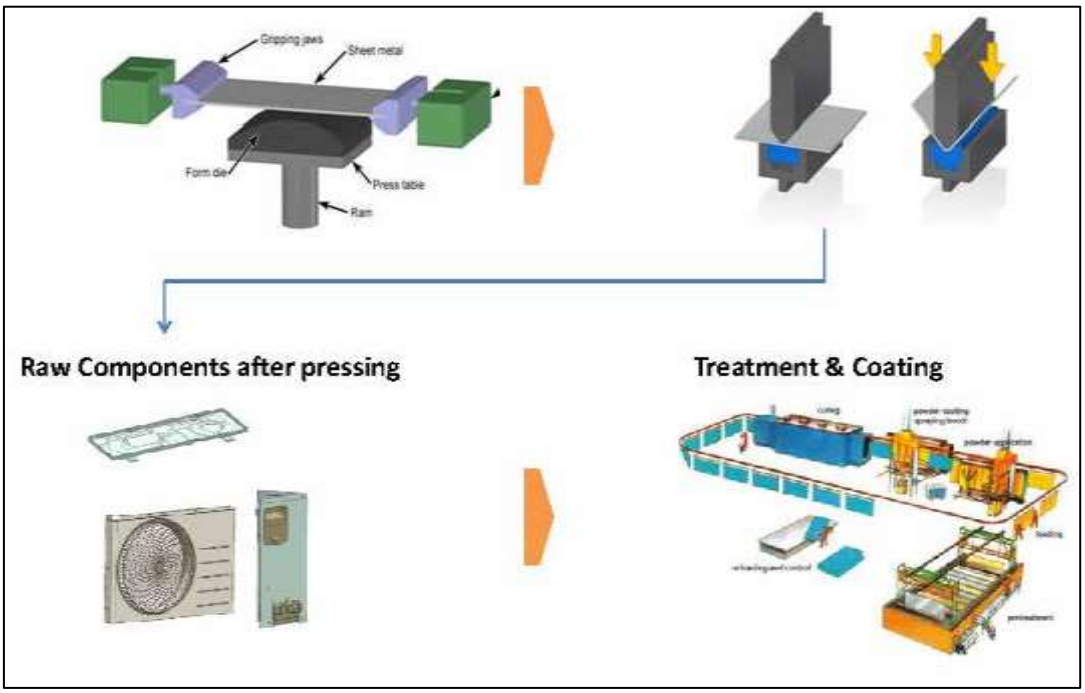
The following chart sets forth the step-wise process involved in the manufacturing of electrical motors:



VII. Sheet Metal Components

Sheet metal components are manufactured using process of building component structure by performing various process such as cutting, bending, welding, etc. Subsequently, painting is done on sheet metal to give required look as per the specifications of our customers. Press machines and paint booth are used for this process, along with welding machines and assembly lines.

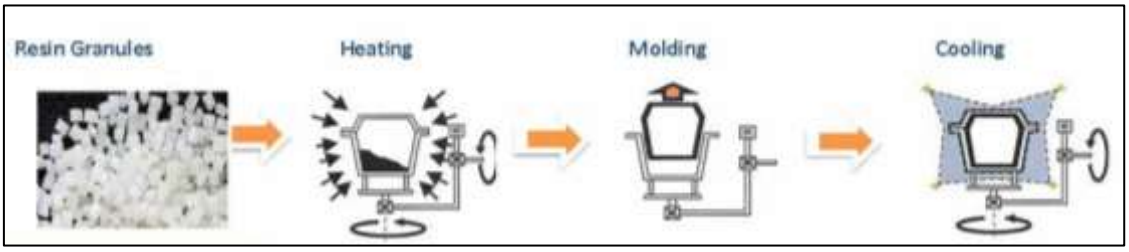
The following chart sets forth the step-wise process involved in the manufacturing and assembly of sheet metal components:



VIII. Injection Molding Components

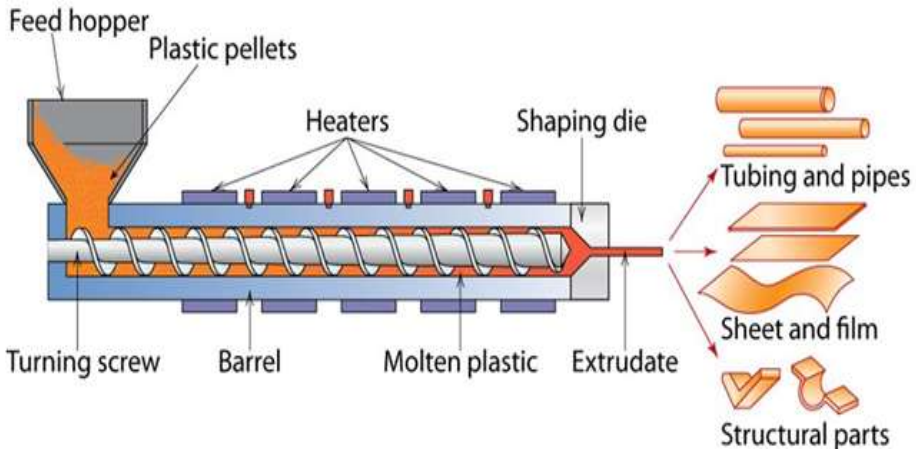
Injection molding is a manufacturing process for producing parts by injecting material into a mould. Material for the part is fed into a heated barrel, mixed, and put into a mould cavity, where it cools and hardens to take the shape and configuration of the cavity. It is commonly used for thermoplastic and thermosetting polymers.

The following chart sets forth the step-wise process involved in the manufacturing of injection molding components:



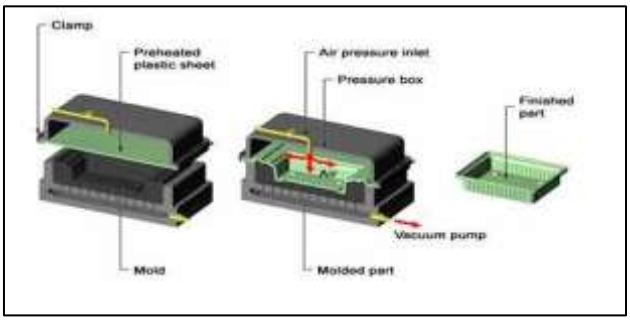
IX. Plastic Extrusion and Vacuum Forming Components

Extrusion is a high-volume manufacturing process in which raw plastic granules are melted and formed into a continuous profile. We use this process to manufacture plastic sheets. Different grades of plastic are processed, such as acrylonitrile butadiene styrene, polyethylene and polypropylene.



Vacuum forming is a simplified version of thermoforming, where a sheet of plastic is heated to a forming temperature, stretched onto a single-surface mold, and forced against the mold by a vacuum. This process can be used to form plastic into permanent objects. We use this process to manufacture refrigerator inner cases.

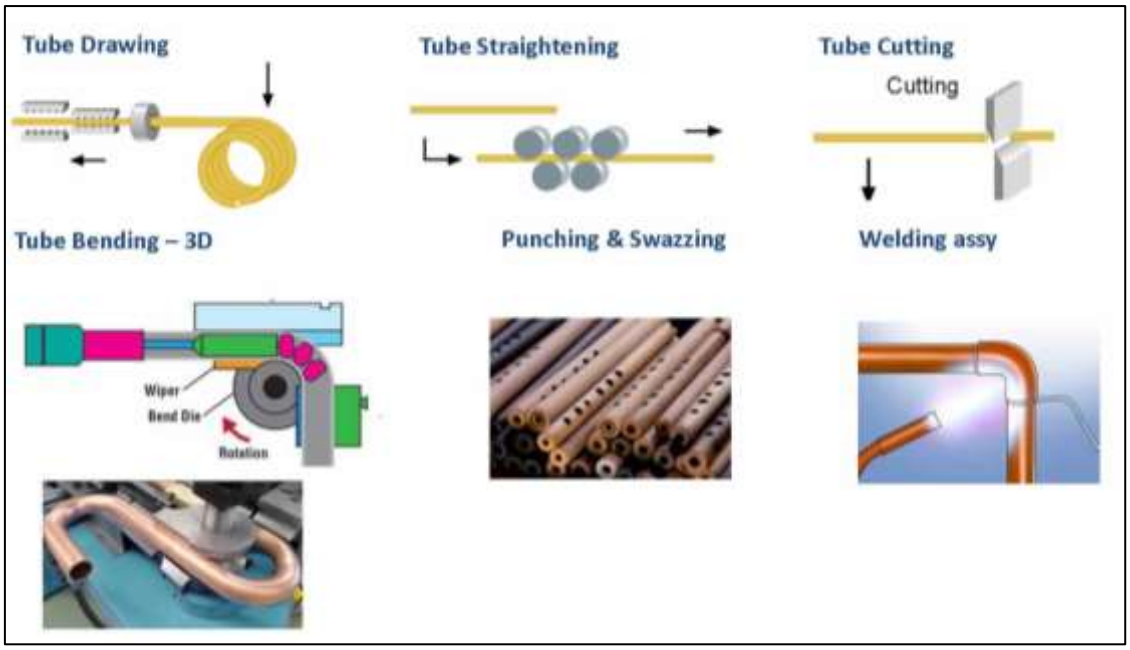
The following chart sets forth the step-wise process involved in the manufacturing of plastic extrusion and vacuum forming components:



X. Copper Tubing Fabrication

Copper tubing is fabricated in different structure for providing flow path for refrigerant in RAC units such as suction, discharge, capillary and sub-cooling. We manufacture copper tubes of different thicknesses.

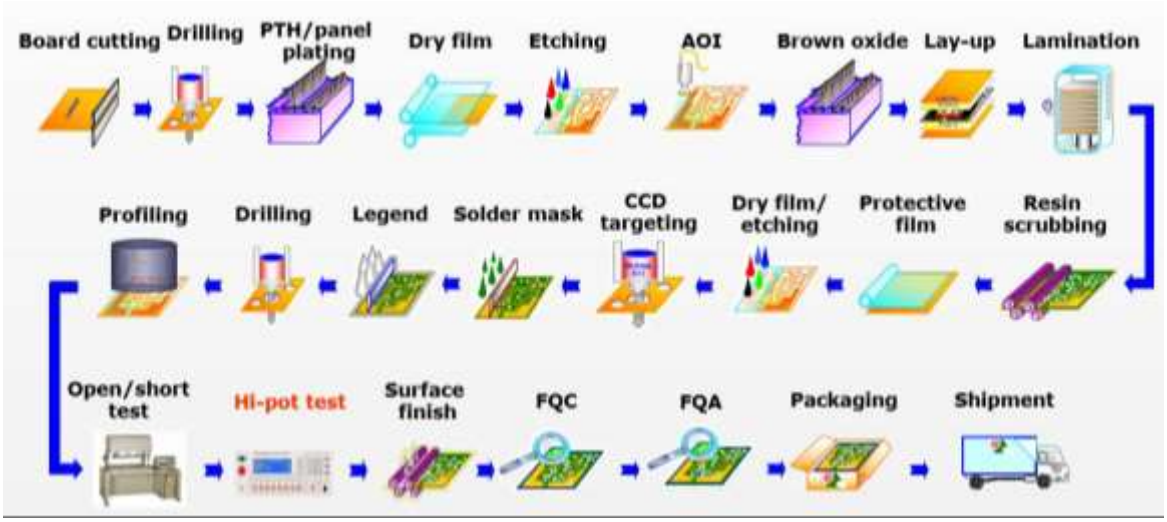
The following chart sets forth the step-wise process involved in the manufacturing and fabrication of copper tubing:



XI. Printed Circuit Boards

We undertake, through our newly acquired subsidiary, IL JIN, manufacturing, distribution and export of electronic assembled printed circuit boards ("**PCBs**") for home appliances (such as RACs, microwaves and washing machines) and automobile products. Our key customers include RAC brand which utilise PCBs as a part of their manufacturing or assembling processes.

The following chart sets forth the step-wise process involved in the manufacturing of PCBs:



Installed Capacities and Capacity Utilisation

The aggregate capacity and utilisation for RAC units and certain key components manufactured in our manufacturing facilities for Fiscal 2017 as certified by Sushil Kumar Sharma, Chartered Engineer in his certificate dated September 22, 2017 are set forth below:

Products	Unit of Measure	Annual Installed Capacity as on March 31, 2017	Annual Actual Production for Fiscal 2017	Utilisation (%)
Room Air Conditioners				
ODU of SAC	Nos	15,86,406	6,52,528	41.13%
IDU of SAC	Nos	13,65,000	5,90,535	43.26%
WAC	Nos	5,85,000	2,50,508	42.82%
Components				
Case liner	Nos	19,50,000	13,68,494	70.18%
Plastic extruded sheet*	Kilograms	125,28,000	73,16,968	58.40%
Heat exchanger*	Nos	29,90,000	13,96,927	46.72%
Multi-flow condenser*	Nos	5,20,000	2,35,931	45.37%
Plastic injection moulding - RAC sets*	Nos in Sets	11,29,042	5,42,300	48.03%
Sheet metal components – ODU of SAC*	Nos in Sets	26,21,667	11,00,550	41.98%
Sheet metal components – WAC*	Nos in Sets	3,90,000	1,92,100	49.26%
Sheet metal components – IDU of SAC*	Nos in Sets	5,52,500	2,25,006	40.73%
Electric motors for RACs*	Nos	32,02,284	13,69,861	42.78%
Electric motors for air cooler	Nos	7,21,392	1,32,025	18.30%

* *We use a portion of the total production of these components in-house in the manufacturing / assembling of RAC units.*

Our Research and Development and Technological Capabilities

We have dedicated R&D centre located in Rajpura, Punjab. Its capabilities include:

- Structure design – We design a wide range of platforms such as such as WACs chassis from 0.75 ton to 2.0 ton, chassis of ODUs of SACs with specification of 0.75 ton to 2.0 ton and chassis for IDUs of SACs with specification of 1.0 ton to 2.0 ton. We also design Inverter RAC models.

- Cycle Balancing – We cycle balance wide range of WAC, ODU, IDU and Inverter RAC platforms using P-H chart, psychrometric charts, simulations software and psychrometric labs, where we conduct cooling capacity test, sweat test, freeze up test and other tests conforming to various standards and energy efficient ratings.

- Software – We are using specialised softwares for 3D modelling and product life cycle management.

- Facility and Infrastructure – Our facility Includes:

  - 3-D CAD

  - Psychometric lab which is accredited ISO/IEC 17025:2005 by NABL

  - Anechoic sound proof room

  - Reliability test room

  - Rain test chamber

  - PCB on-off test Infra

- Manpower – We have 23 dedicated employees working in the R&D function. These include employees with engineering background and with prior experience in the RAC and research areas.

Raw Material Suppliers and Utilities

The principal raw materials we use in our manufacturing include:

(i) Aluminium;

(ii) Copper;

(iii) Sheet metal (Steel);

(iv) Refrigerant;

(v) Compressor

(vi) Plastic resins;

(vii) Motors;

(viii) Fans and blowers;

(ix) Front Grill;

(x) Electronics (remote sets and controllers);

(xi) Capacitors;

(xii) Wiring;

(xiii) Service valves; and

(xiv) Corrugated boxes.

We have a centralised system across our manufacturing facilities for procurement of raw material. We procure raw material from various domestic and foreign vendors. While most of our purchases are on purchase order basis on terms governed by the relevant spot market.

Competition

We primarily face competition in our RAC business from other manufacturers who supply products to RAC brands on an OEM/ODM basis. We may further face a reduction in the supply for our products in the event that any major RAC brands that we currently supply to decide to manufacture any or all of their products in-house. We also face competition from imports of RACs from other low-cost countries such as China.

In the components space, we face competition from manufacturers of components for RACs as well as other consumer durables.

Human Resources

Our employees include sales, IT, administrative, finance, marketing, procurement, logistics, design, merchandise and factory personnel. As on November 30, 2017, we had around 1,152 full-time employees on our rolls and around 1,670 contract workers working in our facilities. A mix of full-time employees and contract personnel gives us flexibility to run our business efficiently.

We consider our employees to be assets of our organization and we are committed to building and nurturing our human capital. We focus our human resource initiatives in the following areas: recruitment and retention, learning and development, performance management and review and communication. We undertake various shop floor and staff training programmes and initiatives to educate and create awareness about shop floor basis, and improve capability and enhance skill among staff. We also instituted a quarterly evaluation and award system to motivate our employees and have awards for best employees, best innovation, best productivity area etc.

We continuously review our existing human resource initiatives to make them more inclusive, employee engaging and skill-development oriented. We continue to lay emphasis on building and sustaining an excellent organisation climate based on human performance. We pursues proactive policies to achieve a peaceful and harmonious work environment. We believe that our growth and work environment combined with high employee satisfaction rate has allowed us to attract talent on a large scale.

Insurance

We have taken insurance policies in respect of our business, assets such as stocks, plant and machinery, buildings and equipment. We have fire and special perils insurance, with additional cover for natural calamities such as earthquake for our main offices and manufacturing facilities. We maintain marine cargo transit insurance policies to cover various risks during the transit of goods from overseas to India. We have product liability and recall insurance for indemnification of any loss caused by our products. We have group mediclaim policies. Further, we have insurance for directors and officers liability.

We believe that our insurance coverage is in accordance with industry custom, including the terms of and the coverage provided by such insurance. Our policies are subject to standard limitations and, in the case of business interruption insurance, among other things, limitations apply with respect to the length of the interruption covered and the maximum amount that can be claimed. Therefore, insurance might not necessarily cover all losses incurred by us and we cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, our insurance policies. See *"Risk Factors – Our insurance cover may not be adequate or we may incur uninsured losses or losses in excess of our insurance coverage"*, beginning on page 29 of this Red Herring Prospectus.

Corporate Social Responsibility

Our social responsibility programs go beyond donations and sponsoring charity events and instead comprise of several initiatives which vary with the needs of the society and environment. We have undertaken several corporate social responsibility programs in the areas of health and nutrition, sanitation, and education.

We partnered with M/s S&S Care Skills Academy Pvt. Ltd. Noida to contribute to the skill development in the AC Industry by training technicians for the repair maintenance of ACs and other appliances. We have also contributed to '*swacch bharat'* initiative of the Government by constructing and maintaining toilets at schools in Selaqui, Sehatpur and Dadri Toe. In addition, we have also participated in panchayats blood donation camps.

Intellectual Property

Our portfolio of intellectual property includes designs, trademark/logo and domain name. We have applied for trademark registrations of our tradename "Amber" and logo amber. We have registered the design *"TURRET PUNCHING PRESS"* bearing application number 219779 under the Designs Act, 2000 ("**Designs Act**"). Further, we view our marks as a material asset and have registered HARRY-FROST in class 11 with the Trademark Registry. We also own rights in the domain name *ambergroupindia.com* and *piclindia.com.*

On October 16, 2017, our Company filed six applications under the Designs Act, 2000 for the registration of designs in relation to the ventilation and air-conditioning equipment.

Properties

Our registered office is situated at Plot No. C-1, Focal Point, Phase - II, Rajpura Town – 140 401 (Punjab) which is owned by us. Our corporate office is situated at Universal Trade Tower, 1st Floor, Sector-49, Sohna Road, Gurgaon – 122 018, parts of which are leased to us by Daljit Singh, Jasbir Singh and VS Design Concepts Private Limited.

For details of the property on which our manufacturing facilities are situated, see *"- Our Manufacturing Facilities"* on pages 149 to 150.

Further, we also have properties at Khasra no. 321/1 and Khasra no. 321/1/1 situated at Village Selaqui Central Hope Town (industrial area), Tehsil Vikas Nagar, Parana Pachwadoon, Dehradun for storage purposes; and D163, D165, D167, Ranjangaon Industrial Area, MIDC, Pune for assembling parts and warehousing purposes.

REGULATIONS AND POLICIES

The following description is a summary of certain sector specific laws currently in force in India, which are applicable to our Company. The information detailed in this section has been obtained from publications available in the public domain. The regulations set out below are not exhaustive, and are only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional legal advice. The statement below are based on the current provisions of Indian Law, and the judicial and administrative interpretation thereof, which are subject to change or modifications by subsequent legislative, regulatory, administrative or judicial decisions.

The Bureau of Indian Standards Act, 2016 (the "BIS Act")

The BIS Act provides for the establishment of bureau for the standardization, marking and quality certification of goods. Functions of the bureau include, *inter-alia*, (a) recognizing as an Indian standard, any standard established for any article or process by any other institution in India or elsewhere; (b) specifying a standard mark which shall be of such design and contain such particulars as may be prescribed to represent a particular Indian standard; and (c) conducting such inspection and taking such samples of any material or substance as may be necessary to see whether any article or process in relation to which the standard mark has been used conforms to the Indian Standard or whether the standard mark has been improperly used in relation to any article or process with or without a license.

The Electrical Wires, Cables, Appliances and Protection Devices and Accessories (Quality Control) Order, 2003 ("Quality Control Order")

The Quality Control Order sets out directions and standards for the manufacture, storage, sale and distribution of electrical wires, cables, appliances, protection devices (including low voltage switchgear and fuses) and accessorises. It prohibits those products which do not conform to standards specified and those which do not near the standard mark issued by the Bureau of Indian Standards ("**BIS**"), and further requires any sub-standard or defective electrical wires, cables, appliances, protection devices or accessories to be deformed by such manufacturer beyond use and disposed of as scrap. Further, it directs that the commencement of manufacturing of such electrical equipment can only after obtaining a license from the BIS for the use of standard mark. The Quality Control Order is issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("**DIPP**"). The Central Government is authorized to appoint an officer who shall be empowered to inspect any books or documents, search any premises, seize any electric equipment, as well as require any person engaged in the manufacture, storage, sale or distribution of electrical equipment to furnish information and samples, in the case of contravention of the Quality Control Order.

Electronics and Information Technology Goods (Requirements for Compulsory Registration) Order, 2012 ("Compulsory Registration Order")

The Compulsory Registration Order mandates that the manufacturing, storage, import, sale or distribution of goods which do not meet the specified standard and/or bear a self-declaration confirming conformance to relevant Indian Standard is prohibited. The only exception is for those goods which are manufactured for export. Further, any sub-standard or defective goods must be deformed beyond use by the manufacturer and disposed of as scrap. The Compulsory Registration Order is issued by the Department of Electronics and Information Technology, Ministry of Communication and Information Technology, Government of India ("DEIT").

Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010 ("Safety and Electric Supply Regulations")

The Safety and Electric Supply Regulations lay down regulations for safety requirements for electric supply lines and accessories (meters, switchgears, switches and cables). It requires all relevant specifications prescribed by the BIS or the International Electro-Technical Commission to be adhered to. These include all electric supply lines and accessories to:

- have adequate power ratings and proper insulation;
- be of adequate mechanical strength for the duty cycle;
- have a switchgear installation in each conductor of every service line within a consumer's premises; and
- be encased in a fireproof receptacle.

The construction, installation, working and maintenance of such supply lines must be in a method which will ensure the safety of human beings, animals and property.

National Electric Code ("NEC")

The NEC (by the BIS in 1985) serves as a non-mandatory advisory model for adoption of various established codes of practice and promotion of safety on the economic selection, installation and maintenance of electric equipment, including switchgears, protection devices, service lines and meters. The code aims to keep up with international installation practices and provide guidelines on the general and supply characteristics and parameters of electrical installations. It is applicable to installations in domestic dwellings, commercial and industrial premises, and circuits, but excludes requirements falling under the purview of power utilities and tariff related guidance.

Consumer Protection Act, 1986

The Consumer Protection Act, 1986 (the "**Consumer Protection Act**") was designed and enacted to provide a simpler and quicker access to redress consumer grievances. It seeks, *inter alia* to promote and protects the interest of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers and traders. It establishes consumer disputes redressal forums and commissions for the purposes of redressal of consumer grievances. In addition to awarding compensation and/or corrective orders, the forums and commissions under the Consumer Protection Act are empowered to impose imprisonment of not less than a month, but not exceeding three years, or a fine of not less than ₹2,000, but not more than ₹10,000, or both.

The Environment Protection Act 1986

The Environment Protection Act 1986 (the "**Environment Protection Act**") was enacted to act as an "umbrella" legislation designed to provide a frame work for co-ordination of the activities of various central and state authorities established under previous laws. The Environment Protection Act authorises the central government to protect and improve environment quality, control and reduce pollution.

Air (Prevention and Control of Pollution) Act, 1981

The Air (Prevention and Control of Pollution) Act, 1981(the "**Air Act**") was enacted and designed for the prevention, control and abatement of air pollution and establishes Central and State Boards for the aforesaid purposes. In accordance with the provisions of the Air Act, any individual, industry or institution responsible for emitting smoke or gases by way of use of fuel or chemical reactions must apply in a prescribed form and obtain consent from the State Pollution Control Board prior to commencing any activity.

The Water (Prevention and Control of Pollution) Act, 1974 and Water (Prevention and Control of Pollution) Cess Act, 1977 ("Water Cess Act")

The Water (Prevention and Control of Pollution) Act, 1974 (the "**Water Act**") was enacted to provide for the prevention and control of water pollution and the maintaining or restoring of wholesomeness of water. Further, the Water Act also provides for the establishment of boards with a view to carrying out the aforesaid purposes for conferring on and assigning to such boards powers and functions relating thereto.

In addition, the Water (Prevention and Control of Pollution) Cess Act, 1977 (the "**Water Cess Act**") was enacted to provide for the levy and collection of a cess on water consumed by persons carrying on certain industries and by local authorities, with a view to augment the resources of the central board and state boards for the prevention and control of water pollution constituted under the Water Act.

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016

The objective of the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (the "**Hazardous Waste Rules**") is to control the collection, reception, treatment and storage of hazardous waste. The Hazardous Waste Rules prescribes for every person who is engaged in generation, treatment, processing, package, storage, transportation, use, collection, destruction, conversion, recycling, offering for sale, import, export, transfer or the like of the hazardous and other wastes to obtain an authorisation from the relevant state pollution control board.

Laws related to employment

We are subject to various labour laws for the safety, protection, condition of working, employment terms and welfare of labourers and/or employees of us.

In respect of our manufacturing facilities, we use the services of certain licensed contractors who in turn employ contract labour whose number exceeds 20 (twenty) in respect of certain facilities. Accordingly, we are regulated by the provisions of the Contract Labour (Regulation and Abolition) Act, 1970, as amended (the "**CLRA Act**"), and the rules framed thereunder which requires us to be registered as a principal employer and prescribes certain obligations with respect to welfare and health of contract labour. The CLRA Act 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 Act.

The Industrial Disputes Act, 1947, as amended, provides for statutory mechanism of settlement of all industrial disputes, a term which primarily refers to a dispute or difference between employers and workmen concerning employment or the terms of employment or with the conditions of labour of any person.

The Workmen's Compensation Act, 1923 (the "**Workmen's Compensation Act**") aims at providing financial protection to workmen and their dependents in case of accidental injury by means of payment of compensation by the employers. The compensation is also payable for some occupational diseases contracted by workmen during the course of their employment. The Workmen's Compensation Act prescribes that if personal injury is caused to a workman by accident during employment, his employer would be liable to pay him compensation.

We are subject to other laws concerning condition of working, benefit and welfare of our labourers and employees such as the Industrial Employment (Standing Orders) Act, 1946, the Public Liability Insurance Act, 1991, the Employees State Insurance Act 1948, the Employees (Provident Fund and Miscellaneous Provisions) Act, 1952, the Payment of Gratuity Act, 1972, the Payment of Bonus Act, 1965, the Minimum Wages Act, 1948, the Payment of Wages Act, 1936, the Equal Remuneration Act, 1976, the Child Labour (Protection Regulation) act, 1986, the Maternity Benefit Act, 1961, Apprentices Act, 1961, the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Interstate Migrant Workmen Act, 1979 and Trade Unions Act, 1926.

Intellectual Property Laws

Certain laws relating to intellectual property rights such as copyright protection under the Copyright Act, 1957, trademark protection under the Trade Marks Act, 1999 and design protection under the Designs Act, 2000 **(**the "**Designs Act**") are applicable to us. The Copyright Act, 1957 (the "**Copyright Act**") governs copyright protection in India. Even while copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration under the Copyright Act acts as a *prima facie* evidence of the particulars entered therein and helps expedite infringement proceedings and reduce delay caused due to evidentiary considerations. The Trademarks Act, 1999 (the "**Trademarks Act**") provides for the process for making an application and obtaining registration of trademarks in India. The purpose of the Trademarks Act is to grant exclusive rights to marks such as a brand, label, and heading and to obtain relief in case of infringement for commercial purposes as a trade description. The Trademarks Act prohibits registration of deceptively similar trademarks and provides for penalties for infringement, falsifying and falsely applying trademarks. The Designs Act prescribes for registration of design. The Design Act specifically lays down the essentials of a design to be registered and inter alia, provides for application for registration of designs, copyright in registered designs etc.

Other Indian laws

In addition to the above, we are also governed by the provisions of the Companies Act and rules framed thereunder, relevant central and state tax laws, foreign exchange and investment laws and foreign trade laws and other applicable laws and regulation imposed by the central and state government and other authorities for over day to day business, operations and administration.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief History of our Company

Our Company was incorporated as Amber Enterprises India Private Limited on April 2, 1990 at Jalandhar, Punjab as a private limited company under the Companies Act, 1956. Our Company was converted to a public limited company pursuant to a special resolution passed by our shareholders on September 20, 2017 and a fresh certificate of incorporation dated September 22, 2017 was issued by the Registrar of Companies, Chandigarh, consequently, the name of our Company was changed to Amber Enterprises India Limited and a fresh certificate of incorporation consequent to change of name dated September 22, 2017 was issued by the RoC.

As on the date of this Red Herring Prospectus, our Company has 32 Shareholders.

Main Objects of our Company

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

"1. To carry on the business of manufacturers of and dealers in ferrous and non-ferrous forgings and catings of all types and descriptions including chilled and malleable castings, special alloy casting gun metal, copper, brass and aluminium castings, hand tools, machine tools, dies moulds, implements, instruments, apparatus bungs, appliances and accessories and fittings of all kinds for industrial, commercial scientific and other purposes including agricultural implements, automobile parts and accessories of railway wagons.

2. To carry on the business of manufactures of plant and machinery, general metal founders, fabricators, casters, spinners rollers and workers of metal and alloy of all descriptions, assemblers, iron-founders, brass founders, metal fabricators, boiler makers mill wrights, iron and steel convertors, smiths, tube makers, galvanisers, electroplaters, nickelplaters, chromium platers, bronzers, oxidizers and metalplaters, welders and gas generators and to buy, sell, manufacture, repair convert, alter, let on hire and deal in equipment, fitting rolling stock and hardware of all kinds.

3. To carry on the business as an engineering company and to manufacture the engineering products.

4. To enter into oil and gas exploration activity whether onshore and/or offshore refine, supply, market sell service deal in as principals or through agents and transportation of crude oil refined oil and gases of all kinds and setting up of petrol/gas stations and to carry on allied works related to the same.

The main objects as contained in the Memorandum of Association enable our Company to carry on the business presently being carried out.

Amendments to our Memorandum of Association

Set out below are the amendments to our Memorandum of Association since the incorporation of our Company:

Date of Shareholders' Resolution	Particulars
February 1, 1993	Clause V of the MoA was amended to reflect the increase in authorised share capital from ₹ 1,000,000 divided into 100,000 equity shares of ₹10 each to ₹ 3,000,000 divided into 300,000 equity shares of ₹10 each.
June 17, 1993	Clause V of the MoA was amended to reflect the increase in authorised share capital from ₹ 3,000,000 divided into 300,000 equity shares of ₹10 each to ₹ 4,000,000 divided into 400,000 equity shares of ₹10 each.
December 10, 1994	Clause V of the MoA was amended to reflect the increase in authorised share capital from ₹4,000,000 divided into 400,000 equity shares of ₹10 each to ₹7,500,000 divided into 750,000 equity shares of ₹10 each.
December 15, 1998	Clause V of the MoA was amended to reflect the increase in authorised share capital from ₹7,500,000 divided into 750,000 equity shares of ₹10 each to ₹15,000,000 divided into 1,500,000 equity shares of ₹10 each.
September 30, 2004	Clause V of the MoA was amended to reflect the increase in authorised share capital from ₹15,000,000 divided into 1,500,000 equity shares of ₹10 each to ₹20,000,000 divided into 2,000,000 equity shares of ₹10 each.

Date of Shareholders' Resolution	Particulars
May 31, 2011	Clause V of the MoA was amended to reflect the increase in authorised share capital from ₹20,000,000 divided into 2,000,000 equity shares of ₹10 each to ₹150,000,000 divided into 15,000,000 equity shares of ₹10 each.
June 20, 2012	Clause V of the MoA was amended to reflect the increase in authorised share capital from ₹150,000,000 divided into 15,000,000 equity shares of ₹10 each to ₹250,000,000 divided into 25,000,000 equity shares of ₹10 each.
June 20, 2012	Clause III (B) of the MoA was amended to include sub-clause 18A as below: "*To guarantee, counter guarantee, support, secure or become liable for whether by personal covenant or by mortgaging or changing all or any part of the undertaking, property or assets both present and future wherever situate, including any uncalled capital of the company or by both such methods and obligations of and the repayment of the principal amounts of and premiums, interest and dividends and other amount payable on any securities or indebtedness whatever nature of any person, firm or company.*"
December 19, 2016	Clause V of the MoA was amended to reflect the increase in authorised share capital from ₹250,000,000 divided into 25,000,000 equity shares of ₹10 each to ₹310,000,000 divided into 26,500,000 equity shares of ₹10 each and 4,500,000 preference shares of ₹10 each.
September 20, 2017	Clause V of the MoA was amended to reflect the increase and reclassification of the authorised share capital from ₹310,000,000 divided into 26,500,000 equity shares of ₹10 each and 4,500,000 preference shares of ₹10 each to ₹450,000,000 divided into 45,000,000 equity shares of ₹10 each.
September 20, 2017	Clause I of the MoA was amended to reflect the change in name from Amber Enterprises India Private Limited to Amber Enterprises India Limited.
September 26, 2017	Clause I of the MoA was amended to ratify the change in name as approved by the RoC upon conversion of Company from private to public. "The name of the Company is Amber Enterprises India Limited".

Major events and milestones of our Company

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

Year	Particulars
1990	Our Company was incorporated as a private limited company.
1994	The first factory at Rajpura was established
2003-04	Started Dehradun Plant for RAC manufacturing for LG
2004	Dehradun Factory Unit - 4 established
2005-06	Started manufacturing microwave ovens for LG
2008	Started Noida Ecotech Unit
2007-08	Started manufacturing heat exchangers
2009	Dehradun Factory Unit – 5 was established
2010	Kasna Unit, Kala Amb Unit and Pune Unit established

Year	Particulars
2010	Dehradun Factory Unit – 6 was established
2012	Jhajjar Unit was established
2011	Investment by Green India Venture Fund
2012	Investment by Reliance Alternative Investments Fund – Private Equity Fund Scheme – I; Acquisition of PICL
2017	Investment by Ascent and exit to Reliance Alternative Investments Fund – Private Equity Fund Scheme – I through purchase by Ascent.
2017	Incorporation of new subsidiary, Appserve
2017	Acquisition of a new subsidiary, IL JIN

Awards and certifications received by our Company

The table below sets forth the key awards and certifications received by our Company:

Year	Particulars
2014	• 'Cost Improvement Outstanding Performance Award' from Panasonic for 2014. • 'Best ASCE Performance Award Year' from LG Electronics for 2014. • 'Localization Support Excellence Award' from Panasonic for 2013-2014.
2015	• 'Best Development Support Award' from Panasonic for 2014-2015. • 'Best Supplier Award for on-time Delivery' in Strategic Business Partners Meet, 2015. • 'Best Supplier Award' from Honeywell, 2015.
2016	• 'Best of Best Performance Award' from LG Electronics for 2015 and 2016. • 'Leadership Business Innovation Award' from Panasonic for 2015-2016. • 'Best Infrastructure Improvement Award' from LG Electronics for 2016. • 'Vendor Performance Excellence Award' in finished goods category from Blue Star for 2015-2016.
2017	• 'Best Support: Green Supply Chain' from Godrej for 2016-2017. • Gold award in relation to green company rating system from CII-Sohrabji Godrej Green Business Center in 2017. • Certificate of appreciation from SML ISUZU in recognition of our performance in supply excellence. • 'Best Tooling Management Award for 2017' from LG Electronics at LG Noida Annual Business Partners Meet

Accreditations/certifications received by our Company are set out below:

All our manufacturing facilities, except Kala Amb (which is currently non-operational), confirm to ISO 9001:2008 or ISO 9001:2015 quality management systems certification. Further, our UP Unit I has ISO 14001:2004 and OHSAS 18001:2007 certifications for manufacturing of extruded and thermoformed plastic components. Our Rajpura unit has OHSAS 18001:2007

certification for manufacturing of sheet metal components for automotive industry, air conditioners kits and for design and development of air conditioners.

Corporate Profile of our Company

For details in relation to our corporate profile including details of our business, activities, services, market, growth, technology, geographical presence, growth, competition, products, suppliers, customers, capacity build-up, technology, market of each segment, and managerial competence, environment issues, standing with reference to prominent competitors, major vendors and suppliers and exports, see *"Our Business"*, *"Industry Overview"*, *"Our Management"* and *"Management's Discussion and Analysis Of Financial Condition and Results of Operations"* on pages 144, 115, 175 and 425, respectively. For details regarding profits arising out of foreign operations, see *"Financial Statements"* on page 199.

Our Holding Company

As on the date of this Red Herring Prospectus, our Company does not have a holding company.

Our Subsidiaries

As of the date of this Red Herring Prospectus, our Company has three subsidiaries, which are PICL (India) Private Limited, Appserve Appliance Private Limited and IL JIN Electronics (India) Private Limited. For details regarding our Subsidiaries, see *"Our Subsidiaries"* on page 172.

Capital raising activities through equity or debt

For details regarding our capital raising activities through equity and debt as applicable, see "*Capital Structure"* on page 73 and *"Financial Indebtedness"* on page 423.

Injunctions or restraining order against our Company

As of the date of this Red Herring Prospectus, there are no injunctions or restraining orders against our Company.

Revaluation of assets by the Company

Our Company had revalued certain land parcel in Fiscal 2008 and created a revaluation reserve of ₹ 382.27 million but the same was fully reversed by our Company in Fiscal 2011.

Details regarding acquisition of business/undertakings, mergers, amalgamations

Except as stated below, our Company has not acquired any business or undertaking, and has not undertaken any mergers, amalgamation.

Details regarding acquisitions

Share Purchase Agreements dated November 10, 2012 between our Company, Rakesh Dewan, Kavita Dewan and PICL (India) Private Limited (the "SPA")

Our Company entered into a share purchase agreement dated November 10, 2012 with Rakesh Dewan, Kavita Dewan and PICL (India) Private Limited ("**PICL**") for acquiring the entire shareholding of PICL for an aggregate consideration of ₹ 489.70 million. As an integral part of the SPA, the parties also entered into a non-compete and non-solicitation agreement dated November 10, 2012. The sale and purchase of these equity shares were facilitated through an escrow agreement executed between the parties on November 10, 2012.

Share Purchase Agreement dated November 11, 2017 between our Company, IL JIN, Hyun Chul Sim and Su A Lee (the "IL JIN SPA")

Our Company entered into a share purchase agreement dated November 11, 2017 ("**IL JIN SPA**") with IL JIN, Hyun Chul Sim ("**HCS**") and Su A Lee ("**SAL**") for the purchase of 1,320,613 equity shares of IL JIN from HCS, equivalent to 70% of IL JIN's outstanding equity shareholding. The closing of the acquisition under the IL JIN SPA was subject to completion of various conditions precedent as set out in the IL JIN SPA that were required to be satisfied by March 31, 2018, unless such date is extended by the respective parties. The above-mentioned acquisition was completed on December 28, 2017.

Consideration paid and mode of financing:

Our Company paid an aggregate consideration of ₹ 544.25 million for this acquisition. The mode of financing for this acquisition was internal accruals and funds raised on issuance of Equity Shares of our Company (including share premium) and debentures during the month of January 2017.

Shareholders' Agreement dated November 11, 2017 between our Company, IL JIN, Hyun Chul Sim and Su A. Lee ("IL JIN SHA")

The Company has entered a shareholders' agreement dated November 11, 2017 with IL JIN, HCS and SAL ("**IL JIN SHA**"). Under the terms of the IL JIN SHA, after the expiry of two and half years from the effective date of the IL JIN SHA or September 30, 2020, whichever is earlier, HCS and SAL shall jointly and not severally have a put option as set out in the IL JIN SHA to sell to the Company, and the Company shall have a call option as set out in the IL JIN SHA to purchase from HCS and SAL, the remaining 565,977 equity shares of IL JIN (equivalent to 30% of IL JIN's outstanding equity shareholding) at the price to be determined in terms of the IL JIN SHA. Further, in terms of the IL JIN SHA, the Company on the one hand and HCS and SAL on the other hand shall have the right to appoint directors to the board of IL JIN in the ratio of 2:1, with one of the Company's directors acting as the chairman of the Board of IL JIN.

Summary of Key Agreements

Share Purchase Agreements

Share Purchase Agreement dated August 13, 2013 between our Company, Green India Venture Fund (acting through IFCI Venture Capital Funds Limited) and Sukhmani Lakhat (the "SPA 1").

Pursuant to the SPA 1, Sukhmani Lakhat purchased 2,387,307 equity shares of our Company having a face value of ₹10 each from Green India Venture Fund (represented by IFCI Venture Capital Funds Limited).

Share Purchase Agreement dated August 13, 2013 between Reliance Alternative Investments Fund – Private Equity Scheme –I acting through its trustee Reliance Alternative Investments Services Private Limited and represented by Reliance Equity Advisors (India) Private Limited, Sukhmani Lakhat and Daljit Singh (the "SPA 2").

Pursuant to the SPA 2, Reliance Alternative Investments Fund – Private Equity Scheme –I acting through its trustee Reliance Alternative Investments Services Private Limited and represented by Reliance Equity Advisors (India) Private Limited purchased 2,387,307 equity shares of our Company having a face value of ₹10 each from Sukhmani Lakhat.

Share Purchase Agreement dated December 23, 2016 between our Company, Reliance Alternative Investments Fund – Private Equity Scheme – I, Ascent, Jasbir Singh, Daljit Singh, and Kartar Singh (the "SPA 3").

Pursuant to the SPA 3, Ascent purchased 7,813,004 equity shares of our Company having a face value of ₹10 each from Reliance Alternative Investments Fund – Private Equity Scheme – I and Kartar Singh.

Share Subscription Agreement dated December 23, 2016 between the Company, Ascent and Jasbir Singh and Daljit Singh. (the "SSA").

Pursuant to the SSA, Ascent has subscribed and the Company has allotted 10 CCDs of face value ₹ 50.00 million each, and 2,107,037 CCPSs of face value ₹10 each and issued at a premium of ₹ 227.30.

Purchase and Buyback Agreement dated December 23, 2016 between our Company, Ascent, Jasbir Singh and Daljit Singh ("Purchase and Buyback Agreement") as amended by the letter dated September 26, 2017

Pursuant to the Purchase and Buyback Agreement, read with the letter dated September 26, 2017, Jasbir Singh and Daljit Singh (or their respective father, spouse, son, daughter or any entity wholly owned and controlled by any of them) jointly had the right to purchase the CCDs or all or any of the Equity Shares issued to Ascent upon conversion of the CCDs issued to Ascent ("**Option Securities**") at a price mutually agreed among the Promoters and Ascent. If at the request of the Promoters and/or the Company, Ascent converts the CCDs prior to the filing of this Red Herring Prospectus with the RoC, the Promoters were required to exercise this right and complete the transfer no later than 60 days from the date of conversion of the CCDs. The obligation of Ascent to convert the CCDs was subject to the payment of the coupon on the CCD as set out in the letter dated September 26, 2017.

The Parties had further agreed that the right of the Company to conduct a buyback of all or any of the CCDs (or the Equity Shares issued upon conversion of the CCDs) in accordance with the Purchase and Buyback Agreement and applicable law shall stand suspended from the time of filing of the Draft Red Herring Prospectus with SEBI until such time as agreed between the parties.

The Purchase and Buyback Agreement shall be terminated: (i) if the SSA is terminated prior to the completion date; (ii) upon all of the Option Securities having been transferred by Ascent to Promoters or the Company or completion of five years from the issuance of CCDs, whichever is earlier; (iii) if the SHA is terminated in accordance with its terms or the drag along right is exercised by Ascent pursuant to the SHA; (iv) at the option of Ascent if the Company has committed a default with respect to the terms of SSA; (v) by the mutual consent of the parties of this agreement; or (vi) the transfer of the Option Securities is not completed within 60 days from the date of conversion of the CCDs, in case the CCDs are required to be converted at the request of the Promoters and/or the Company. The CCDs were converted in 2,107,030 Equity Shares on December 2, 2017.

Pursuant to the share purchase agreement dated December 5, 2017 ("**SPA 4**") between our Company, Ascent, Jasbir Singh and Daljit Singh, Ascent has transferred 1,053,515 Equity Shares each to Jasbir Singh and Daljit Singh on December 7, 2017 in terms of the SPA 4.

Share purchase agreement dated December 8, 2017 between our Company, Ascent and DF International Private Partners (the "SPA 5").

Pursuant to the SPA 5, DF International Private Partners ("**DF**") purchased 499,602 Equity Shares of our Company from Ascent. Further, under the terms of the SPA 5, Ascent has agreed that it shall not on or before March 31, 2018 transfer, directly or indirectly, any securities of the Company held by it to any person at a price lower than the per Equity Share consideration paid by DF. Provided however, that this restriction on Ascent shall not be applicable in case of any transfer of Equity Shares or securities of the Company by Ascent to the Promoters pursuant to any agreement or arrangement as disclosed in the DRHP.

Share purchase agreement dated December 8, 2017 between our Company, Ascent, Aadi Financial Advisors LLP, Profitex Shares & Securities Private Limited and Akash Manek Bhanshali (the "SPA 6")

Pursuant to the SPA 6, Aadi Financial Advisors LLP ("**Aadi**"), Profitex Shares & Securities Private Limited ("**Profitex**") and Akash Manek Bhanshali ("**AMB**") purchased 1,124,104 Equity Shares of our Company from Ascent. Of these, 499,602 Equity Shares have been transferred to Aadi, 124,900 Equity Shares have been transferred to Profitex and 499,602 Equity Shares have been transferred to AMB.

Share purchase agreement dated December 8, 2017 between our Company, Ascent and GMO Emerging Domestic Opportunities Fund, A Series of GMO Trust (the "SPA 7")

Pursuant to the SPA 7, GMO Emerging Domestic Opportunities Fund, A Series of GMO Trust ("**GMO**") purchased 499,595 Equity Shares of our Company having face value of ₹10 each from Ascent.

Share purchase agreement dated December 8, 2017 between our Company, Ascent and Edelweiss Crossover Opportunities Fund (the "SPA 8")

Pursuant to the SPA 8, Edelweiss Crossover Opportunities Fund, a scheme of Edelweiss Alternative Investment Opportunities Trust, a trust organized in India and registered with the SEBI as a Category II – Alternative Investment Fund ("**ECOF**") purchased 1,124,101 Equity Shares of our Company from Ascent. Edelweiss Multi Strategy Fund Advisors LLP ("**EMS LLP**") is the sponsor of ECOF. Edelweiss Multi Strategy Funds Management Private Limited, a wholly-owned subsidiary of Edelweiss Financial Services Limited, holds majority economic interest in EMS LLP. Further, under the terms of the SPA 8, Ascent has agreed that it shall not on or before March 31, 2018 transfer, directly or indirectly, any securities of the Company held by it to any person at a price lower than the per Equity Share consideration paid by ECOF. Provided however, that this restriction on Ascent shall not be applicable in case of any transfer of Equity Shares or securities of the Company by Ascent to the Promoters pursuant to any agreement or arrangement as disclosed in the DRHP.

Shareholders' agreements

As on the date of this Red Herring Prospectus, our Company has not entered into any shareholders' agreements in relation to its Equity Shares that are subsisting except as set forth below.

Shareholders' agreement dated December 23, 2016 between our Company, Ascent and Jasbir Singh and Daljit Singh. ("SHA")

In connection with the SSA, our Company entered into the SHA to set out the mutual rights and obligations between certain shareholders of our Company. Pursuant to the SHA, Ascent has certain customary rights available to private equity investors including but not limited to:

(i) the right to appoint nominee directors on the Board, board of directors of the Subsidiaries and committees of the Board;

(ii) right to receive information and business plan of our Company;

(iii) right to freely, without prior approval transfer securities;

(iv) right to exit through initial public offering or strategic sale;

(v) right of first refusal in case of any fresh offerings by our Company;

(vi) right to require the Promoters to purchase all the securities of the Company held by Ascent in case of an event of default in accordance with the SHA; and

(vii) affirmative voting rights in relation to matters proposed to be passed at the meetings of the Board (including committees thereof) or meetings of shareholders, including;

a) entering into any material contracts or amending/revising any terms of existing material contracts;

b) entering into derivative contracts;

c) adoption of annual accounts of the Company;

d) the acquisition or disposal of shares or assets of any other business by us; and

e) declaration of any dividend.

Further, the under the SHA, the following may, inter alia, be considered to be an event of default:

a) if the Company or the Promoters are in material breach of the terms contained under the SHA and SSA;

b) any action or inaction by the Company and/or the Subsidiaries and/ or Promoters that results in an event of default under the loan documents entered into by the Company; and

c) any transfer of securities by the Company and/or the Promoters which is in breach of the SHA.

In the event that the Company and/or the Promoters fail to remedy an event of default within 30 days of its occurrence, Ascent shall have the right to (i) require the Promoters to purchase all of the securities held by Ascent from them; and (ii) right to require the Promoters to sell all or such portion of the securities of the Company held by them to any person.

The SHA may be terminated at any time by: (i) a mutual agreement of the parties by issuance of a prior written notice of 30 (thirty) business days; or (ii) with respect to each person/shareholder as and when such person/shareholder ceases to hold any shares in the Company.

Further, the parties to the SHA have entered into an amendment agreement to the SHA on September 20, 2017 pursuant to which the SHA along with all special rights shall stand terminated upon listing of Equity Shares.

Post-Offer Nomination Right

Under Articles of Association of the Company as applicable post listing of Equity Shares, as long as Ascent holds 15% or more of the Share Capital of the Company, it shall have the right to nominate a Director on the Board, provided however, that such nomination right available to Ascent shall be exercised only after obtaining Shareholders' approval through a special resolution after listing of the Equity Shares.

Letter Agreement

Pursuant to the Letter Agreement dated September 26, 2017 as amended by the amendment dated November 30, 2017 entered among the Company, Ascent and the Promoters, Ascent agreed to transfer 95,000 Equity Shares to the Promoters (47,500 Equity Shares each to Jasbir Singh and Daljit Singh) at a consideration price of ₹ 1 per Equity Share aggregating to a total consideration of ₹ 95,000 prior to filing of this Red Herring Prospectus.

Pursuant to the Share purchase agreement dated December 20, 2017 between our Company, Ascent, Jasbir Singh and Daljit Singh, Ascent has transferred 47,500 Equity Shares each to Jasbir Singh and Daljit Singh on December 22, 2017.

Financial and Strategic Partners

Our Company does not have any financial and strategic partners as of the date of filing this Red Herring Prospectus.

Other material agreements

Other than as disclosed in this Red Herring Prospectus, our Company has not entered into any material agreement, other than a contract entered into in the ordinary course of business carried on or intended to be carried on by our Company or a contract entered into more than two years before the date of this Red Herring Prospectus.

Defaults or rescheduling of borrowings and conversions of loans into equity

There have been no defaults or rescheduling of the borrowings of our Company with financial institutions/banks. Other than the conversion of the CCDs, none of the outstanding loans have been converted into Equity Shares.

Lock-outs and Strikes

There have been no lock-outs or strikes at any of the offices of our Company and or our Subsidiaries.

Time and cost overruns

Our Company has not experienced any time or cost overruns in setting up any of our manufacturing facilities.

Changes in the activities of our Company during the last five years

There have been no changes in the activities of our Company during the last five years which may have had a material adverse effect on the profits and loss account of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

Guarantees issued by Promoters offering their equity shares in terms of the Offer for Sale

Our Promoters have severally provided personal guarantees amounting to ₹ 9,794.59 million each (sanctioned amount as on November 30, 2017) to our lenders in relation to the loans availed by our Company and our Subsidiary, PICL. For details regarding loans guaranteed, please see "*Financial Indebtedness*" on page 423. In terms of the loan documents, the period of guarantee subsists during the tenure of the relevant facility. Any default or failure by us to repay this loan in a timely manner, or at all, could trigger repayment obligations on the part of our Promoters. Please see "*Risk Factors - Our Promoters have provided personal guarantees for loans availed by us*" and "*Financial Indebtedness*" on pages 23 and 423, respectively. Except as stated herein, our Promoters have not provided any guarantees on behalf of our Company to third parties which are currently outstanding.

OUR SUBSIDIARIES

As on the date of this Red Herring Prospectus, our Company has three subsidiaries which are PICL (India) Private Limited, IL JIN Electronics (India) Private Limited and Appserve Appliance Private Limited (collectively, the "**Subsidiaries**").

Details of our Subsidiaries

1. PICL (India) Private Limited

Corporate Information

PICL (India) Private Limited ("**PICL**") was incorporated as Polar Intercontinental Private Limited on September 13, 1994 under the Companies Act, 1956 at New Delhi and has its registered office at KH, No. 845/2 and 847/2, 2nd Floor, M.G Road Village, Ghitorni, New Delhi – 110 047.

PICL is involved in the business of manufacturing various kinds of fractional horse power motors for WACs, ODUs of SACs and commercial air conditioners.

Capital Structure

	No. of equity shares of ₹10 each
Authorised capital	5,000,000
Issued, subscribed and paid-up capital of equity Shares	3,642,100

Shareholding Pattern

The shareholding pattern of PICL is as follows:

Sr. No.	**Name of the shareholder**	**No. of equity shares of ₹10 each**	**Percentage of shareholding (%)**
1.	Amber Enterprises India Limited	3,642,000	100
2.	Jasbir Singh jointly with Amber Enterprises India Limited	100	Negligible
Total		**3,642,100**	**100**

PICL has incurred loss in the preceding financial year.

2. Appserve Appliance Private Limited

Corporate Information

Appserve Appliance Private Limited ("**Appserve**") was incorporated as Appserve Appliance Private Limited on December 4, 2017 under the Companies Act, 2013 at Manesar, Harayana and has its registered office at C-2, Phase II, Focal Point, Rajpura, Patiala - 140 401, Punjab.

Appserve has been incorporated with the object of carrying out the business of manufacture, repair, maintenance, installation, assembly and routine servicing activities of all kinds of white goods i.e. RACs, washing machines, refrigerators, consumer durables and other similar equipment and components and to establish repair shops for the same along with other related activities.

Capital Structure

	No. of equity shares of ₹10 each
Authorised capital	2,000,000
Issued, subscribed and paid-up capital of equity Shares	500,000

Shareholding Pattern

The shareholding pattern of Appserve is as follows:

Sr. No.	Name of the shareholder	No. of equity shares of ₹10 each	Percentage of shareholding (%)
1.	Amber Enterprises India Limited	499,990	100
2.	Jasbir Singh (as a nominee of our Company)	10	Negligible
Total		**500,000**	**100**

3. IL JIN Electronics (India) Private Limited

Corporate Information

IL JIN Electronics (India) Private Limited ("**IL JIN**") was incorporated as IL JIN Electronics (India) Private Limited on September 11, 2001 under the Companies Act, 1956 at New Delhi and has its registered office at 1/24, Asaf Ali Road, New Delhi – 110 002.

IL JIN is currently engaged in the business of manufacturing, assembling, dealing, importing and exporting of electronic assembled printed circuit boards for home appliances and automobile products.

Capital Structure

	No. of equity shares of ₹10 each
Authorised capital	4,000,000
Issued, subscribed and paid-up capital of equity Shares	1,886,590

Shareholding Pattern

The shareholding pattern of IL JIN is as follows:

Sr. No.	Name of the shareholder	No. of equity shares of ₹10 each	Percentage of shareholding (%)
1.	Amber Enterprises India Limited	1,320,613	70%
2.	Hyun Chul Sim	565,959	29.999%
3.	Su A Lee	18	0.001%
Total		**1,886,590**	**100**

Other Confirmations

1. Our Subsidiaries have not made any public or rights issue in the last three years except for IL JIN which has allotted 88,573 equity shares of ₹ 10 each at a premium of ₹ 202 per equity share to Hyun Chul Sim by way of rights issue on proportionate basis i.e., at the ratio of 203 equity shares against 10 equity shares held under Section 62 of the Companies, Act 2013 read with applicable rules.

2. Our Subsidiaries are not listed on any stock exchange in India or abroad.

3. Our Subsidiaries have not become a sick company under the meaning of SICA and they are not under winding up.

4. There are no accumulated profits or losses of our subsidiaries not accounted for by our Company.

Interest of our Subsidiaries in our Company

Our Subsidiaries do not hold any Equity Shares in the Company.

Our Subsidiaries do not have any business interest in the Company or have any transactions with the Company except as stated in *"Our Business"* and *"Related Party Transactions"* on pages 144 and 198, respectively.

None of the Directors, their relatives, and the members of the Promoter Group have sold or purchased securities of our Subsidiaries during the six months preceding the date of this Red Herring Prospectus, except for initial allotment of 10 equity shares of Appserve to Jasbir Singh as a nominee of our Company.

Material Transactions

There are no sales or purchase between our Company and our Subsidiaries where such sales or purchases exceed in value in the aggregate 10% of the total sales or purchases of our Company.

Common Pursuits

Our subsidiaries, i.e., PICL and IL JIN, are engaged in activities similar to that of our Company and our Company ensures necessary procedure and practices as permitted by laws and regulatory guidelines to address any conflict situations as and when they arise.

OUR MANAGEMENT

Board of Directors

In terms of the Articles of Association, our Company is required to have not less than three Directors and not more than fifteen Directors. As on the date of this Red Herring Prospectus, our Board comprises of two Executive Directors, four Non-Executive Directors, out of which three are Independent Directors (including one woman director) and one Nominee Director.

The following table sets forth details regarding our Board of Directors:

Name, designation, address, occupation, nationality, term and DIN	Age (years)	Other Directorships
Jasbir Singh ***Designation:*** Chairman and Chief Executive Officer ***Address:*** 248 - I, Vasant Vihar, Dehradun, Uttarakhand, India, 248 001 ***Occupation:*** Business ***Nationality:*** Indian ***Term:*** Liable to retire by rotation ***DIN:*** 00259632	42	• PICL (India) Private Limited; • Appserve Appliance Private Limited; and • IL JIN Electronics (India) Private Limited.
Daljit Singh ***Designation:*** Managing Director ***Address:*** G - 45, Sliver Oak Avenue, DLF City, Phase - I, Gurgaon, Haryana, India -122 002 ***Occupation:*** Business ***Nationality:*** Indian ***Term:*** Five years with effect from August 25, 2017 (liable to retire by rotation) ***DIN:*** 02023964	39	• Amrit Aircon System Private Limited; • PICL (India) Private Limited; • Appserve Appliance Private Limited; and • IL JIN Electronics (India) Private Limited.
Manoj Kumar Sehrawat ***Designation:*** Nominee Director ***Address:*** 72 Bayshore Road, #30-14, Singapore, 469 988 ***Occupation:*** Service ***Nationality:*** Indian ***Term:*** Not liable to retire by rotation ***DIN:*** 02224299	45	• Technology Frontiers (India) Private Limited; and • Encore Asset Reconstruction Company Private Limited. *Foreign Companies* • ACME Investment Holdings Pte Limited; • ADV Partners Management Pte. Limited; • Ascent Investment Holdings Pte. Limited; and • Zenith Infra Investment Holdings Pte Limited.
Satwinder Singh ***Designation:*** Independent Director	53	PICL (India) Private Limited

Name, designation, address, occupation, nationality, term and DIN	Age (years)	Other Directorships
Address: F-703, Mayurdhwaj Apartments, 60 I.P. Extension, Patparganj, Delhi – 110 092 ***Occupation:*** Professional ***Nationality:*** Indian ***Term:*** Two years with effect from September 20, 2017 ***DIN:*** 00164903		
Sudha Pillai ***Designation:*** Independent Director ***Address:*** D-241, Second Floor, Sarvodaya Enclave, Delhi – 110 017 ***Occupation:*** Professional ***Nationality:*** Indian ***Term:*** Two years with effect from September 20, 2017 ***DIN:*** 02263950	67	• Jubilant Life Sciences Limited; • International Travel House Limited; • Fullerton India Credit Company Limited; • Dalmia Cement (Bharat) Limited; • Dalmia Bharat Limited; • PICL (India) Private Limited • OCL India Limited; and • Jubilant Generics Limited
Girish Kumar Ahuja ***Designation:*** Independent Director ***Address:*** A 53, Kailash Colony, New Delhi – 110 048 ***Occupation:*** Professional ***Nationality:*** Indian ***Term:*** Two years with effect from September 20, 2017 ***DIN:*** 00446339	71	• State Bank of India; • Flair Publications Private Limited; • Devyani International Limited; • PICL (India) Private Limited; • Varun Beverages Limited; and • Devyani Food Street Private Limited

Relationship between our Directors

Other than Daljit Singh and Jasbir Singh who are brothers, none of our directors are related to each other.

Brief biographies of Directors

Jasbir Singh is the Chairman and Chief Executive Officer of our Company. He holds a bachelor's degree in engineering (industrial production) from Karnataka University and holds a master's degree in business administration from the University of Hull, United Kingdom. He was appointed to the Board of our Company since October 1, 2004. He has played an instrumental role in the growth of our business. He has successfully established over six factories in past ten years and established relationships with various large brands. He has over 13 years of experience in the RAC manufacturing sector. Under his guidance, the Company has initiated the concept of additive manufacturing solutions. He has played an instrumental role in successful acquisition of PICL (India) Private Limited in 2012.

Daljit Singh is the Managing Director of our Company. He holds a bachelor's degree in electronic engineering from Nagpur University and master's degree in information technology from the Rochester Institute of Technology. He has received "Entrepreneur of the Year 2016" award from Ludhiana Management Association. He was appointed to the Board of our Company on January 1, 2008. He has five years in finance services and nine years of experience in the RAC manufacturing sector. Prior to joining our Company, he was associated with Morgan Stanley in New York as an analyst in the infrastructure track of their information technology analyst training program.

Manoj Kumar Sehrawat is a Nominee Director of our Company nominated by Ascent and was appointed to the Board of our Company in January 12, 2017. He holds a bachelor's degree in commerce from University of Delhi. He is a chartered accountant and member of the Institute of Chartered Accountants of India. He has 20 years of experience in financial services. He is a managing director at ADV Partners Management Pte. Limited ("**ADV**"), the manager to a sub fund of ADV Opportunities Fund I, L.P., a Cayman Islands exempted limited partnership (the "**Fund**"). Ascent is an investment holding company indirectly wholly-owned by the Fund. Prior to joining ADV, he was associated with JP Morgan Advisors (India) Private Limited, India as Vice President, with Assets Reconstruction Company India Limited as Chief Manager, with Dimensions Corporate Finance Services Private Limited, India as an Assistant Vice President and with Brescon Corporate Advisors Limited as a Senior Associate – Debt Solution.

Satwinder Singh is an Independent Director of our Company. He holds a bachelor's degree in commerce from Doaba College, Jalandhar and bachelor's degree in law from Gurunanak Dev University. He is an associate member of the Indian Institute of Bankers and a fellow of the Institute of Company Secretaries of India. He is registered as insolvency professional with the Insolvency and Bankruptcy Board of India. He has more than 25 years of experience in corporate laws. Prior to joining our Company, he was associated with Vaish Associates Advocates.

Sudha Pillai is an Independent Director of our Company. She holds a bachelor's degree in psychology from Government College for Women, Chandigarh and master's degree in psychology from Punjab University and in public administration from Harvard University, USA. She has more than 45 years of experience in public administration. Prior to joining our Company, she has served as district collector, Trivandrum, chairman and managing director of Kerala Finance Corporation principal secretary (Finance), Government of Kerala. She has also served as joint secretary, Department of Company Affairs; Additional Secretary, Ministry of Mines; Secretary, Ministry of Labour & Employment; Member Secretary, Planning Commission and held such other positions under the Government of India.

Girish Kumar Ahuja is an Independent Director of our Company. He holds a bachelor's degree and master's degree in commerce from University of Delhi. He holds a degree of doctor of philosophy from University of Delhi. He is an associate member of the Institute of Chartered Accountants of India. He has more than 45 years of experience as a practising chartered accountant. He is the author of 22 books on various aspects of taxation.

Confirmations

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

None of our Directors has been or was identified as a wilful defaulter as defined under the SEBI Regulations.

No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our Directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce him to become or to help him qualify as a Director, or otherwise for services rendered by him or by the firm, trust or company in which he is interested, in connection with the promotion or formation of our Company.

Terms of appointment of Our Executive Directors

Jasbir Singh

Jasbir Singh was appointed as our Chairman and Chief Executive Officer, pursuant to a Board resolution dated August 25, 2017. The details of remuneration governing his appointment as set out in the Board resolution dated August 25, 2017 are stated below:

Particulars	Terms of Remuneration
Basic Salary	₹1,080,000 per month
Perquisites and Benefits	• Reimbursement of travel and hotel expenses incurred by him in the performance of his role and duties; • Lifetime medical benefits for himself and his spouse on actual basis;

Particulars	Terms of Remuneration
	• Contribution to Provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961; • Gratuity payable at a rate of not exceeding half a month's salary for each completed year of service, and encashment of leave at the end of tenure; • One club membership per year (membership amount shall be reimbursed on a yearly basis); • Bonus, as may be decided by the Board and approved by the shareholders of our Company; and • One international family holiday per year (travel, lodging and boarding expense related to such holiday will be borne by our Company).

Daljit Singh

Daljit Singh was appointed as our Managing Director, pursuant to a Board resolution dated August 25, 2017. The details of remuneration governing his appointment as set out in the Board resolution dated August 25, 2017 are stated below:

Particulars	Terms of Remuneration
Basic Salary	₹9,60,000 per month
Perquisites and Benefits	• Reimbursement of travel and hotel expenses incurred by him in the performance of his role and duties; • Lifetime medical benefits for himself and his spouse on actual basis; • Contribution to Provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961; • Gratuity payable at a rate of not exceeding half a month's salary for each completed year of service, and encashment of leave at the end of tenure; • One club membership per year (membership amount shall be reimbursed on a yearly basis); • Bonus, as may be decided by the Board and approved by the shareholders of our Company; and • One international family holiday per year (travel, lodging and boarding expense related to such holiday will be borne by our Company).

Payment or benefit to Directors of our Company

The sitting fees/other remuneration paid to our Directors in Fiscal 2017 are as follows:

1. Remuneration to Executive Directors:

Our Company has paid the following remuneration to our Executive Directors in Fiscal 2017:

Sl. No.	Name of Director	Remuneration paid (₹ in million)
1.	Jasbir Singh	12.96
2.	Daljit Singh	11.52

2. Remuneration to Independent Directors:

Each Independent Director is entitled to receive sitting fees as per their appointment letter for attending meetings of the Board or any of its committees within the limits prescribed under the Companies Act, 2013, and the rules made thereunder. No sitting fees was paid to the Independent Directors during Fiscal 2017 The travel expenses for attending meetings of the Board of Directors or a committee thereof, site visits and other Company related expenses are borne by our Company, from time to time.

3. Remuneration to Non-Executive Non - Independent Director:

Our Non – Executive Non- Independent Director is not entitled to any remuneration, sitting fee or annual commission on the profits of our Company.

Remuneration from Subsidiaries

Other than Jasbir Singh and Daljit Singh none of our Directors receive remuneration or are entitled to receive from our Subsidiaries in Fiscal 2017

Sl. No.	Name of Director	Remuneration paid (₹ in million)
1.	Jasbir Singh	3.00
2.	Daljit Singh	4.02

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

Except for Manoj Kumar Sehrawat who is a non – executive director nominated by Ascent, there is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our Directors or Key Management Personnel have been appointed.

Shareholding of Directors in our Company

As per our Articles of Association, our Directors are not required to hold any qualification shares.

The shareholding of our Directors in our Company as of the date of filing this Red Herring Prospectus is set forth below:

Name of Director	Number of Equity Shares	Percentage Shareholding (%)
Jasbir Singh	7,786,755	30.05
Daljit Singh	6,801,795	26.24

Shareholding of Directors in our Subsidiaries

Other than Jasbir Singh who holds 100 equity shares of PICL jointly with our Company and 10 equity shares of Appserve as a nominee of our Company, none of our Directors hold any shares in our Subsidiaries as of the date of this Red Herring Prospectus.

Shareholding of Directors in our Group Companies

The shareholding of our Directors in our Group Companies as of the date of filing this Red Herring Prospectus is set forth below:

Name of the Director	Name of Group Companies	Number of Equity Shares	Percentage Shareholding in the Group Company (%)
Daljit Singh	Amber Organic Farming Private Limited	10,500	50.00

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

Except Jasbir Singh and Daljit Singh, who are brothers, none of the relatives of our Directors currently holds any office or place of profit in our Company.

Interest of Directors

All Non-executive Directors and Independent Directors may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of our Board and Committees thereof and reimbursement of expenses available to them and commision payable to them as approved by our Board. All Executive Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses payable to them as stated in "– *Terms of appointment of our Executive Directors*" from pages 177 to 179.

The Directors, including Independent Directors, may also be regarded as interested in the Equity Shares, if any, held by them and also to the extent of any dividend payable to them and other distributions in respect of the Equity Shares. Our Nominee Director, Manoj Kumar Sehrawat is indirectly interested in the Equity Shares to the extent of any interest that he may have in Ascent, directly or indirectly.

None of our Directors have any interest in any property acquired by our Company in the two years preceding the date of this Red Herring Prospectus or proposed to be acquired by our Company or in any transaction involving construction of building or supply of machinery etc.

Except for Jasbir Singh and Daljit Singh who are our Promoters, none of our Directors have any interest in the promotion of our Company, except in the ordinary course of business. The Directors may also be regarded as interested in the Equity Shares held by them, or that may be subscribed by or allotted to them or the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoters. All of the Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any company in which they hold directorships or any partnership firm in which they are partners as declared in their respective capacity.

Business interest

Except as stated in "*Related Party Transactions*" on page 198, and to the extent of shareholding in our Company, if any, our Directors do not have any other interest in our business.

Loans to Directors

No loans have been availed by our Directors from our Company.

None of the beneficiaries of loans, advances and sundry debtors are related to the Directors of our Company.

Bonus or profit sharing plan for the Directors

Except as set out under "Our Management – Terms of appointment of Executive Directors", none of the Directors is party to any bonus or profit sharing plan of our Company other than the performance linked incentives given to each of the Directors.

Changes in the Board in the last three years

Name	Date of Appointment/ Change/Cessation	Reason for change
Satwinder Singh	September 20, 2017	Appointment as an Independent Director
Sudha Pillai	September 20, 2017	Appointment as an Independent Director
Girish Kumar Ahuja	September 20, 2017	Appointment as an Independent Director
Suresh Eshwara Prabhala	September 20, 2017	Resignation pursuant to withdrawal of nomination by Ascent
Kartar Singh	August 25, 2017	Resigned due to age
Jasbir Singh	August 25, 2017	Change in designation to Chairman and Chief Executive Officer
Daljit Singh	August 25, 2017	Change in designation to Managing Director
Suresh Eshwara Prabhala	January 12, 2017	Appointment as a Nominee Director
Manoj Kumar Sehrawat	January 12, 2017	Appointment as a Nominee Director
Sukhmani Lakhat	January 12, 2017	Resigned due to pre-occupation with other professional activities
Kirpal Singh	January 12, 2017	Resigned due to pre-occupation with other professional activities
Satwinder Singh	January 12, 2017	Resigned due to pre-occupation with other professional activities
Anand Mundra	January 12, 2017	Resignation pursuant to withdrawal of nomination by Reliance Alternative Investments Fund-Private Equity Scheme-I, acting through its trustee Fairwinds Trustees Services Private Limited, represented herein by Fairwinds Asset Managers Limited pursuant to the sale of shares held by them in our Company.

Name	Date of Appointment/ Change/Cessation	Reason for change
Prakash Iyer	July 25, 2016	Resignation pursuant to withdrawal of nomination by Reliance Alternative Investments Fund-Private Equity Scheme-I, acting through its trustee Fairwinds Trustees Services Private Limited, represented herein by Fairwinds Asset Managers Limited.

Borrowing Powers of Board

Pursuant to our Articles of Association, subject to applicable laws and pursuant to the resolution of the shareholders of our Company passed at the EGM held September 20, 2017, our Board has been authorised to borrow sums of money for the purpose of our company with or without security, which together with the monies borrowed by our Company (apart from the temporary loans obtained or to be obtained from our Company's bankers in the ordinary course of business) shall not exceed the amount of ₹ 5,000 million at any point of time.

Corporate Governance

The Corporate Governance provisions of the Listing Regulations will be applicable to us immediately upon the listing of the Equity Shares on the Stock Exchanges. We are in compliance with the requirements of the applicable regulations, including the Listing Regulations and the Companies Act in respect of corporate governance including constitution of the Board and committees thereof and formulation of policies. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board committees, as required under law.

Our Board has been constituted in compliance with the Companies Act, the SEBI Listing Regulations and in accordance with best practices in corporate governance. The Board of Directors functions either as a full board or through various committees constituted to oversee specific operational areas. The executive management provides the Board of Directors detailed reports on its performance periodically.

Currently, our Board has six Directors comprising two Executive Directors, one Non-Executive Director and three Independent Directors (of whom one is a woman Director).

Committees of the Board

Audit Committee

The Audit Committee of the Board consists of four members.

1. Girish Kumar Ahuja, Independent Director- Chairman
2. Satwinder Singh, Independent Director – Member
3. Sudha Pillai, Independent Director - Member
4. Jasbir Singh, Chairman and Chief Executive Officer - Member

The Audit Committee was constituted by a meeting of the Board of Directors held on September 20, 2017 and last re-constituted by a meeting of the Board of Directors held on September 26, 2017. The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and the SEBI Listing Regulations and its terms of reference include the following:

(a) Overseeing our Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

(b) Reviewing and recommending for approval of the Board:

- Proposals on borrowings and proposals on non-fund based facilities from banks;
- Business plan; and
- Corporate annual budget and revised estimates.

(c) Recommending to the Board, the appointment, re-appointment, and replacement, remuneration, and terms of appointment of the statutory auditor and the fixation of audit fee;

(d) Review and monitor the auditor's independence and performance and the effectiveness of audit process;

(e) Approval of payments to the statutory auditors for any other services rendered by statutory auditors;

(f) Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

(i) Matters required to be stated in the Director's responsibility statement to be included in the Board's report in terms of Section 134(3)(c) of the Companies Act, 2013;

(ii) Changes, if any, in accounting policies and practices and reasons for the same;

(iii) Major accounting entries involving estimates based on the exercise of judgment by management;

(iv) Significant adjustments made in the financial statements arising out of audit findings;

(v) Compliance with listing and other legal requirements relating to financial statements;

(vi) Disclosure of any related party transactions;

(vii) Qualifications and modified opinions in the draft audit report;

(viii) Compliance with accounting standards;

(ix) Contingent liabilities; and

(x) Claims against the Company and their effect on the financial statements; the term "financial statement" shall have the same meaning ascribed to such term under section 2(40) of the Companies Act, 2013.

(g) Reviewing with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

(h) Laying down the criteria for granting omnibus approval in line with the Company's policy on related party transactions and such approval shall be applicable in respect of transactions which are repetitive in nature;

(i) Scrutiny of inter-corporate loans and investments;

(j) Valuation of undertakings or assets of our Company, wherever it is necessary;

(k) Evaluation of internal financial controls and risk management systems;

(l) Approval or any subsequent modification of transactions of our Company with related parties, provided that the audit committee may make omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;

(m) Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

(n) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;

(o) Reviewing, with the management, the performance of statutory and internal auditors and adequacy of the internal control systems;

(p) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(q) Discussion with internal auditors on any significant findings and follow up thereon;

(r) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

(s) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(t) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(u) Approval of appointment of the chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

(v) Reviewing the functioning of the whistle blower mechanism, in case the same is existing;

(w) Monitoring of a vigil mechanism for enabling adequate safeguards and protection of interest of the director(s) or employees or any other person who may avail the mechanism and to provide for direct access to the chairperson of the Audit Committee in exceptional cases where deemed necessary;

(x) Discretion to invite the finance director or head of the finance functions, head of internal audit and a representative of the statutory auditor and any other such executives to be present at the meetings of the committee, provided that occasionally the audit committee may meet without the presence of any executives of the listed entity;

(y) Carrying out any other functions as provided under the Companies Act, the SEBI Listing Regulations and other applicable laws; and

(z) To formulate, review and make recommendations to the Board to amend the Audit Committee charter from time to time.

The powers of the Audit Committee will include the following:

(a) To investigate activity within its terms of reference;

(b) To seek information from any employees;

(c) To obtain outside legal or other professional advice; and

(d) To secure attendance of outsiders with relevant expertise, if it considers necessary; and

(e) To have full access to the information contained in the records of the Company.

The Audit Committee shall mandatorily review the following information:

(a) Management discussion and analysis of financial condition and result of operations;

(b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

(c) Details of all material transactions with related parties to be disclosed every quarter along with the compliance report on corporate governance;

(d) On a quarterly basis, the details of related party transactions entered into by the Company pursuant to each omnibus approval given;

(e) Whether the policy dealing with related party transactions is placed on the website of the Company;

(f) Management letters/letters of internal control weaknesses issued by the statutory auditors;

(g) Internal audit reports relating to internal control weaknesses;

(h) The appointment, removal and terms of remuneration of the chief internal auditor; and

(i) Statement of deviations:

(i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; and

(ii) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations.

Nomination and Remuneration Committee

The Nomination and remuneration Committee of the Board consists of three members.

1. Satwinder Singh, Independent Director- Chairman

2. Girish Kumar Ahuja, Independent Director - Member

3. Manoj Kumar Sehrawat, Nominee Director – Member

The Nomination and Remuneration Committee was constituted by a meeting of the Board of Directors held on September 20, 2017. The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations. The terms of reference of the Nomination and Remuneration Committee include:

(a) Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

(b) Formulation of criteria for evaluation of independent directors and the Board;

(c) Devising a policy on Board diversity;

(d) Identify persons who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance. Our Company shall disclose the remuneration policy and the evaluation criteria in its annual report;

(e) Analysing, monitoring and reviewing various human resource and compensation matters;

(f) Determining our Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

(g) Determine compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;

(h) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

(i) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(j) Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:

i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; or

ii) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003;

(k) Determine whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

(l) Evaluating the current composition, organization and governance of the Board and its committees as well as determining future requirements and making recommendations to the Board for approval;

(m) Determining on an annual basis, desired qualifications along with the expertise, characteristics and conduct searches for potential Board members with corresponding attributes. Thereafter, evaluation and proposal of nominees for election to the Board. In performing these tasks, the committee shall have the sole authority to retain and terminate any search firm to be used to identify director candidates;

(n) Evaluation and recommendation of termination of membership of individual directors in accordance with the Board's governance principles for cause or for other appropriate reasons;

(o) Making recommendations to the Board in relation to the appointment, promotion and removal of the senior management personnel as such level(s);

(p) Reviewing, amending, modifying and approving all other human resources related policies of our Company from time to time;

(q) Reviewing and recommending to the Board, manpower plan/budget and sanction of new senior management positions from time to time in the future;

(r) Reviewing and recommending to the Board, matters relating to revision of compensation/salary and long term wage settlement;

(s) Consideration and approval of employee stock option schemes and to administer and supervise the same;

(t) Decision on matters such as quantum of and milestones for grant, eligibility of employees who shall be entitled to grant of options, vesting period and conditions thereof, termination policies etc.;

(u) Periodically reviewing and re-examining the terms of reference and making recommendations to our Board for any proposed changes;

(v) Authorization to obtain advice, reports or opinions from internal or external counsel and expert advisors;

(w) Ensuring proper induction program for new directors, key managerial personnel and senior management and reviewing its effectiveness along with ensuring that on appointment, they receive a formal letter of appointment in accordance with guidelines provided under the Companies Act, 2013;

(x) Developing a succession plan for our Board and senior management and regularly reviewing the plan;

(y) Consideration and determination of the nomination and remuneration policy based on performance and also bearing in mind that the remuneration is reasonable and sufficient to attract, retain and motivate members of the Board and such other factors as the Committee shall deem appropriate;

(z) Ensuring that it proactively maintains a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company;

(aa) Perform such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by such committee.

Stakeholders' Relationship Committee

The members of the Stakeholders' Relationship Committee are:

1. Satwinder Singh, Independent Director- Chairman

2. Daljit Singh, - Managing Director - Member

3. Manoj Kumar Sehrawat – Nominee Director - Member

The Stakeholders' Relationship Committee was constituted by our Board of Directors at their meeting held on September 20, 2017. The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and the Listing Regulations. The terms of reference are as follows:

(a) Redressal of grievances of shareholders, debenture holders and other security holders, including complaints related to the transfer of shares;

(b) Collecting and analysing reports received periodically from the Registrar and the Share Transfer Agent ("RTA") on the following:

- Complaints regarding non-receipt of the shares, debentures, deposit receipt, declared dividend or interest;
- Complaints of investors routed by the SEBI or Stock Exchanges and others;
- Transfer, sub-division, consolidation, split, exchange, endorsement, transmission of share certificates and transposition of share certificates;

- Issue of share certificates, debentures certificates, duplicate share or debentures certificates in lieu of lost/torn/mutilated/defaced certificates;
- Requests relating to de-materialisation and re-materialisation of shares;
- Requests relating to modes of paying the dividend i.e. through electronic clearing service, RTGS and issue of dividend warrant for dividend payment/interest etc.; and
- Complaints related to allotment of shares, transfer or transmission of shares, debentures or any other securities, non-receipt of annual report and non-receipt of declared dividends or any other document or information to be sent by our Company to its shareholders.

(c) Allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;

(d) Issue of duplicate certificates and new certificates on split/consolidation/renewal;

(e) Non-receipt of declared dividends, balance sheets of our Company, annual report or any other documents or information to be sent by our Company to its shareholders; and

(f) Carrying out any other function as prescribed under the SEBI Listing Regulations, Companies Act, 2013 and the rules and regulations made thereunder, each as amended or other applicable law.

Corporate Social Responsibility Committee

The members of the Corporate Social Responsibility Committee are:

1. Sudha Pillai, Independent Director - Chairperson
2. Jasbir Singh, Chairman and Chief Executive Officer - Member
3. Daljit Singh, Managing Director - Member
4. Manoj Kumar Sehrawat, Nominee Director – Member

The Corporate Social Responsibility Committee was constituted by our Board of Directors at their meeting held on July 17, 2014, and last re-constituted by the Board of Directors at their meeting held on September 20, 2017. The terms of reference of the Corporate Social Responsibility Committee of our Company include the following:

(a) Formulating and recommending to the Board the CSR policy of the Company, including any amendments thereto in accordance with Schedule VII of the Companies Act, 2013 and the rules made thereunder;

(b) Ensuring that the corporate social responsibility policy shall include/indicate the activities to be undertaken by the companies as specified in schedule VII of the Companies Act, 2013 and the rules made there under, from time to time excluding the activities undertaken in pursuance of its normal course of business;

(c) Identifying CSR policy partners and CSR policy programmes;

(d) Recommending the amount of CSR policy expenditure for the CSR activities and the distribution of the same to various CSR programmes undertaken by the Company;

(e) Identifying and appointing the CSR team of the Company including CSR manager, wherever required;

(f) Delegating responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;

(g) Assistance to our Board to ensure that our Company spends towards the corporate social responsibility activities in every Fiscal, such percentage of average net profit/amount as may be prescribed in the Companies Act, 2013 and/or rules made thereunder;

(h) Reviewing and monitoring the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;

(i) Providing explanation to the Board if our Company fails to spend the prescribed amount within the financial year;

(j) Providing updates to our Board at regular intervals of six months on the corporate social responsibility activities;

(k) Regulation of its own proceedings subject to the terms of reference;

(l) Reviewing and recommending the corporate social responsibility plan for the ensuing Fiscal to our Board;

(m) Approval of any project that may come during the year and which is not covered in the corporate social responsibility plan up to such amount as may be prescribed by our Board from time to time ; and

(n) Performing such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company.

IPO Committee

The IPO Committee was constituted by a meeting of the Board held on September 20, 2017.

The members of the IPO Committee are:

1. Jasbir Singh – Chairman and Chief Executive Officer - Chairman

2. Daljit Singh – Managing Director - Member

3. Manoj Kumar Sehrawat – Nominee Director – Member

The IPO Committee is authorized to undertake the following acts:

(a) To make applications where necessary, to the RBI and any other governmental or statutory authorities as may be required in connection with the Offer and accept on behalf of the Board such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions as may be required;

(b) To finalize, settle, approve, adopt and file in consultation with the BRLMs where applicable, the DRHP, the RHP the Prospectus, the preliminary and final international wrap and any amendments, supplements, notices, addenda or corrigenda thereto, and take all such actions as may be necessary for the submission and filing of these documents including incorporating such alterations/corrections/ modifications as may be required by SEBI, the RoC or any other relevant governmental and statutory authorities or in accordance with applicable laws;

(c) To decide in consultation with the BRLMs on the size, timing, pricing, discount, reservation and all the terms and conditions of the Offer, including the price band, bid period, Offer price, and to accept any amendments, modifications, variations or alterations thereto;

(d) To appoint and enter into and terminate arrangements with the BRLMs, underwriters to the Offer, syndicate members to the Offer, brokers to the Offer, escrow collection bankers to the Offer, refund bankers to the Offer, registrars, legal advisors, auditors, PR Agency, Printers and any other agencies or persons or intermediaries to the Offer and to negotiate, finalise and amend the terms of their appointment, including but not limited to the execution of the mandate letter with the BRLMs and negotiation, finalization, execution and, if required, amendment of the offer agreement with the BRLMs;

(e) To negotiate, finalise and settle and to execute and deliver or arrange the delivery of the DRHP, the RHP, the Prospectus, offer agreement, syndicate agreement, underwriting agreement, share escrow agreement, cash escrow agreement and all other documents, deeds, agreements and instruments as may be required or desirable in relation to the Offer

(f) To seek, if required, the consent of the lenders of the Company and its Subsidiaries, parties with whom the Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in India or outside India, and any other consents that may be required in relation to the Offer or any actions connected therewith;

(g) To open and operate bank accounts in terms of the escrow agreement and to authorize one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;

(h) To open and operate bank accounts of the Company in terms of Section 40(3) of the Companies Act, 2013, as amended, and to authorize one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;

(i) To authorize and approve incurring of expenditure and payment of fees, commissions, brokerage, remuneration and reimbursement of expenses in connection with the Offer;

(j) To issue receipts/allotment letters/confirmation of allotment notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchange(s), with power to authorize one or more officers of the Company to sign all or any of the aforestated documents;

(k) To authorize and approve notices, advertisements in relation to the Offer in consultation with the relevant intermediaries appointed for the Offer;

(l) To do all such acts, deeds, matters and things and execute all such other documents, etc., as may be deemed necessary or desirable for such purpose, including without limitation, to finalise the basis of allocation and to allot the shares to the successful allottees as permissible in law, issue of allotment letters/confirmation of allotment notes, share certificates in accordance with the relevant rules;

(m) To take all actions as may be necessary and authorized in connection with the Offer for Sale and to approve and take on record the transfer of Equity Shares in the Offer for Sale;

(n) To do all such acts, deeds and things as may be required to dematerialise the Equity Shares and to sign and / or modify, as the case maybe, agreements and/or such other documents as may be required with the National Securities Depository Limited, the Central Depository Services (India) Limited, registrar and transfer agents and such other agencies, authorities or bodies as may be required in this connection and to authorize one or more officers of the Company to execute all or any of the aforestated documents;

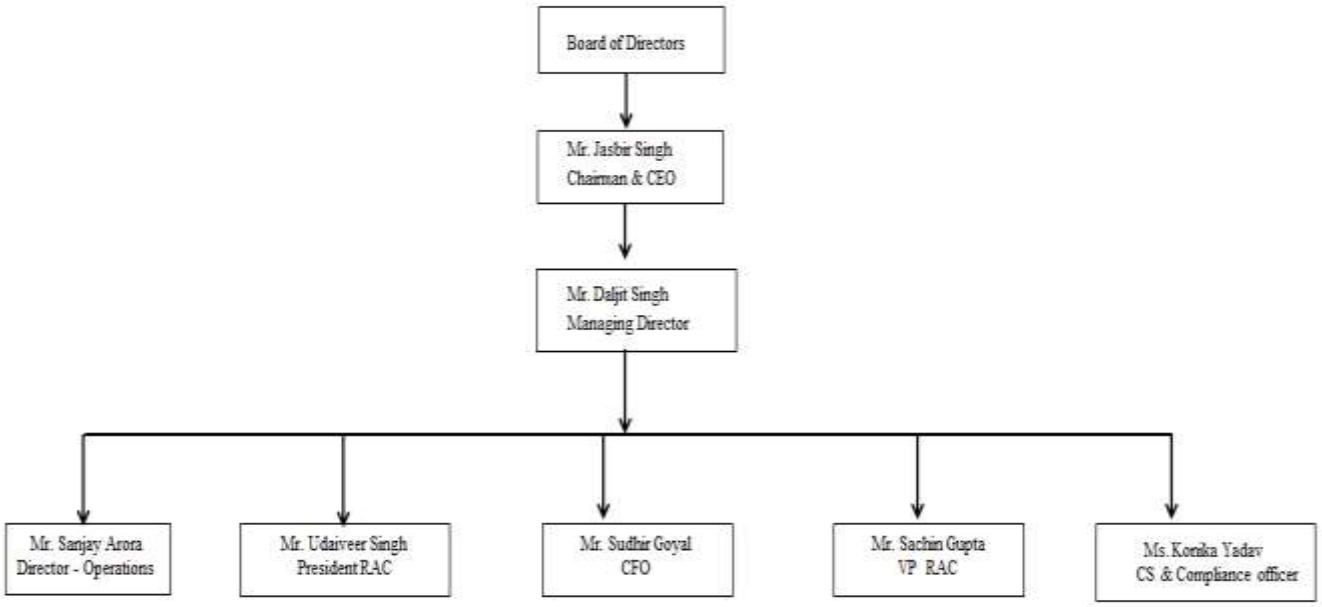
(o) To make applications for listing of the Equity Shares in one or more stock exchange(s) for listing of the Equity Shares and to execute and to deliver or arrange the delivery of necessary documentation to the concerned stock exchange(s) in connection with obtaining such listing including without limitation, entering into listing agreements and affixing the common seal of the Company where necessary;

(p) To settle all questions, difficulties or doubts that may arise in regard to the Offer, including such issues or allotment and matters incidental thereto as it may deem fit and to delegate such of its powers as may be deemed necessary and permissible under applicable laws to the officials of the Company; and

(q) To negotiate, finalize, settle, execute and deliver any and all other documents or instruments and to do or cause to be done any and all acts or things as the IPO Committee may deem necessary, appropriate or advisable in order to carry out the purposes and intent of this resolution or in connection with the Offer and any documents or instruments so executed and delivered or acts and things done or caused to be done by the IPO Committee shall be conclusive evidence of the authority of the IPO Committee in so doing.

Provided however that affirmative consent of Ascent's nominee Director on the IPO Committee shall be required for decisions in relation to price band and IPO size (including revision thereof) and filing of Red Herring Prospectus with the RoC.

Management Organisation Chart



Key Management Personnel

The details of the Key Management Personnel of our Company are as follows:

Jasbir Singh is the Chairman and Chief Executive Officer of our Company. For further details, refer to the sub-section titled "– *Brief Biographies of Directors*" on pages 176 to 177.

Daljit Singh is the Managing Director of our Company. For further details, refer to the sub-section titled "– *Brief Biographies of Directors*" on pages 176 to 177.

Sanjay Arora, aged 56 Years**,** is the Director – Operations of our Company. He holds a diploma degree in electrical engineering with specialisation in electronics & television technology from YMCA Institute of Engineering, Faridabad. He has been associated with our Company since July 23, 2012 and has 34 years of experience in the manufacturing industry. He is responsible for the operations of our Company. He is also responsible for heading innovation, security and legal matters of our Company. Prior to joining our Company, he was associated with Onida Savak Limited, Monica Electronics Private Limited, Kortek Electronics (India) Limited and LG Electronics India Private Limited. During Fiscal 2017, he received a remuneration of ₹ 6.20 million from our Company. He has also been paid ₹ 3.14 million by PICL.

Udaiveer Singh, aged 46 years**,** is the President – RAC division of our Company. He holds a diploma in mechanical engineering from Board of Technical Education U.P. He has been associated with our Company since December 15, 2003 and has 22 years of experience manufacturing industry. He is responsible for the planning and operation of the RAC manufacturing facilities of our Company. During Fiscal 2017, he received a remuneration of ₹ 2.24 million from our Company.

Sachin Gupta, aged 36 Years**,** is the Vice - President-RAC division of our Company. He holds a bachelor's degree in electrical engineering from Punjab Technical University and a post graduate diploma degree in business administration from All India Institute of Management Studies, Chennai. He has been associated with our Company since November 1, 2014 and has more than 14 years of experience in manufacturing industry. He is responsible for business development in our Company. Prior to joining our Company, he was associated with LG Electronics India Private Limited and Godrej & Boyce Manufacturing Company Limited. During Fiscal 2017, he received a remuneration of ₹ 2.56 million from our Company.

Sudhir Goyal, aged 40 Years**,** is the Chief Financial Officer of our Company. He holds a bachelor's degree in commerce (Hons.) from University of Delhi. He is an associate member of the Institute of Chartered Accountants of India. He has been associated with our Company since October 23, 2012 and has over 13 years of experience in manufacturing industry. He is the head of the finance and accounts department of our Company. Prior to joining our Company, he was associated with Hythro Power Corporation Limited, Altima Systems Private Limited, ETA Ascon group of Companies, Jamshedpur Mineral Wood Manufacturing Co. (P) Limited. During Fiscal 2017, he received a remuneration of ₹ 1.65 million from our Company. He has also been paid ₹ 0.90 million by PICL.

Konica Yadav, aged 28 Years, is the Company Secretary and Compliance Officer of our Company. She holds a bachelor degree in Commerce from Maharshi Dayanand University, Rohtak. She is an associate member of Institute of Company Secretaries of India and Institute of Chartered Secretaries and Administrators, London. She has been associated with our Company since September 27, 2014 and has more than five years of experience in the secretarial field. She is responsible for the legal and secretarial work of the Company. Prior to joining our Company, she was associated with DLF Hotel Holding Limited, Green Infra Wind Farm Assets Limited and Adlakha & Adlakha Associates. During Fiscal 2017, she received a remuneration of ₹ 0.45 million from our Company.

Other than Jasbir Singh and Daljit Singh none of our Key Management Personnel as disclosed above are related to the Directors of our Company.

All the Key Management Personnel are permanent employees of our Company.

Shareholding of Key Management Personnel

Set out below are details of the Equity Shares held by the Key Management Personnel in our Company:

Sl. No.	Name	No. of Equity Shares	Pre-Offer (%)
1.	Jasbir Singh	7,786,755	30.05
2.	Daljit Singh	6,801,795	26.24

Bonus or Profit Sharing Plans

Except as set out in this section, none of the Key Management Personnel are party to any bonus or profit sharing plan of our Company other than the performance linked incentive given to each Key Management Personnel.

Interests of Key Management Personnel

None of the Key Management Personnel of our Company, other than our Executive Directors, have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and the reimbursement of expenses incurred by them during the ordinary course of business. All 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, if any.

Changes in the Key Management Personnel

There is no change in the Key Management Personnel in the last three years.

Loans to Key Managerial Personnel

No loans have been availed by our Key Managerial Personnel from our Company.

Contingent and deferred compensation payable to Key Managerial Personnel

Other than performance linked incentives, there is no contingent or deferred compensation payable to Key Managerial Personnel, which does not form part of their remuneration.

Payment or Benefit to officers of our Company

Except the normal remuneration/ commission for services rendered as our Directors, officers or employees, and the rent paid/payable to the Executive Directors as set out "*Our Promoters and Promoter Group*" on page 191, no amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of the officers.

None of our Directors or Key Management Personnel has entered into service contracts with our Company or the Subsidiaries providing for benefits or payments upon termination of employment.

Employee Stock Option and Stock Purchase Scheme

For details of the employee stock option of our Company which is currently in force, see "*Capital Structure – Employee Stock Option Plan*" on page 83.

OUR PROMOTERS AND PROMOTER GROUP

Our Promoters

The Promoters of our Company are:

1. Jasbir Singh; and

2. Daljit Singh.

As on the date of this Red Herring Prospectus, our Promoters hold 14,588,550 Equity Shares, representing 56.29 % of the pre-Offer subscribed and paid-up Equity Share Capital of our Company. For details of the build-up of our Promoters' shareholding in our Company, see *"Capital Structure"* on page 73.

Details in relation to our Promoters are as follows:

1. Jasbir Singh

Jasbir Singh, aged 42 years, is a citizen of India. For further details, see "*Our Management*" on page 175 and this section.

The voter identification number of Jasbir Singh is JKP2395887 and his driving license number is 7607/P/95.

2. Daljit Singh

Daljit Singh, aged 39 years, is a citizen of India. For further details, see "*Our Management*" on page 175 and this section.

He does not have a voter identification card and his driving license number is PB-1119970214380.

Our Company confirms that the permanent account number, bank account numbers and passport numbers of Jasbir Singh and Daljit Singh have been submitted to the Stock Exchanges at the time of filing the Draft Red Herring Prospectus.

Interests of Promoters

Our Promoters are interested in our Company to the extent that they have promoted our Company and to the extent of their respective shareholding in our Company and our Subsidiaries, as applicable, and the dividends payable, if any, and any other distributions in respect of their respective shareholding in our Company and our Subsidiaries. For details of the shareholding of our Promoters in our Company, see "*Capital Structure*" on page 73.

Our Promoters are interested in their roles as Executive Directors of our Company, may be deemed to be interested to the extent of remuneration, reimbursement of expenses or any other benefits payable to them. For further details, see *"Our Management"* on page 175.

Our Promoters are not interested (directly or indirectly) in the properties acquired by our Company in the two years preceding the filing of the Draft Red Herring Prospectus with SEBI or proposed to be acquired by our Company.

Except as stated below, our Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of this Red Herring Prospectus or proposes to enter into any such contract, arrangements or agreements in which our Promoters or Promoter Group are directly or indirectly interested and no payments or benefits are intended to be made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them. For further details of related party transactions, as per Accounting Standard 18, see "*Related Party Transactions*" on page 198.

The Company has entered into a leave and license agreement dated September 26, 2013 ("**License Agreement-1**") and an addendum dated September 13, 2014 ("**Addendum-1**") to License Agreement-1 with Jasbir Singh, one of our Promoters. The license is for use and occupation of a part of property bearing no. 132-A, 132-B, 133 and 133-A, situated on the 1st floor, Universal Trade Tower, Sohna Road, Sector-49, Gurgaon admeasuring 4,000 square feet. The license has a term of ten years from September 13, 2014 and can be renewed prior to the expiry for such further period and on such terms and conditions as may be mutually agreed. In terms of the License Agreement-1 and Addendum-1, the Company is required to pay a license fee of ₹ 0.38 million per month and the license fee is subject to increase every two years only in the manner mutually agreed to by License Agreement-1.

The Company has entered into a leave and license agreement dated December 1, 2013 ("**License Agreement-2**") and an addendum dated September 13, 2014 ("**Addendum-2**") to License Agreement-2 with Daljit Singh, one of our Promoters. The license is for use and occupation of a part of property bearing no. 131-A, situated on the 1st floor, Universal Trade Tower, Sohna Road, Sector-49, Gurgaon admeasuring 1,500 square feet. The license has a term of ten years from December 1, 2013 and can be renewed prior to the expiry for such further period and on such terms and conditions as may be mutually agreed. In terms of the License Agreement-2 and Addendum-2, the Company is required to pay a license fee of ₹ 0.14 million per month and the license fee is subject to increase every two years only in the manner mutually agreed to by License Agreement-2.

Our Promoters are not interested in any transactions for the acquisition of land, construction of building or supply of machinery etc.

Our Promoters do not have any interest in any venture that is involved in any activities similar to those conducted by our Company. Our Promoters are not related to any sundry debtors or beneficiaries of loans and advances of our Company.

Except as disclosed in this Red Herring Prospectus, our Promoters are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in cash or shares or otherwise by any person either to induce the Promoters to become, or qualify them directors, or otherwise for services rendered by them or by such firm or company in connection with the promotion or formation of our Company.

Our Promoters are also interested in our Company to the extent of their shareholding in our Group Companies with which our Company transacts during the course of its operations, if any. For details on our Group Companies and the nature and extent of interest of our Promoters in our Group Companies, refer to the section titled "*Our Group Companies*" on page 194.

Companies with which our Promoters have disassociated in the last three years

Except as stated below, our Promoters have not disassociated themselves from any companies during the three years preceding the date of filing of the Draft Red Herring Prospectus.

Name of the Promoter	Name of the Company	Nature of change	Date of disassociation	Reasons and circumstances
Jasbir Singh	Amber Aviation (India) Private Limited	Disassociation	October 2016	Resignation from the Board and ceased to be a member
	Amber Organic Farming Private Limited	Disassociation	February 21, 2017	Resignation due to pre-occupation in other professional activities
	Amrit Aircon System Private Limited	Disassociation	May 15, 2015	Resignation due to personal reasons

Payment or benefits to our Promoter and Promoter Group

Except as stated in the sections titled "*Restated Financial Statements – Related party disclosures*" and "*Our Management*" on pages 278 and 175 respectively, there have been no payment or benefits to our Promoters or members of our Promoter Group during the two years preceding the filing of this Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoter or Promoter Group as on the date of this Red Herring Prospectus.

Change in the management and control of our Company

Our Promoters are the original Promoters of our Company and there has not been any change in the management or control of our Company in five years immediately preceding the date of this Red Herring Prospectus.

Guarantees

Except as stated in the section "History and Certain Corporate Matters" on page 164 our Promoters have not given any guarantee to a third party as of the date of this Red Herring Prospectus.

Confirmations

Neither our Promoters nor the members of the Promoter Group have been declared as wilful defaulters as defined under SEBI Regulations.

Our Promoters and members of the Promoter Group 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. Further, there are no violations of securities laws committed by our Promoters and members of the Promoter Group in the past and no proceedings for violation of securities laws are pending against them.

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

There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last five years preceding the date of the Offer, involving/against our Promoters.

Our Promoters are not interested in any entity which holds any intellectual property rights that are used by our Company. For details see "*Our Business*" on page 144.

Our Promoters have not taken any unsecured loans which may be recalled by the lenders at any time.

Promoter Group

In addition to our Promoters and our Subsidiaries named above, the following individuals and entities form a part of the Promoter Group of our Company in terms of Regulation 2(1)(zb) of the SEBI Regulations are set out below:

Natural persons who are part of the Promoter Group

The natural persons who are part of the Promoter Group (due to their relationship with our Promoters), other than our Promoters, are as follows:

1. Kartar Singh;
2. Amandeep Kaur;
3. Ojaswin Singh;
4. Prabhvani Kaur;
5. Dalip Kaur;
6. Gurmeet Kaur;
7. Praveen Kaur;
8. Sukhvinder Singh;
9. Unnat Kaur;
10. Sukhmani Lakhat;
11. Jatinder Kaur Lakhat; and
12. Harman Singh.

Entities forming part of the Promoter Group

The entities forming part of our Promoter Group are as follows:

1. Amber Organic Farming Private Limited; and
2. Acme Engineering and Fabrications.

OUR GROUP COMPANIES

In accordance with the SEBI Regulations, for the purpose of identification of group companies, the Company has considered such companies covered under the applicable accounting standard, i.e., Accounting Standard 18 issued by the Institute of Chartered Accountants of India ("**AS 18**") or Indian Accounting Standard 24 ("**Ind AS 24**") as per the Restated Consolidated Financial Statements, and other companies as per the materiality policy adopted by the Board through its resolution dated September 20, 2017. In terms of the materiality policy adopted by the Board, a company is considered to be a material group company if : (i) such company forms part of the promoter group of the Company and our Company has entered into one or more transactions with such company during the last completed financial year, which individually or cumulatively in value exceeds 10% of the total revenue of the Company for that financial year as per the restated consolidated financial statements of our Company; or (ii) such company, would be considered as a related party in terms of AS 18 or Ind AS 24 as applicable, in the restated financial statements for the period subsequent to the Relevant Period, upto the date of filing of the offer document(s). Accordingly, as on the date of this resolution, the board has determined that there are no material group companies.

As per the materiality policy, all companies' (other than Company's direct, indirect subsidiaries and associates which are consolidated for the purposes of preparing the consolidated financial statements) which are identified as 'related parties' in accordance with AS 18, as per the Restated Consolidated Financial Information have been identified as Group Companies. This excludes companies which have been disclosed as related parties in the Restated Financial Statements of our Company for the relevant period, pursuant to their disassociations.

Based on the above, the following are our Group Companies:

1. Amrit Aircon System Private Limited;

2. Amber Organic Farming Private Limited.

A. Details of our Group Companies

The details of our Group Companies are provided below:

1. Amrit Aircon System Private Limited ("**AASPL**")

Corporate Information

AASPL was incorporated as a private limited company under the Companies Act, 1956 on October 25, 2004. Its corporate identification number is U29190PB2004PTC027594. AASPL is currently not involved in any business.

Interest of our Promoters

None of the Promoters hold any equity shares in AASPL, however Daljit Singh is a director on the board of AASPL.

Financial Information

The financial information of AASPL derived from its audited financial statements for the last three Fiscals is as follows:

(in ₹ millions, except per share data)

Particulars	Financial Year ended		
	2017	2016	2015
Equity capital	8.87	8.87	8.87
Reserves and surplus (excluding revaluation reserve)	21.33	20.88	20.93
Sales and other income	0.78	0.22	0.14
Profit/(loss) after tax	0.45	(0.05)	(3.19)
Earnings/ (loss) per share (₹)	0.51	(0.05)	(3.60)
Diluted earnings per share (₹)	0.51	(0.05)	(3.60)
Net asset value per share (₹)	34.05	33.54	35.28

There are no significant notes of the auditors in relation to the aforementioned financial statements.

2. Amber Organic Farming Private Limited ("**AOFPL**")

Corporate Information

AOFPL was incorporated as a private limited company under the Companies Act, 1956 on June 11, 2007. Its corporate identification number is U01120PB2007PTC031196. AOFPL is currently not involved in any business.

Interest of our Promoters

Daljit Singh holds 10,500 equity shares of AOFPL constituting 50.00% of its total issued and paid-up equity share capital.

Financial Information

The financial information of AOFPL derived from its audited financial statements for the last three Fiscals is as follows:

(in ₹ millions, except per share data)

Particulars	Financial Year ended		
	2017	2016	2015
Equity capital	0.21	0.21	0.21
Reserves and surplus (excluding revaluation reserve)	0.35	0.52	0.63
Sales and other income	0.02	0.14	0.05
Profit/(loss) after tax	(0.17)	(0.10)	(0.21)
Earnings/ (loss) per share (₹)	(8.33)	(4.84)	(9.94)
Diluted earnings per share (₹)	(8.33)	(4.84)	(9.94)
Net asset value per share (₹)	26.67	35.00	39.84

There are no significant notes of the auditors in relation to the aforementioned financial statements.

B. Loss making Group Companies

Other than AOFPL, none of our Group Companies have incurred loss in the preceding financial year.

C. Details of Group Companies with negative net worth

None of our Group Companies have negative net worth.

D. Details of sick or defunct Group Companies

None of our Group Companies were declared as sick companies under the Sick Industrial Companies (Special Provisions) Act, 1985, as amended, or are under winding up. Further, there are no pending proceedings under the Insolvency and Bankruptcy Code, 2016 in respect of any Group Company. Further, during the five years preceding the date of the Draft Red Herring Prospectus, no Group Company has remained defunct and no application has been made to the relevant registrar of companies for striking off the name of the Group Company.

E. Nature and Extent of Interest of Group Companies

(a) **In the promotion of our Company**

Except as disclosed in "*Restated Consolidated Financial Statements – Related party disclosures*" on page 278, none of our Group Companies have any interest in the promotion or any business interest or other interests in our Company.

(b) **In the properties acquired or proposed to be acquired by our Company in the past two years before filing the Draft Red Herring Prospectus with SEBI**

None of our Group Companies are interested in the properties acquired or proposed to be acquired by our Company in the two years preceding the filing of the Draft Red Herring Prospectus.

(c) **In transactions for acquisitions of land, construction of building and supply of machinery**

Except as disclosed in "*Restated Consolidated Financial Statements – Related party disclosures*" on page 278, none of our Group Companies are interested in any transactions for the acquisition of land, construction of building or supply of machinery.

F. Common Pursuits amongst the Group Companies with our Company

One of our Group Companies has objects similar to that of our Company, however, as on the date of this Red Herring Prospectus, none of the Group Companies are pursuing any business activities similar to that of our Company. Accordingly, there are no common pursuits among any of our Group Companies and our Company. Our Company would adopt necessary measures and practises as permitted by law and regulatory guidelines to address any conflict situation as and when they arise.

G. Related Business Transactions within the Group Companies and significance on the financial performance of our Company

For more information, see "*Restated Consolidated Financial Statements – Related party disclosures*" on page 278.

H. Significant Sale/Purchase between Group Companies and our Company

None of our Group Companies are involved in any sales or purchase with our Company where such sales or purchases exceed in value in the aggregate of 10 % of the total sales or purchases of our Company.

I. Other Confirmations

None of our Group Companies are listed on any stock exchange or have made any public or rights issue of securities in preceding three years.

None of our Group Companies have been debarred from accessing the capital market for any reasons by the SEBI or any other authorities.

None of our Group Companies have been identified as wilful defaulters as defined under the SEBI Regulations.

J. Litigation

For details relating to the legal proceedings involving the Group Companies, see the section titled "*Outstanding Litigation and Material Developments*" on page 460.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association, the applicable law, including the Companies Act. The dividend, if any, will depend on a number of factors, including but not limited to the earnings, capital requirements, contractual obligations, applicable legal restrictions and overall financial position of the Company.Our Company has no formal dividend policy. Upon the listing of the Equity Shares of our Company and subject to the SEBI Listing Regulations, we may be required to formulate a dividend distribution policy which shall be required to include, among others, details of circumstances under which the shareholders may or may not expect dividend, the financial parameters that shall be considered while declaring dividend, internal and external factors that shall be considered for declaration of dividend, policy as to how the retained earnings will be utilized and parameters that shall be adopted with regard to various classes of shares, as applicable.

In addition, our ability to pay dividends may be impacted by a number of other factors, including restrictive covenants under the loan or financing documents. Our Company is currently a party to or may enter into from time to time. For more information on restrictive covenants under our loan agreements, see *"Financial Indebtedness"* on page 423.

Equity Shares

The details of dividend on Equity Shares paid by our Company in the last five Financial Years are given below:

Particulars	Financial Years					September 30, 2017
	2013	2014	2015	2016	2017	
Face value per Equity Share (in ₹)	10	10	10	10	10	10
Dividend (in ₹ million)	57.30	-	-	-	50.13	-
Dividend per share (in ₹)	4.00	-	-	-	2.31	-
Rate of dividend (%)	40.00	-	-	-	23.10	-
Dividend Tax (%)	15.00	-	-	-	15.00	-
Dividend tax (in ₹ million)	9.39	-	-	-	10.21	-

Our past practices with respect to the declaration of dividends are not necessarily indicative of our future dividend declaration. For details in relation to the risk involved, see *"Risk Factors – Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements"* on page 33.

RELATED PARTY TRANSACTIONS

For details of the related party transactions, 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 Statements, see "*Restated Financial Statements – Related party disclosures*" on page 278.

SECTION V: FINANCIAL INFORMATION

RESTATED FINANCIAL STATEMENTS

RESTATED CONSOLIDATED FINANCIAL STATEMENTS

To

The Board of Directors,
Amber Enterprises India Limited
[formerly known as Amber Enterprises (India) Private Limited]
Universal Trade Tower, First Floor,
Sector- 49, Sohna Road,
Gurgaon – 122 018.

Auditors' Report on Restated Consolidated Financial Information of Amber Enterprises India Limited [formerly Amber Enterprises (India) Private Limited] (the "Company")

Dear Sirs,

1) We have examined the attached Restated Consolidated Financial Information of Amber Enterprises India Limited [formerly Amber Enterprises (India) Private Limited] ('the Holding Company' or 'the Company') and its subsidiary (the Holding Company and its subsidiary together referred to as 'the Group'), which comprise the Restated Consolidated Summary Statement of Assets and Liabilities as at 30 September 2017, 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013, the Restated Consolidated Summary Statement of Profit and Loss and the Restated Consolidated Summary Statement of Cash Flows for six months ended 30 September 2017 and for each of the years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 and the Restated Consolidated Summary of Significant Accounting Policies as approved by the Board of Directors of the Company at their meeting held on 28 December 2017 for the purpose of inclusion in the Red Herring Prospectus ("RHP") and the Prospectus to be prepared by the Company in connection with its proposed offer of equity shares of the Company in terms of the requirements of:

   a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act") read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 ("the Rules"); and

   b) the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 ("ICDR Regulations").

   The preparation of the Restated Consolidated Financial Information is the responsibility of the management of the Holding Company for the purpose set out in paragraph 10 below. The management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the Rules and ICDR Regulations.

2) We have examined such Restated Consolidated Financial Information taking into consideration:

   a) the terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 26 August 2017 and addendum thereto in connection with the proposed issue of equity shares of the Company; and
   b) the Guidance Note on Reports in Company Prospectuses (Revised 2016) (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("the ICAI").

3) The Restated Consolidated Financial Information have been compiled by the management from:

   a) the Audited Consolidated Financial Statements as at and for the six months ended 30 September 2017 and year ended 31 March 2017 prepared in accordance with accounting principles generally accepted in India which have been approved by Board of Directors at their meeting held on 20 December 2017 and 25 August 2017 respectively and have been audited by us;

b) the Audited Consolidated Financial Statements as at and for the year ended 31 March 2016 and 31 March 2015 prepared in accordance with accounting principles generally accepted in India which have been approved by Board of Directors at their meetings held on 21 September 2016 and 22 September 2015 respectively: and

c) the Audited Consolidated Financial Statements as at and for the year ended 31 March 2014 and 31 March 2013 prepared in accordance with accounting principles generally accepted in India which have been approved by board of directors at their meeting held on 26 September 2017 and audited by the us.

4) For the purpose of our examination, we have relied on Independent Auditors' report jointly issued by us and M/s B M Sharma & Associates, Chartered Accountants dated 21 September 2016 and 22 September 2015 on the consolidated financial statements of the Company as at and for the year ended 31 March 2016 and 31 March 2015 as referred in paragraph 3(b) above;

5) In accordance with the provisions of and for complying with the requirements of Section 26 of Part I of Chapter III of the Act read with, Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, the ICDR Regulations and the Guidance Note, we report that:

a) The Restated Summary Statement of Consolidated Assets and Liabilities of the Group as at 30 September 2017, 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 examined by us, as set out in Annexure I to this report, have been arrived at after making adjustments and regrouping/ reclassifications as in our opinion were appropriate and more fully described in Annexure VI: Statement of Adjustments to the Audited Consolidated Financial Statements.

b) The Restated Summary Statement of Consolidated Profit and Loss of the Group, for the six months ended 30 September 2017 and for each of the years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 examined by us, as set out in Annexure II to this report, have been arrived at after making adjustments and regrouping/ reclassifications as in our opinion were appropriate and more fully described in Annexure VI: Statement of Adjustments to the Audited Consolidated Financial Statements.

c) The Restated Summary Statement of Consolidated Cash Flows of the Group, for the six months ended 30 September 2017 and for each of the years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 examined by us, as set out in Annexure III to this report, have been arrived at after making adjustments and regrouping/ reclassifications as in our opinion were appropriate and more fully described in Annexure VI: Statement of Adjustments to the Audited Consolidated Financial Statements.

6) Based on the above, and according to the information and explanations given to us, we further report that the Restated Consolidated Financial Information:

a) have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods;

b) have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate; and

c) do not contain any extraordinary items that need to be disclosed separately in the Restated Consolidated Financial Information and do not contain any qualification requiring adjustments.

7) We have also examined the following Restated Consolidated Financial Information of the Group set out in the Annexures prepared by the management and approved by the Board of Directors for the six months ended 30 September 2017 and for each of the years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013:

a) Annexure IV: Restated Consolidated Summary of Significant Accounting Policies;
b) Annexure V: Notes to Consolidated Financial Information;
c) Annexure VI: Statement of Adjustments to Audited Consolidated Financial Statements;
d) Annexure VII: Restated Consolidated Statement of Accounting Ratios;

e) Annexure VIII: Restated Consolidated Statement of Capitalization;
f) Annexure IX: Restated Consolidated Statement of Dividend; and

According to the information and explanations given to us, in our opinion, the Restated Consolidated Financial Information and the above restated consolidated financial information contained in Annexures I to IX accompanying this report, read with Restated Consolidated Summary of Significant Accounting Policies disclosed in Annexure IV, are prepared after making adjustments and reclassifications/regroupings as considered appropriate and have been prepared in accordance with Section 26 of Part I of Chapter III of the Companies Act, 2013 read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, ICDR Regulations and the Guidance Note.

8) This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, either separately or jointly with other firms of chartered accountants as referred to in paragraph 4 above, nor should this report be construed as a new opinion on any of the audited consolidated financial statements referred to herein.

9) We have no responsibility to update our report for events and circumstances occurring after the date of the report.

10) Our report is intended solely for use of the management for inclusion in the offer document to be filed with Securities and Exchange Board of India, the stock exchanges where the equity shares are proposed to be listed and Registrar of Companies, Chandigarh in connection with the proposed issue of equity shares of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013

per **Sumit Mahajan**
Partner
Membership Number: 504822

Place: Gurugram
Date: 28 December 2017

Amber Enterprises India Limited
(formerly known as Amber Enterprises (India) Private Limited)

Annexure I: Restated Consolidated Summary Statement of Assets and Liabilities
(All amounts in Rupees millions, unless stated otherwise)

Particulars	Notes	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
EQUITY AND LIABILITIES							
Shareholders' funds							
Share capital	1	238.10	238.10	217.03	217.03	217.03	178.89
Reserves and surplus	2	3,388.19	3,111.22	2,409.32	2,168.28	1,877.76	1,147.70
		3,626.29	**3,349.32**	**2,626.35**	**2,385.31**	**2,094.79**	**1,326.59**
Minority interest		-	-	-	-	36.59	30.74
Non-current liabilities							
Long-term borrowings	3	1,833.09	2,515.04	1,614.22	1,470.41	1,176.13	1,478.89
Deferred tax liabilities (net)	4	536.69	434.31	329.32	267.62	193.30	123.18
Other long term liabilities	5	0.17	-	447.22	270.97	11.99	4.11
Long-term provisions	6	44.89	33.24	30.98	23.98	19.19	15.29
		2,414.84	**2,982.59**	**2,421.74**	**2,032.98**	**1,400.61**	**1,621.47**
Current liabilities							
Short-term borrowings	7	2,454.56	933.87	1,652.04	1,596.46	1,396.68	1,071.75
Trade payables	8						
-Dues to Micro Enterprises and Small Enterprises		128.91	254.97	164.54	113.27	3.29	2.18
-Dues to creditors other than Micro Enterprises and Small Enterprises		1,795.75	4,202.99	2,672.58	2,306.40	2,008.51	2,324.62
Other current liabilities	9	1,251.74	1,101.83	1,578.49	1,563.27	1,607.95	1,101.09
Short-term provisions	10	47.37	40.11	34.17	60.80	62.43	33.20
		5,678.33	**6,533.77**	**6,101.82**	**5,640.20**	**5,078.86**	**4,532.84**
Total		**11,719.46**	**12,865.68**	**11,149.91**	**10,058.49**	**8,610.85**	**7,511.64**
ASSETS							

Particulars	Notes	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Non-current assets							
Fixed assets							
Property, plant and equipment	11	4,617.07	4,637.91	4,237.09	3,519.14	2,879.40	2,349.29
Intangible assets	12	542.69	598.19	441.60	337.15	329.85	140.83
Capital work-in-progress		121.05	93.44	158.18	400.38	521.69	136.16
Intangible assets under development		218.32	119.93	198.34	118.16	-	103.13
Goodwill (on consolidation)		325.86	325.86	325.86	325.86	276.95	276.95
Long-term loans and advances	13	685.37	552.46	433.47	314.73	196.56	185.64
Other non-current assets	14	4.55	33.63	19.42	42.89	53.03	112.20
		6,514.91	**6,361.42**	**5,813.96**	**5,058.31**	**4,257.48**	**3,304.20**
Current assets							
Inventories	15	2,654.62	2,676.66	2,257.72	1,894.34	1,741.94	1,615.23
Trade receivables	16	1,747.78	3,104.00	2,479.46	2,315.92	1,584.28	1,791.49
Cash and bank balances	17	286.27	347.19	183.56	289.04	506.42	432.23
Short-term loans and advances	18	477.45	371.21	405.65	477.07	484.16	337.73
Other current assets	19	38.43	5.20	9.56	23.81	36.57	30.76
		5,204.55	**6,504.26**	**5,335.95**	**5,000.18**	**4,353.37**	**4,207.44**
Total		**11,719.46**	**12,865.68**	**11,149.91**	**10,058.49**	**8,610.85**	**7,511.64**

The accompanying Restated Consolidated Summary of Significant Accounting Policies in Annexure IV and Notes to Restated Consolidated Financial Information in Annexure V are an integral part of this statement.

For and on behalf of Board of Directors of
Amber Enterprises India Limited
(formerly known as Amber Enterprises (India) Private Limited)

Jasbir Singh
Chairman & Chief Executive Officer
(DIN: 00259632)

Place: Gurugram
Date: December 28, 2017

Daljit Singh
Managing Director
(DIN: 02023964)

Place: Gurugram
Date: December 28, 2017

Konica Yadav
Company Secretary
(Membership No. A30322)

Sudhir Goyal
Chief Financial Officer

Place: Gurugram
Date: December 28, 2017

Place: Gurugram
Date: December 28, 2017

Amber Enterprises India Limited
(formerly known as Amber Enterprises (India) Private Limited)

Annexure II: Restated Consolidated Summary Statement of Profit and Loss
(All amounts in Rupees millions, unless stated otherwise)

Particulars	Notes	For six months ended 30 September 2017	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
REVENUE							
Revenue from operations	20	9,381.63	16,443.98	10,890.26	12,302.65	9,733.78	8,757.11
Other income	21	33.87	78.57	30.89	62.02	63.22	66.26
Total revenue		**9,415.50**	**16,522.55**	**10,921.15**	**12,364.67**	**9,797.00**	**8,823.37**
EXPENSES							
Cost of materials consumed	22	7,642.28	14,009.26	8,649.00	10,190.27	7,938.38	7,391.45
Changes in inventories of finished goods and work-in-progress	23	181.91	(271.30)	(63.98)	(56.42)	40.55	77.23
Employee benefits expense	24	221.09	437.78	365.33	335.33	320.32	195.19
Finance costs	25	266.94	583.40	532.46	427.92	322.65	203.12
Depreciation and amortisation expense	26	228.82	397.00	308.63	255.65	184.19	124.52
Other expenses	27	498.94	982.43	802.60	807.91	685.76	540.48
Total expenses		**9,039.98**	**16,138.57**	**10,594.04**	**11,960.66**	**9,491.85**	**8,531.99**
Profit before tax		**375.52**	**383.98**	**327.11**	**404.01**	**305.15**	**291.38**
Tax expense							
Current tax		79.74	88.16	79.63	87.92	68.36	63.96
Deferred tax		102.38	104.99	61.68	65.00	70.13	81.17
Minimum Alternate Tax (MAT) credit entitlement		(79.74)	(88.16)	(55.24)	(36.64)	(55.38)	(50.74)
Profit after tax before minority interest		**273.14**	**278.99**	**241.04**	**287.73**	**222.04**	**196.99**
Profit attributable to minority shareholders		-	-	-	-	(5.85)	(2.21)
Net profit for the year		**273.14**	**278.99**	**241.04**	**287.73**	**216.19**	**194.78**

Earnings per equity share (Nominal value of equity share Rs 10 each)	32						
-Basic		11.47	12.80	11.11	13.26	10.84	11.53
-Diluted		11.08	12.80	11.11	13.26	10.84	9.59

The accompanying Restated Consolidated Summary of Significant Accounting Policies in Annexure IV and Notes to Restated Consolidated Financial Information in Annexure V are an integral part of this statement.

For and on behalf of Board of Directors of
Amber Enterprises India Limited
(formerly known as Amber Enterprises (India) Private Limited)

Jasbir Singh
Chairman & Chief Executive Officer
(DIN: 00259632)

Place: Gurugram
Date: December 28, 2017

Daljit Singh
Managing Director
(DIN: 02023964)

Place: Gurugram
Date: December 28, 2017

Konica Yadav
Company Secretary
(Membership No. A30322)

Place: Gurugram
Date: December 28, 2017

Sudhir Goyal
Chief Financial Officer

Place: Gurugram
Date: December 28, 2017

Amber Enterprises India Limited
(formerly known as Amber Enterprises (India) Private Limited)

Annexure III: Restated Consolidated Summary Statement of Cash Flows
(All amounts in Rupees millions, unless stated otherwise)

Particulars	For six months ended 30 September 2017	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
A. Cash flow from operating activities:						
Profit before tax	375.52	383.98	327.11	404.01	305.15	291.38
Adjustments for:						
Depreciation and amortisation expense	228.82	397.00	308.63	255.65	184.19	124.52
(Profit)/loss on sale of fixed assets (net)	(0.93)	(3.35)	0.84	(4.09)	(3.86)	(21.00)
Finance cost	266.94	583.40	532.46	427.92	322.65	203.12
Bad debts	-	5.25	8.07	19.09	12.53	-
Advances and other balances written off	0.64	2.43	21.89	3.34	-	-
Provision for impairment loss of property, plant and equipment and intangible assets	-	2.47	16.61	-	-	-
Provision for impairment of capital work-in-progress	1.38	6.03	-	-	-	-
Liabilities no longer required written back	-	(0.56)	(7.29)	(5.04)	(15.32)	-
Interest income	(7.46)	(15.27)	(18.74)	(27.52)	(41.52)	(31.85)
Unrealised (profit)/loss on foreign exchange rate variation (net)	(23.13)	(54.67)	7.89	(1.82)	(5.82)	(2.10)
(Profit)/loss on mark to market of derivative contracts	-	-	-	(15.03)	8.20	(5.74)
Provision for doubtful debts	-	0.88	-	-	1.54	8.06
Operating profit before working capital changes	**841.78**	**1,307.59**	**1,197.47**	**1,056.51**	**767.74**	**566.39**
Adjustments for movement in:						
Inventories	22.04	(418.93)	(363.39)	(152.40)	(126.69)	(381.27)
Trade receivables	1,355.57	(630.67)	(115.81)	(683.54)	193.14	(888.48)
Short-term loans and advances	(109.94)	32.00	23.52	(101.72)	(76.47)	(174.51)
Long-term loans and advances	28.91	(27.25)	(19.54)	40.05	(9.40)	15.28
Other current assets	(31.87)	4.36	6.92	6.79	(4.04)	18.17
Other non-current assets	0.00	(1.88)	-	3.53	38.58	-
Trade payables	(2,510.16)	1,676.07	446.34	411.92	(417.69)	1,122.35
Other current liabilities	(460.91)	(425.42)	271.48	39.89	802.27	395.46

			Other long term liabilities	0.17	(447.22)	176.25	270.52	7.88	0.75
			Short-term provisions	0.17	3.75	(2.62)	2.61	2.35	(49.49)
			Long-term provisions	11.66	2.26	6.08	6.05	3.90	4.03
	Cash flow from operating activities before taxes			**(852.60)**	**1,074.66**	**1,626.70**	**900.21**	**1,181.57**	**628.68**
			Income taxes paid	(70.44)	(89.58)	(104.77)	(91.67)	(44.99)	(0.93)
	Net cash generated from operating activities (A)			**(923.04)**	**985.08**	**1,521.93**	**808.54**	**1,136.58**	**627.75**
B.	**Cash flow from investing activities:**								
			Purchase of fixed assets (including capital advances and creditors for capital expenditure and capital work-in-progress)	(394.49)	(819.91)	(1,011.95)	(997.00)	(1,092.44)	(1,118.75)
			Proceeds from sale of fixed assets	5.57	7.84	13.64	8.81	42.49	69.87
			Changes in restricted cash	24.54	(87.39)	109.53	172.02	(130.96)	-
			Changes in non-current fixed deposits	26.82	(12.32)	21.54	-	-	(120.89)
			Purchase of equity shares of subsidiary company (refer note 36)	-	-	-	(85.50)	-	(417.53)
			Proceeds from sale of investments	-	-	-	-	-	9.94
			Interest received on deposits with banks	8.35	15.27	27.97	36.23	28.53	29.73
			Consideration paid under business purchase arrangement (refer note 36)	-	-	-	-	-	(25.30)
	Net cash utilised in investing activities (B)			**(329.21)**	**(896.51)**	**(839.27)**	**(865.44)**	**(1,152.38)**	**(1,572.93)**
C.	**Cash flow from financing activities:**								
			Proceeds from issue of share capital (includes share premium)	-	500.00	-	-	-	448.00
			Proceeds from issue of debentures	-	500.00	-	-	-	252.00
			Proceeds from long-term borrowings	686.29	463.93	1,506.11	1,105.59	844.77	358.82
			Repayment of long-term borrowings	(756.40)	(118.49)	(1,640.85)	(800.63)	(190.27)	(130.38)
			Net (decrease)/ increase in short-term borrowings	1,520.69	(718.19)	55.58	199.78	(310.33)	325.75
			Finance cost paid	(234.71)	(579.26)	(599.44)	(497.06)	(385.14)	(210.26)
			Interim dividend paid	-	(50.13)	-	-	-	(57.30)
			Tax on interim dividend	-	(10.21)	-	-	-	(9.39)
	Net cash generated /(utilised) from financing activities (C)			**1,215.87**	**(12.35)**	**(678.60)**	**7.68**	**(40.97)**	**977.24**
	Net increase/(decrease) in cash and cash equivalents (A+B+C)			(36.38)	76.22	4.06	(49.22)	(56.77)	32.06
	Opening cash and cash equivalents			100.21	23.99	19.93	69.15	125.92	92.04
	Acquisition of cash and bank balances pursuant to the scheme of				-	-	-	-	1.82

	business purchase (refer Note 36)						
	Closing cash and cash equivalents	**63.83**	**100.21**	**23.99**	**19.93**	**69.15**	**125.92**

Notes:

a) The above cash flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard 3 (AS-3) on "Cash flow statements" as specified under section 133 of Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).

b) Figures in bracket indicate cash outflow.

c) **Cash and cash equivalents include:**

Cash in hand	3.58	1.48	1.24	1.27	1.89	2.71
Cheques on hand		9.36	0.45	3.15	0.11	62.97
Balance with banks						
- in current and cash credit account	60.25	89.37	22.30	15.51	67.15	60.24
	63.83	**100.21**	**23.99**	**19.93**	**69.15**	**125.92**
Excludes the following :						
Other bank balances*						
- escrow account	-	-	-	-	85.50	85.50
- deposits with maturity upto three months	60.42	63.17	32.56	57.02	242.53	14.12
- deposits with maturity wmore than three months but less than twelvect months	162.02	183.81	127.01	212.09	109.24	206.69
- deposits with maturity more than twelve months	4.10	30.92	18.60	40.15	44.00	91.60
	290.37	**378.10**	**202.16**	**329.18**	**550.42**	**523.83**
Less : Amounts disclosed as other non-current assets	(4.10)	(30.92)	(18.60)	(40.15)	(44.00)	(91.60)
Cash and bank balances (refer note 17)	**286.27**	**347.19**	**183.56**	**289.04**	**506.42**	**432.23**
* Other bank balances includes balances which are under restriction (refer note 17):	217.74	199.30	153.55	303.81	468.12	397.91

The accompanying Restated Consolidated Summary of Significant Accounting Policies in Annexure IV and Notes to Restated Consolidated Financial Information in Annexure V are an integral part of this statement.

For and on behalf of Board of Directors of
Amber Enterprises India Limited
(formerly known as Amber Enterprises (India) Private Limited)

Jasbir Singh
Chairman & Chief Executive Officer
(DIN: 00259632)

Place: Gurugram
Date: December 28, 2017

Konica Yadav
Company Secretary
(Membership No. A30322)

Place: Gurugram
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Daljit Singh
Managing Director
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Place: Gurugram
Date: December 28, 2017

Sudhir Goyal
Chief Financial Officer

Place: Gurugram
Date: December 28, 2017

Amber Enterprises India Limited
(formerly known as Amber Enterprises (India) Private Limited)

Annexure IV: Restated Consolidated Summary of Significant Accounting Policies

1. Corporate Information

The Restated Consolidated Financial Statements include the financial statements of Amber Enterprises India Limited (the "Company" or the "Holding Company") and PICL (India) Private Limited (the "Subsidiary Company") collectively referred to as "Group".

The Company was incorporated in 1990, under the Companies Act, 1956, is engaged in the business of manufacturing a versatile range of products i.e. air conditioners, microwave ovens, washing machines, refrigerators, luminaries, heat exchangers, sheet metal components, etc. Currently, the holding Company has nine manufacturing facilities in India. The Company was converted into a public limited company with effect from 22 September 2017.

PICL (India) Private Limited incorporated in 1994, under the Companies Act, 1956 is engaged in the business of manufacturing electric motors and food processors. The Subsidiary company is currently operating through its factory situated at Faridabad in Haryana.

2. Significant accounting policies

(a) Principles of consolidation

The Consolidated Financial Statements comprise the financial statements of the Company and its Subsidiary Company (collectively referred to as "Group").

The financial statements of the Company and its subsidiary are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Revised Accounting Standard (AS) 21 - "Consolidated Financial Statements" notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014, as amended, and Companies (Accounting Standards) Amendment Rules, 2016.

The difference between the cost of investment in the subsidiary over the net assets at the time of acquisition of shares in the subsidiary is recognised in the financial statements as Goodwill or Capital Reserve, as the case may be. The goodwill arising on consolidated is not amortised but tested for impairment.

The Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

(b) Basis of preparation

The Restated Consolidated Summary Statement of Assets and Liabilities of the Group as at 30 September 2017, 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 and Restated Consolidated Summary Statement of Profit and Loss and Restated Consolidated Summary Statement of Cash Flow for the period/year ended 30

September 2017, 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 (together referred to as "Restated Consolidated Financial Information") have been prepared specifically for inclusion in the Offer Document to be filed by the Company with the Securities Exchange Board of India ("SEBI"), Registrar of Companies and relevant stock exchange(s) in the connection with its proposed Initial Public Offering. These Restated Consolidated Financial Information have been compiled by the Company from the Audited Consolidated Financial Statements to which further adjustments are made to comply in all material aspects with the requirements of the SEBI (Issue of Disclosure and Capital Requirements) Regulations, 2009, as amended (the "Regulations"). The accounting policies have been consistently applied by the Group and are consistent with those used for the purpose of preparation of Restated Consolidated Financial Information as at and for the period/year ended 30 September 2017, 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013.

The Audited Consolidated Financial Statements of the Company have been prepared under the historical cost convention on a going concern basis, using the accrual basis of accounting in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). Indian GAAP comprises mandatory accounting standards as specified under Section 133 of the Companies Act, 2013 ('the Act'), read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and other accounting pronouncements of The Institute of Chartered Accountants of India.

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current/ non-current classification of its assets and liabilities. Actual results could differ from those estimates. These Restated Statements and Other Financial Information have been prepared for inclusion in the Offer Document to be filed by the Group with the Securities and Exchange Board of India ('SEBI') in connection with proposed Initial Public Offering of its equity shares, in accordance with the requirements of:

(a) Sub-clause (i), (ii) and (iii) of clause (b) of Sub-section (1) of Section 26 of Chapter III of the Act read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014; and

(b) relevant provisions of the Regulations issued by the SEBI on August 26, 2009, as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992.

(c) Use of estimates

In preparing the Group's Restated Consolidated Financial Information in conformity with Indian GAAP, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates Any revision to accounting estimates is recognized prospectively in the current and future periods.

(d) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

i) Revenue from operations

a) Revenue from sale of goods is recognized when significant risks and rewards of ownership are transferred to the buyer and there do not exist significant uncertainty regarding the amount of the consideration that will be derived from the sale of goods. It is stated inclusive of excise duty and net of trade discounts, sales returns,

price differences, sales tax and Goods and Service Tax wherever applicable.

b) Revenue in respect of tool development and job charges is recognized as per the terms of the contract with the customers.

ii) Other income

a) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

b) Income against insurance claims is recognized when no significant uncertainty exists with regard to the amount to be realized and the ultimate collection thereof.

c) In respect of assets given on operating lease, income is recognised on straight line basis over the lease term.

d) Dividend Income is recognized when right to receive is established.

e) Status Holder Incentive Scheme ('SHIS') scheme is recognised in the Restated Consolidated Summary Statement of Profit and Loss when the right to receive the benefits as per the terms of the scheme is established on recognising export sales.

(e) Employee benefits

Short-term employee benefits

All employee benefits payable/available within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages, bonus, etc are recognized in Restated Consolidated Summary Statement of Profit and Loss in the period in which the employee renders the related service.

Post-employment benefits Defined contribution plan Provident fund
The Group makes contribution to provident fund in accordance with Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The plan is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee.

Defined benefit plan

Gratuity

Gratuity is a post-employment defined benefit plan. The liability recognized in the Restated Consolidated Summary Statement of Assets and Liabilities in respect of gratuity is the present value of the defined benefit obligation at the balance sheet date together with adjustments for past service costs not yet

recognised and actuarial gains or losses. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from adjustments and changes in actuarial assumptions are credited or charged to the Restated Consolidated Summary of Statement of Profit and Loss in the period/year in which such gains or losses arise.

Other long-term liability

Leave encashment

Provision for leave encashment when determined to be a long term benefit is made on the basis of actuarial valuation using projected unit credit method as at the end of the period/year. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the Restated Consolidated Summary Statement of Profit and Loss in the period/year in which such gains or losses arise. Provision related to short term leave encashment of workers is recognised on full cost basis. Full cost basis, measures the liability of all the accumulated leaves outstanding as of the balance sheet date as a product of basic salary of the employees.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the Restated Consolidated Summary Statement of Profit and Loss in the period/year in which such gains or losses arise.

(f) Fixed assets

Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation. The cost of assets comprises its purchase price net of any trade discount and rebate, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any direct attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed asset upto the date the asset is ready for its intended use.

Borrowing costs directly attributable to acquisition or construction of property, plant and equipment which necessarily take a substantial period of time to get ready for their intended use are capitalized.

When an asset is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit or loss, if any, is reflected in the Restated Consolidated Summary of Statement of Profit and Loss. Project under commissioning and other assets under erection/installation are shown under capital work in progress and are carried at cost, comprising of direct cost and related incidental expenses.

Intangible assets

Intangible assets include goodwill, development cost, patent & trademark and software licenses.

Goodwill is recognised as the excess of business consideration paid over the share of net assets acquired and liabilities assumed in case of business purchase arrangement.

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised as an expense when it is incurred.

Expenditure on development activities, where research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalised if the product or process is technically and commercially feasible and the Group has sufficient resources to complete the development. The expenditure capitalised includes the cost of materials, direct personnel cost and an appropriate proportion of overheads. Other development expenditure is recognised in the income statement as an

expense is incurred.

Software licenses providing future enduring economic benefits are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any.

Intangible assets are stated at cost less accumulated amortization and impairment losses (if any).

(g) Depreciation and amortization expense Property, plant and equipment

Prior to 1 April 2014, depreciation on property, plant and equipment except lease hold improvements has been provided on straight lines method as per the rates prescribed under Schedule XIV to the erstwhile Companies Act, 1956. With effect from 1 April 2014, depreciation on property, plant and equipment is provided on straight line method based on life prescribed as per Schedule II of the Companies Act, 2013.

Block of asset	Useful life as per Companies Act, 2013 (in years)
Buildings	30-60
Plant and machinery	15
Computers	3
Furniture and fixtures	10
Office equipment	5
Vehicles	8 – 10

Leasehold land, under perpetual leases, is not amortised and leasehold improvements are depreciated over the duration of lease or useful life whichever is shorter.

Depreciation on improvements carried out on buildings taken on lease (included under buildings) is provided over the period of the lease or useful life of the assets, whichever is lower.

Intangibles

i) Goodwill, other than the one generated on consolidation is amortised over a period of five years.

ii) Expenditure on development activities is amortised over a period of seven years.

iii) Computer softwares are amortised over a period of six years.

(h) Research and development

Revenue expenditure on research is charged under the respective heads of accounts in the period/year in which it is incurred.

Expenditure on development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalized, if the cost can be reliably measured, the product or process is technically and commercially feasible and the company has sufficient resources to complete the development and to use and sell the asset. The expenditure capitalized includes cost of material, direct labour and an appropriate proportion of overheads that are directly attributable to preparing the assets for its intended use. Other development expenditure is recognized in the Restated Consolidated Summary Statement of Profit and Loss as an expense as incurred.

Items of property, plant and equipment used for research and development are depreciated in accordance with the Company's policy on fixed assets as stated above.

(i) Inventories

Inventories are valued at cost and net realizable value, whichever is lower. The cost in respect of the various items of inventory is computed as under:

- Raw material cost includes direct expenses and is determined on the basis of First-in, First-Out method.
- Stores and spares, consumables and packing materials cost includes direct expenses and is determined on the basis of First-in, First-out method.
- Work-in-process is valued at raw material cost plus conversion costs depending upon the stage of completion.
- Finished goods cost includes raw material cost plus conversion costs, packing cost and other overheads incurred to bring the goods to their present location and condition. Excise duty in respect of goods manufactured by the Company is accounted for at the time of removal of goods from factory for sale and/or captive consumption and provision for excise duty is made for finished goods lying in the factory at period/year end.
- Scrap/obsolete stock is valued at net realisable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost to effect the sale.

Provision for obsolescence and slow moving inventory is made based on management's best estimates of net realizable value of such inventories.

(j) Governments grants and subsidies

Government grants available to the Group is recognised only when there is reasonable assurance that the Group will comply with the conditions attached to them and where such benefits have been earned by the Group and it is reasonably certain that the ultimate collection will be made.

Where the assistance from the government is in the nature of promoter's contribution, it is credited to capital reserve.

Where the grant or subsidy relates to revenue item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate.

Where the grant or subsidy relates to an asset, it is treated as deferred income which is recognised in the statement of profit and loss on a systematic and rational basis over the useful life of assets. Such allocation to income is usually made over the periods and in proportions in which depreciation on related assets is charged.

(k) Borrowing costs

Borrowing cost include interest and amortisation of ancillary cost incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Restated Consolidated Summary Statement of Profit and Loss over the tenure of the loan. Borrowing cost, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets.

(l) Leases

i) Operating leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Restated Consolidated Summary Statement of Profit and Loss on a straight-line basis over the lease term.

ii) Finance leases

Assets acquired on lease where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalized at the inception of the lease at the lower of fair value or the present value of minimum lease payments and a liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period. The resultant interest cost is charged to the Restated Consolidated Summary Statement of profit and loss on accrual basis.

(m) Impairment of assets

The Group assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Restated Consolidated Summary Statement of Profit and Loss. If at the reporting date, there is an indication that a previously assessed impairment loss no longer exists then the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

(n) Foreign currency transactions

i) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii) Conversion

Foreign currency monetary items are reported using the closing rate. 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; and 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.

iii) Exchange differences

Exchange differences arising on the settlement of monetary items or on restatement of the Company's monetary items at rates different from those at which they were initially recorded during the period/
, or reported in previous financial statements, are recognized as income or as expenses in the period/year in which they arise except to the extent permitted by the transitional provision contained in Companies (Accounting Standards) Amendments Rules, 2009 in respect of long term foreign currency monetary items, in which case the cost of assets are adjusted by the translation differences and amortised over the remaining useful life of the related assets.

(o) Accounting for taxes on income

Tax expense comprises current tax and deferred income tax.

Current tax is determined as the amount of tax payable in respect of taxable income for the period/year, computed in terms with the provision for Income-tax Act, 1961 and rules made thereunder.

Deferred income taxes reflects the impact of current period/year timing differences between taxable income and accounting income for the period/year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are reviewed at each balance sheet date and recognized/derecognized only to the extent that there is reasonable/virtual certainty, depending on the nature of the timing differences, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Minimum Alternate tax (‘MAT’) 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. In the period/year in which MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in “Guidance note on accounting for credit available in respect of minimum alternative tax under the Income-Tax Act, 1961” issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

(p) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period/year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period/year. The weighted average number of equity shares outstanding during the period/year is adjusted for events of bonus issue and share split.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period/year attributable to equity shareholders and the weighted average number of shares outstanding during the period/year are adjusted for the effects of all dilutive potential equity shares.

(q) Contingent liabilities and provisions

The Group makes a provision when there is a present obligation as a result of a past event where the outflow of economic resources is probable and a reliable estimate of the amount of the obligation can be made.

A disclosure is made for a contingent liability when there is a

i) Possible obligation, the existence of which will be confirmed by the occurrence/non-occurrence of one or more uncertain events, not fully with in the control of the Group;

ii) Present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation;

iii) Present obligation, where a reliable estimate cannot be made.

iv) Provisions are not discounted to present value and are determined based on best estimate required to settle the obligation on the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Where there is a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are not recognized in the Restated Consolidated Summary Statement of Profit and Loss. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

(r) Derivative instruments

The exchange differences arising on forward contracts other than those entered into to hedge the foreign currency risk of firm commitments or highly probable forecast transactions are recognised in the period/year in which they arise based on the difference between i) foreign currency amount of the contract translated at the exchange rate on the reporting date and ii) the same foreign currency amount translated at the later of the date of inception of the forward exchange contract or the last reporting date.

The premium or discount arising at the inception of the forward contracts other than those entered into to hedge the foreign currency risk of firm commitments or highly probable forecast transactions is amortized as expense or income over the life of the contract.

Any profit or loss arising on cancellation or renewal of forward exchange contracts is recognised as income or expense for the period/year.

As per the Institute of Chartered Accountants of India (ICAI) Announcement, accounting for derivative contracts, other than those covered under Accounting Standard-11, "The Effects of Changes in Foreign Exchange Rates", are marked to market on individual portfolio basis, and the net loss after considering the offsetting effect on the underlying hedge item is charged to the statement of profit and loss. Considering the principles of prudence as enumerated in Accounting Standard-1, "Disclosure of Accounting Policies", net gains arising on account of marked to market of derivative contracts are ignored.

(s) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and cash in hand and short term investments with an original maturity of three months or less.

(t) Segment accounting

Segments are identified in line with Accounting Standard 17 - 'Segment Reporting' ('AS 17'). The accounting policies adopted for segment reporting are in line with those of the Group with the following additional policies for segment reporting:

i. Inter segment revenues have been accounted for based on the transaction price agreed to between segments at estimated cost of the transferor segment.

ii. Revenues and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

iii. Revenues and expenses, which relate to the group as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated corporate expenses". Unallocated corporate expense also includes taxes and finance charges and other unallocable corporate expenses.

iv. Assets and liabilities, which relate to the group as a whole and are not allocable to segments on a reasonable basis, are shown as unallocated corporate assets and liabilities respectively.

v. The Group's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Group operate.

Amber Enterprises India Limited
(formerly known as Amber Enterprises (India) Private Limited)

Annexure V: Notes to Restated Consolidated Financial Information
(All amounts in Rupees millions, unless stated otherwise)

1 Share capital

Particulars	As at 30 September 2017		As at 31 March 2017		As at 31 March 2016		As at 31 March 2015		As at 31 March 2014		As at 31 March 2013	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amounts
Authorised share capital												
Equity shares of Rs. 10 each	450,00,000	450.00	265,00,000	265.00	250,00,000	250.00	250,00,000	250.00	250,00,000	250.00	250,00,000	250.00
Preference shares of Rs. 10 each	-	-	45,00,000	45.00	-	-	-	-	-	-	-	-
	450,00,000	450.00	310,00,000	310.00	250,00,000	250.00	250,00,000	250.00	250,00,000	250.00	250,00,000	250.00
Issued, subscribed and fully paid-up												
Equity shares of Rs. 10 each	238,09,825	238.10	238,09,825	238.10	217,02,788	217.03	217,02,788	217.03	217,02,788	217.03	178,88,885	178.89
	238,09,825	238.10	238,09,825	238.10	217,02,788	217.03	217,02,788	217.03	217,02,788	217.03	178,88,885	178.89

a. The Company has only one class of equity shares having a par value of Rs.10 each. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

b. ***Reconciliation of equity share capital and preference share capital***

Particulars	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amounts
i) Equity share capital of Rs. 10 each fully paid up												
Balance at the beginning of the period/year	23,809,825.00	238.10	21,702,788	217.03	21,702,788	217.03	21,702,788	217.03	17,888,885	178.89	14,323,840	143.24
Add:												
Share issues during the period/year	-	-	-	-	-	-	-	-	-	-	3,565,045	35.65

Particulars	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amounts
Compulsory convertible debentures converted into equity shares	-	-	-	-	-	-	-	-	3,813,903	38.14	-	-
Compulsory convertible preference share converted into equity shares	-	-	2,107,037	21.07	-	-	-	-	-	-	-	-
Balance at the end of the period/year	23,809,825.00	238.10	23,809,825	238.10	21,702,788	217.03	21,702,788	217.03	21,702,788	217.03	17,888,885	178.89

Particulars	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amounts
ii) Preference share capital of Rs. 10 each fully paid up												
Balance at the beginning of the period/year	-	-	-	-	-	-	-	-	-	-	-	-
Add: Compulsory convertible preference shares issued during the period/year	-	-	2,107,037	21.07	-	-	-	-	-	-	-	-
Less: Compulsory convertible preference shares converted into equity shares *	-	-	(2,107,037)	(21.07)	-	-	-	-	-	-	-	-
Balance at the end of the period/year	-	-	-	-	-	-	-	-	-	-	-	-

* *On 12 January 2017, the Company issued 2,107,037 Compulsorily Convertible Preference Shares ("CCPS") of Rs. 10 each at premium of Rs. 227.30 per CCPS, aggregating to Rs. 499.99 millions. The holder of the CCPS shall be entitled to receive, fixed dividend in respect of the par value of the CCPS at the rate of 0.01% per annum. During the year ended 31 March 2017, CCPS were converted into equivalent number of equity shares of Rs.10 each in the ratio of 1:1.*

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c. ***Shareholders holding more than 5% of shares of the Company***

Particulars	As at 30 September 2017		As at 31 March 2017		As at 31 March 2016		As at 31 March 2015		As at 31 March 2014		As at 31 March 2013	
	Number	Percentage (%)	Number	Percentage (%)	Number	Percentage (%)	Number	Percentage (%)	Number	Percentage (%)	Number	Percentage (%)
Mr. Jasbir Singh	66,85,840	28.08%	66,85,840	28.08%	66,85,840	30.81%	66,85,840	30.81%	66,85,840	30.81%	66,85,840	37.37%
Mr. Daljit Singh	57,00,880	23.94%	57,00,880	23.94%	57,00,880	26.27%	57,00,880	26.27%	57,00,880	26.27%	57,00,880	31.87%
Mr. Kartar Singh	10,46,264	4.39%	10,46,264	4.39%	14,80,320	6.82%	14,80,320	6.82%	14,80,320	6.82%	14,80,320	8.28%
Ascent Investment Holdings Pte. Ltd.	99,20,041	41.66%	99,20,041	41.66%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Reliance Alternate Investment Fund Private Equity Scheme I-Fairwinds Trustees Services Private Limited	-	-	-	0.00%	73,78,948	34.00%	73,78,948	34.00%	73,78,948	34.00%	35,65,045	19.93%

d. Details of shares allotted as fully paid up by way of bonus issues for six months ended on 30 September 2017 and preceding five years:

Period/year ended	Face value (in Rupees)	Number of shares
30 September 2017	10	-
31 March 2017	10	-
31 March 2016	10	-
31 March 2015	10	-
31 March 2014	10	-
31 March 2013	10	-
31 March 2012	10	125,33,360

Period/year ended	Face value (in Rupees)	Number of shares
31 March 2011	10	-
31 March 2010	10	-
31 March 2009	10	-
31 March 2008	10	-

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2 Reserves and surplus

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Securities premium						
Balance at the beginning of the period/year	1,405.14	926.22	926.22	926.22	412.35	-
Add: Additions made during the year on allotment of equity shares	-	478.92	-	-	513.87	412.35
Balance at the end of the period/year	1,405.14	1,405.14	926.22	926.22	926.22	412.35
Capital reserve						
State investment subsidy at the beginning of the period/year	27.17	22.84	22.84	15.87	15.87	15.87
Add : Subsidy received during the period/year	3.83	4.33	-	6.97	-	-
Balance at the end of the period/year	31.00	27.17	22.84	22.84	15.87	15.87
General reserve						
Balance at the beginning of the period/year	35.95	35.95	35.95	35.95	35.95	13.31
Add : Additions made during the period/year	-	-	-	-	-	22.64
Balance at the end of the period/year	35.95	35.95	35.95	35.95	35.95	35.95
Surplus in the statement of profit and loss						

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Balance at the beginning of the period/year	1,642.96	1,424.31	1,183.27	899.72	683.53	578.08
Add : Transferred from Restated Consolidated Summary Statement of profit and loss	273.14	278.99	241.04	287.73	216.19	194.78
Less :	-					
Interim dividend	-	50.13	-	-	-	57.30
Tax on interim dividend	-	10.21	-	-	-	9.39
Transfer to general reserve	-	-	-	-	-	22.64
Depreciation adjustment (refer note 11)	-	-	-	6.19	-	-
Deferred tax impact of depreciation adjustment	-	-	-	(2.01)	-	-
Balance at the end of the period/year	1,916.10	1,642.96	1,424.31	1,183.27	899.72	683.53
	3,388.19	**3,111.22**	**2,409.32**	**2,168.28**	**1,877.76**	**1,147.70**

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3 Long-term borrowings

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Secured						
Term loans						
-from banks	810.95	868.02	376.39	926.48	1,094.74	909.73
-from others	965.78	1,068.37	1,108.18	373.43	-	-
Vehicle loan						
-from banks	1.26	1.42	-	0.33	1.96	3.46
-from others	4.00	3.66	2.00	2.59	-	-
3,000,000 Compulsory convertible debentures of Rs. 100 each	-	-	-	-	-	300.00
2,520,000 Compulsory convertible debentures of Rs. 100 each	-	-	-	-	-	252.00
10 Compulsory convertible debentures of Rs 50 millions each	-	500.00	-	-	-	-
Long term maturities of Finance lease obligations	51.10	73.57	127.65	167.58	79.43	-
Unsecured						
from directors (refer note 30)	-	-	-	-	-	13.70
	1,833.09	**2,515.04**	**1,614.22**	**1,470.41**	**1,176.13**	**1,478.89**

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3 (a) Details of long-term borrowings

S.No.	Nature of	Name of	Lender	As at	Nature of Securities	Interest Rate	Tenure of

	loan	Company		30 September 2017		31 March 2017		31 March 2016		31 March 2015		31 March 2014		31 March 2013				Repayment
				Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current			
1	Term loans from banks (in foreign currency)	Holding Company	Development Bank of Singapore	-	-	-	-	-	-	-	155.84	150.15	150.15	271.55	-	Pledge of fixed deposits of Rs. 230 million and negative pledge.	4% p.a.	2 Equal annual installments of USD 2.5 millioin.
2	Term loans from banks (in foreign currency)	Holding Company	Standard Chartered Bank	-	-	-	-	-	-	-	62.34	60.06	120.12	162.93	108.62	Exclusive charge over movable properties purchased out of proceeds of this loan, first pari passu charge on moveable fixed assets of the company exclusive of those specifically hypothecated to other banks, first pari passu charge on plot no. C-1, phase- II, focal point, Rajpura and plot no. D-36-37-38 , selaqui Dehradun, uttaranchal in the name of the company and first pari passu charge on plot no. C-2, phase-II, focal point, Rajpura in the name of Acme Fabrications Private Limited and negative lien on plot no. C-12, phase- II, focal point, Rajpura in the name of Acama Appliances Private Limited. The external commercial borrowing loan is	4.10% to 4.40%	16 equal quarterly installments of USD 0.5 million.

																also secured by corporate guarantees of Acme Fabrications Private Limited and Acama Appliances Private Limited and personal guarantees of Mr. Kartar singh (Chairman), Mr. Jasbir singh (Managing Director), Mr. Daljit singh (Director) and Mr. Kirpal singh (Director)		
3	Term loan from bank (in Rupees)	Holding Company	Housing Development Finance Corporation Bank Limited (HDFC).	-	-	-	-	122.70	54.53	177.23	54.53	231.76	54.53	244.81	11.66	First pari passu charge on all the present and future current assets, first pari passu charge on moveable fixed assets of the company exclusive of those specifically hypothecated to other banks, first pari passu charge on plot no. C-1, phase- II, focal point, Rajpura belonging to the company and, plot no. C-2, phase- II, focal point, Rajpura belonging to Acme Fabrications Private Limited and negative lien on plot no. C-12 urban estate focal point, Rajpura belonging to Acama Appliances Private Limited, exclusive charge on the machinery purchased out of the proceeds of this term loan , exclusive charge on the Jhajjar	Base Rate + 2.15% p.a.	22 equal quaterly installments of Rs. 13.63 million.

																factory building-khewat no. 29 min, khata no 29 min, rect no 92, kila no 13 (8-0), 14/1 (1-15), 17 (7-7), 18(8-0), khewat no. 110 min, khata no 125 min, rect no 92, kila no 6/2 (4-0), 7/1 (4-0), khewat no. 916 min, khata no 1031 min, rect no 92, kila no 8/2 (3-18), 15/1 (4-0), 16/2 (5-17), khewat no. 143 min, khata no 167 min, rect no 92, kila no 23/2/1 (2-4), situated in village dadr toe, tehsil Jhajjar, district-Jhajjar valued at 120 million. The term loans are also secured by corporate guarantees of Acme Fabrications Private Limited and Acama Appliances Private Limited and personal guarantee of Mr. Kartar singh (chairman), Mr. Jasbir singh (managing Director), Mr. Daljit singh (Director) and Mr. Kirpal singh (Director).		
4	Term loan from bank (in Rupees)	Holding Company	Yes Bank Limited	-	-	-	-	-	-	-	-	66.00	24.00	90.00	24.00	Exclusive charge by way of equitable mortgage on land and building of the company situated at	12.5% p.a.	20 quarterly installments of Rs. 60 million starting from

																a-1/1-A,upsidc industrial area, selaqui, Dehradun having minimum valuation of Rs.120 million, subservient charge on all the current assets and movable fixed assets of the company (both present and future). The term loans are also secured by unconditional and irrevocable personal guarantee of Mr. Jasbir singh (Managing Director) and Mr. Daljit singh (Director).		June 2013.
5	Term loan from bank (in Rupees)	Holding Company	Axis Bank Limited	-	-	-	-	16.67	22.22	38.89	22.22	66.67	16.67	71.11	8.89	Exclusive charge by way of hypothecation on fixed assets funded out of the term loan, first pari passu charge by way of equitable mortgage of 3 immovable properties including land and building located at plot no. C-1, phase- II, focal point, Rajpura punjab owned by the company and plot no. C-2, phase- II, focal point, Rajpura punjab owned by Acme Fabrications Private Limited and plot no. D-36-37-38 , selaqui Dehradun, Uttaranchal pardesh owned by the company, negative lien on plot no. C-12, urban estate, focal	Base Rate + 2.5% p.a.	18 equal quaterly installments of 5.55 millions each.

																point, Rajpura punjab in the name of Acama appliances private. Limited. The term loans are also secured by corporate guarantees of Acme Fabrications Private Limited and Acama Appliances Private Limited and personal guarantees of Mr. Jasbir singh (Managing Director) and Mr. Kartar singh (chairman).		
6	Term loan from bank (in Rupees)	Holding Company	Axis Bank Limited	-	-	-	-	21.32	16.00	37.33	16.00	53.33	16.00	69.33	10.67	First pari passu charge by way of equitable mortgage of commercial property situated at plot no. 99, sector 6, faridabad (admeasuring 2,566.68 sq. Yards), extension of first pari passu charge on commercial property , situated at plot no. 92, sector 6, faridabad (admeasuring 2,566.68 sq. Yards) presently in the name of PICL(India) private limited, (a subsidiary company) subservient charge on the current assets of the company, both present and future. The terms loans are also secured by personal guarantees of Mr. Kartar singh	Base Rate + 2.5% p.a.	60 monthly installments of Rs. 1.3 million starting from August 2013.

																(chairman) and Mr. Jasbir singh (managing Director) and corporate guarantee of PICL (India) private limited.		
7	Term loan from bank (in Rupees)	Holding Company	ICICI Bank Limted	-	-	-	-	-	-	200.03	44.45	138.78	22.50	-	-	Exclusive charge by way of equitable mortgage on land and building of the Company situated at a-1/1, selaqui, Dehradun and exclusive charge on fixed assets funded out of the term loan. The term loan is also secured by unconditional and irrevocable personal guarantee of Mr. Jasbir singh (managing Director), Mr. Kartar singh (Director) and Mr. Daljit singh (Director).	Base Rate + 2.25% p.a.	24 equal quarterly installments of Rs.11.25 million each.
8	Term loan from bank (in Rupees)	Holding Company	ING Vysya Bank Limted	-	-	-	-	-	-	42.00	24.00	-	-	-	-	Exclusive charge on movable fixed assets having minimum value of Rs. 500 million , subservient charge on all the current assets (both present and future), exclusive charge on immovable properties situated at H-23, selaqui, Dehradun owned by the company and a-1/1-a,upsidc industrial area, selaqui, Dehradun	Base Rate + 0.20% p.a.	11 quarterly installments of Rs. 6 million each.

																owned by the company. The corporate loan is also secured by corporate guarantees of Acme Fabrications Private Limited and Acama Appliances Private Limited and personal guarantees of Mr. Jasbir singh (managing Director) and Mr. Daljit singh (Director).		
9	Term loan from bank (in Rupees)	Holding Company	ING Vysya Bank Limted	-	-	-	-	-	-	246.00	82.00	328.00	82.00	-	-	Secured by exclusive charge on movable fixed assets having minimum value of Rs. 500 million, subservient charge on all the current assets (both present and future), exclusive charge on 4 immovable properties situated at H-23, selaqui, Dehradun owned by the company and a-1/1-a,upsidc industrial area, selaqui, Dehradun owned by the company and plot no. C-2, phase- II, focal point, Rajpura punjab owned by Acme Fabrications Private Limited and plot no. C-12, urban estate, focal point, Rajpura punjab in the name of Acama Appliances Private Limited.	Base Rate + 0.40% p.a.	60 monthly installments of Rs. 6.83 million each.

																The corporate loan is also secured by corporate guarantees of Acme Fabrications Private Limited and Acama Appliances Private Limited and personal guarantees of Mr. Jasbir singh (managing Director) and Mr. Daljit singh (Director)		
10	Term loan from bank (in Rupees)	Holding Company	SBER Bank	-	-	-	-	-	37.06	165.00	10.00	-	-	-	-	First pari passu charge on all the present and future current assets of the company, first pari passu charge on moveable fixed assets of the company exclusive of those specifically hypothecated to other banks, first pari passu charge on plot no. C-1, phase- II, focal point, Rajpura and plot no. D-36-37-38, selaqui Dehradun, uttaranchal in the name of the company and first pari passu charge on plot no. C-2, phase-II, focal point, Rajpura in the name of Acme Fabrications Private Limited and negative lien on plot no. C-12, phase- II, focal point, Rajpura in the name of Acama Appliances Private Limited. The corporate loan is	13.15% p.a.	7 monthly ballooning installments starting from March 2016 as per the repayment schedule.

																also secured by corporate guarantees of Acme Fabrications Private Limited and Acama Appliances Private Limited and personal guarantees of Mr. Jasbir singh (managing Director) and Mr. Daljit singh (Director).		
11	Term loan from bank (in Rupees)	Holding Company	Industrial Development Finance Corporation Bank Ltd. (IDFC) - I	156.00*	80.00*	196.00*	80.00	215.70	24.00	-		-	-	-	-	Exclusive charge on plant and machinery of Rs. 150 million and exclusive charge on land and building of the plant situated at H- 23, industrial area, selaqui, Dehradun. Interim mortgage on a-1/1 a, industrial area, selaqui, Dehradun. The term loan is also secured by personal guarantees of Mr. Jasbir singh (Chairman & CEO) and Mr. Daljit singh (Managing Director).	1 Year MCLR+1.6%	As per Repayment schedule monthly installments.
12	Term loan from bank (in Rupees)	Holding Company	Industrial Development Finance Corporation Bank Ltd. (IDFC) - II	611.63	37.64											Exclusive charge on movable assets of the company providing 1.25x cover as per detail below;- a) Movable assets at H-23 Dehradun Plant with written down value of Rs. 7.1 crore b) Movable assets at Ecotech	1 Year MCLR+ 0.65%	69 monthly installments starting from 15 June 2018 to 15 March 2024.

																Plant with written down value of Rs. 17.3 crore c) Movable assets at Pune Plant with written down value of Rs. 27.9 crore d) Movable assets at Kasna Plant with written down value of Rs. 16.5 crore e) Movable assets at Jhajjar Plant with written down value of Rs. 12.5 crore Exclusive charge on Land and Building of Plant situated at Pune Second charge on Current Assets of the Company Debt service reserve account amount equivalent to three month interest and one principal instalment Personal Gurantee of Mr. Daljit Singh (Managing Director) and Mr. Jasbir Singh (Chairman & CEO)		
13	Term loan from bank (in Rupees)	Holding Company	IndusInd Bank Limited	-	-	649.27	-	-	-	-	-	-	-	-	-	Exclusive charge on hypothecation on moveable fixed asets at 1.) D-36,37,38 upsidc selaqui, Dehradun, 2.) D-93, midc, ranjangaon, pune, 3.) C-1, phase-	MCLR + 1.30% p.a.	As per Repayment schedule of 28 structured quarterly installments.

																II, focal point, Rajpura, 4.) C-3, upsidc industrial area,kasna,up and exclusive charge by way of mortgage of property at d-93, midc, ranjangaon, pune and second pari passu charge on curent assets of the company. The term loan is also secured by personal guarantees of Mr. Jasbir singh (managing Director) and Mr. Daljit singh (Director).		
14	Term loan from bank (in Rupees)	Subsidiary Company	Corporation Bank	-	-	-	-	-	-	-	-	-	-	-	0.88	Secured against the first charge on Plant and Machinery acquired out of term loan. collateral security extends to mortgage of commercial property, situated at plot-92 and plot-99, Sector-6, Industrial area, Faridabad and security extends to first pari passu charge on the entire current assets of the Company.	Base Rate +3.25%	60 installments of Rs. 0.22 millions per month alongwith interest commencing from financial year 2008-09.
15	Term loan from bank (in Rupees)	Subsidiary Company	Axis Bank Limited	-	-	-	-	-	-	-	-	-	-	-	8.80	First pari- pussu charge on entire fixed assets of the Company, both present and future. collateral security extends to mortgage of commercial property, situated at	Base Rate +2.25%	Repayable in 4 quaterly installments of Rs. 4.38 millions.

																plot-92 and plot-99, sector-6, Industrial area, Faridabad and security extends to first pari passu charge on the entire current assets of the Company. Secured by Corporate guarantee of Amber Enterprises (India) Private Limited.		
16	Term loan from bank (in Rupees)	Subsidiary Company	HDFC Bank Limited	-	-	-	-	-	20	20	20	-	-	-	-	Secured by first pari passu charge on all the present and future current assets of the company, first pari passu charge on moveable fixed assets of the Company exclusive of those specifically hypothecated to other banks, first pari passu charge on Plot No. 92, Sector-6, Faridabad in the name of the Company and first pari passu charge on Plot No. 99, Sector-6, Faridabad in the name Amber Enterprises (India) Private Limited. The term loan is also secured by Corporate guarantees of Amber Enterprises (India) Private Limited and personal guarantee of Mr Jasbir Singh (Director) and Mr	Mutually agreed interest rate	8 quaterly installments of Rs. 5 Mn.

																Daljit Singh (Managing Director) of the company		
17	Term loan from bank (in Rupees)	Subsidiary Company	Rattanagar Bank Limited	43.31	18.51	23	7	-	-	-	-	-	-	-	-	Secured by first pari passu charge on all the present and future current assets of the subsidiary company, first pari passu charge on moveable fixed assets of the subsidiary company exclusive of those specifically hypothecated to other banks, first pari passu charge on Plot No. 92, Sector-6, Faridabad in the name of the subsidiary company and first pari passu charge on Plot No. 99, Sector-6, Faridabad in the name of holding company. The term loan is also secured by personal guarantee of Mr. Jasbir Singh (Director) and Mr. Daljit Singh (Managing Director). Corporate Guarantee of Amber enterprises India Ltd.	3 Year MCLR+1.15%	Equal Quaterly Installment of 3.5 million starting from the end of the 1st quarter of disbursement.
18	Term loan from Others	Holding Company	Tata capital financial services limited	-	-	-	-	-	-	-	-	-	73.33	-	-	Subservient charge by way of hypothecation on all the current assets (both present and future) of the	LTLR - 6.25% p.a.	4 quarterly installments of Rs. 18.33 million each

																company and unconditional and irrevocable personal guarantee of Mr. Jasbir singh (managing Director), Mr. Kartar singh (Director) and Mr. Daljit singh (Director)		
19	Term loan from Others	Holding Company	Tata capital financial services limited	53.94	35.97	71.92**	35.965	78.33	26.11	28.43	3.55	-	-	-	-	Subservient charge by way of hypothecation on all the current assets (both present and future) of the company and first and exclusive charge by way of hypothecation on equipment funded by Tata Capital Financial Services Limited and unconditional and irrevocable personal guarantee of Mr. Jasbir singh (Chairman & CEO), Mr. Kartar singh (Chairman Emeritus) and Mr. Daljit singh (Managing Director).	LTLR - 5.50% p.a.	54 equal monthly installments of Rs. 2.7 million starting from October 2015
20	Term loan from Others	Holding Company	Hero Fin Corp Limited	-	-	-	-	-	-	345.00	55.00	-	-	-	-	First pari passu charge on all the present and future current assets of the company, first pari passu charge on moveable fixed assets of the company exclusive of those specifically hypothecated to	12.75% p.a.	58 monthly ballooning installments starting from May 2015 as per the repayment schedule.

																other banks, first pari passu charge on plot no. C-1, phase- II, focal point, Rajpura and plot no. D-36-37-38, selaqui Dehradun, uttaranchal in the name of the company and first pari passu charge on plot no. C-2, phase-II, focal point, Rajpura in the name of Acme Fabrications Private Limited and negative lien on plot no. C-12, phase- II, focal point, Rajpura in the name of Acama Appliances Private Limited. The corporate loan is also secured by personal guarantees of Mr. Jasbir singh (managing Director) and Mr. Daljit singh (Director)		
21	Term loan from Others	Holding Company	Bajaj Finance Limited	-	-	-	-	182.30	42.33	-	-	-	-	-	-	Exclusive charge on moveable fixed assets amounting to Rs. 300 million and exclusive charge by way of equitable mortgage on property situated at C-11, focal point, Rajpura, punjab. The corporate loan is also secured by corporate guarantees of acme engineering and fabrications and personal guarantees of Mr. Jasbir singh (managing Director)	12.05% p.a.	Repayable in 52 monthly installments as per the repayment schedule in equivated annual instalments.

																and Mr. Daljit singh (Director).		
22	Term loan from Others	Holding Company	Seimens Financial Services Limited	76.85	34.20	93.95	32.094	97.56	24.73	-	-	-	-	-	-	Exclusive charge by way of hypothecation on equipment funded by term loan and non refundable security deposit amounting to Rs. 16,056,111. It is also secured by personal guarantees of Mr. Jasbir singh (Chairman & CEO) and Mr. Daljit singh (Managing Director).	10.75% to 11% p.a.	Tranche 1 of Rs. 122.28 million is repayable in 55 monthly installments and Tranche 2 of Rs. 28.49 million is repayable in 54 equal monthly instalments.
23	Term loan from Others	Holding Company	Hero Fin Corp Limited	665.00	72.50	712.50	37.50	750.00	-	-	-	-	-	-	-	Exclusive charge by way of equitable mortgage on the immovable properties being land and building at plot no.a-1/1 at selaqui industrial area, Dehradun. And exclusive charge by of equitable mortgage on the property situated at C-11, focal point, Rajpura. Also secured by first & exclusive charge on plant and machinery upto Rs. 981.7 million located at H-23, industrial area, selaqui, Dehradun and plot no.a-1/1& 1a at selaqui industrial area, Dehradun. The corporate loan is also secured by interim mortgage on H-23 , industrial area ,	12.10% p.a.	Repayable in 4 quarterly installments of Rs 12.5 million and 20 quaterly instalments of Rs 35 million starting from July 2017.

																selaqui, Dehradun (already mortgaged with Herofin corp). The corporate loan is also secured by personal guarantees of Mr. Jasbir singh (Chairman & CEO), Mr. Daljit singh (Managing Director) and Mr. Kartar singh (Chairman Emeritus) up to an extent of Rs 60 million		
24	Term loan from Others	Holding Company	Tata capital financial services limited	169.99**	30.01**	190.00**	10.000	-	-	-	-	-	-	-	-	Subservient charge by way of hypothecation on all the current assets (both present and future) of the company and first and exclusive charge by way of hypothecation on equipment funded by Tata Capital Financial Services Limited and unconditional and irrevocable personal guarantee of Mr. Jasbir singh (Chairman & CEO) and Mr. Daljit singh (Director).	LTLR - 7.00% p.a.	Repayable in 20 quarterly installments of 5 tranches as per the repayment schedule.
25	Vehicle loans from Banks	Holding Company	Various banks	-	-	-	-	-	-	-	0.37	0.37	2.15	2.51	2.44	Secured against hypothecation of specific vehicles purchased out of the proceeds of those loans	10% to 12% p.a.	Equal monthly installments of approximately Rs. 0.193 million on overall basis.
26	Vehicle loans from	Holding	Various banks	1.26	0.32	1.42	0.30	-	-	-	-	-	-	-	-	Hypothecation of specific vehicles	9% to 10% p.a.	The loan is to be repaid as per the

	Banks	Company														purchased out of the proceeds of those loans		repayment schedule in equivated annual instalments.
27	Vehicle loans from Banks	Subsidiary Company	Various banks	-	-	-	-	-	0.33	0.33	1.25	1.58	1.14	0.95	0.62	Secured against hypothecation of vehicles financed out of the loan amount.	8.21% to 14.50% per annum	Rrepayable in 3-5 years as per the respective repayment schedules.
28	Vehicle loans from Others	Subsidiary Company	Toyota Financial Private Limited	0.82	0.64	1.15	0.61	-	-	-	-	-	-	-	-	Secured against hypothecation of specific vehicles purchased out of the proceeds of this loan	9.25% per annum	To be repaid as per the respective repayment schedule.
29	Vehicle loans from Others	Holding Company	Financial Institutions	3.17	1.94	2.51	1.26	2.00	0.59	2.58	0.53	-	-	-	-	Hypothecation of specific vehicles purchased out of the proceeds of those loans	9% to 10%	As per the Repayment schedule in equivated annual instalments
30	Compulsory convertible debentures	Holding Company	Industrial Finance Corporation of India Limited	-	-	-	-	-	-	-	-	-	-	300.00	-	In case any default in conversion of Cumpulsory Convertible Debentures (CCD's) into equity shares by the Company, the same would be repalced from the shares pledged by the promoters.	Nil	These CCD's are convertible into equity share : a.) at the option of IFCI venture on issuance of the IFCI venture conversion notice at the applicable rate as mentioned in the the respective schedule in the agreement. b.) Compulsory convertible into equity shares in accordance of the agreement upon the earlier of the following

																		: i. Qualified IPO The expiry of term of the Debentures.
31	Compulsory convertible debentures	Holding Company	Reliance Alternative Investments Fund	-	-	-	-	-	-	-	-	-	-	252.00	-	In case any default in conversion of Cumpulsory Convertible Debentures (CCD's) into equity shares by the Company, the same would be repalced from the shares pledged by the promoters.	Nil	These CCDs are convertible into equity share a.) at the option of Reliance Venture on issuance of the Reliance conversion notice at the applicable rates as mentioned in the the respective schedule in the agreement. b.) Compulsory convertible into equity shares in accordance of the agreement upon the earlier of the following : i. Qualified IPO The expiry of term of the Debentures.
32	Compulsory convertible debentures	Holding Company	Ascent Investment Holdings Pte. Limited	-	500.00	500.00	-	-	-	-	-	-	-	-	-	Not applicable	8.65% p.a.	The CCDs shall be compulsorily converted into 210,703 equity shares at a premium of Rs. 227.30 per

																		equity share: (a) on the date i.e. 10 years from the date of issue or (b) on the day that is the 15th business day from the date of issuance of a CCD conversion notice by the Investor, in respect of the CCD held by the Investor.
33	Finance lease obligations	Holding Company	Connect Residuary Private Limited	2.24	32.00	13.27	26.60	39.87	24.48	64.35	22.43	79.43	19.25	-	-	Pledge of fixed deposits of Rs. 6.89 million and refundable security deposit amounting Rs. 18.11 million.	8.68% p.a. to 9.37% p.a.	Rs.60.85 for every Rs.1000 value of machinery in 20 quaterly installmeents.
34	Finance lease obligations	Holding Company	GE Capital India Limted	48.85	26.93	60.31	27.47	87.78	21.83	103.23	18.25	-	-	-	-	Secured by way of ownership of leased equipment and personal guarantee of Mr. Jasbir singh (Chairman & CEO) and Mr. Daljit singh (Managing Director).	14% to 15% p.a.	60 monthly installment from the date of respective drawdown as per repayment schedule.
35	Unsecured loan	Subsidiary Company	From Director	-	-	-	-	-	-	-	-	-	-	13.70	-	The unsecured loan includes loan taken from Mr. Rakesh Dewan, Director of subsidiary company. The loan is repayable during financial year ended 31 March 2015. The unsecured loan carries interest at 12% per annum. Entire interest accrued is computed based on simple interest on the principal amount	12% per annum	Repayable during financial year 2014-15

																outstanding as loan is payable along with the last instalment of principal repayment, i.e. during the year ended 31 March 2015. However, as per mutual consent loan were repaid during the financial year 2013-14.		

Additional disclosure for loans outstanding as on 30 September 2017 as required by the Regulations:

* *The prepayment terms will be mutually agreed between the Company and the lender at the time of prepayment, if any.*

** *As agreed with the lender, the Company has to pay 3% of amount prepaid in case of prepayment of loan.*

4 Deferred tax liabilities (net)

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Deferred tax liabilities						
Timing difference on depreciation and amortisation of fixed assets and intangible assets	569.53	464.24	343.06	281.99	215.19	139.13
Deferred tax assets						
Provision for doubtful debts	0.29	0.29	-	0.50	1.74	1.58
Provision for employee benefits	14.19	11.82	10.26	9.73	7.03	5.65
Provision for bonus	4.45	3.31	2.66	2.95	2.96	2.32
Unabsorbed depreciation	12.69	13.68	-	-	-	-
Tax impact of other expenses charged in the financial statement but allowable as deductions in future years under income tax	1.16	0.83	0.82	0.32	0.27	1.51
Rent equalisation provision	0.06	-	-	-	0.25	0.31
Deferred tax liabilities (net)	**536.69**	**434.31**	**329.32**	**267.62**	**193.30**	**123.18**

5 Other long term liabilities

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Rent equalisation provision	0.17	-	-	-	0.45	0.75
Trade payables other than micro enterprises and small enterprises	-	-	447.22	270.97	-	-
Creditors for capital expenditure	-	-	-	-	11.54	-
Interest accrued but not due on borrowing from directors of the subsidiary company	-	-	-	-	-	3.36
	0.17	**-**	**447.22**	**270.97**	**11.99**	**4.11**

6 Long-term provisions

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Provision for gratuity [also refer note 6(a)]	25.59	23.40	20.15	16.62	13.95	11.62
Provision for leave encashment	11.97	9.84	10.83	7.36	5.24	3.67
Provision for bonus	7.33					
	44.89	**33.24**	**30.98**	**23.98**	**19.19**	**15.29**

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6(a) Provision for employee benefits

(i) Defined benefit plan/ other long term benefit plans

a. Defined benefit plan - Gratuity

b. Other long term benefits - Leave encashment

The following table set out the status of the plan for gratuity and leave encashment as required under Accounting Standard (AS) - 15 (R) - Employee benefits and the reconciliation of opening and closing balances of the present value of the defined benefit obligation:

Particulars	As at 30 September 2017		As at 31 March 2017		As at 31 March 2016		As at 31 March 2015		As at 31 March 2014		As at 31 March 2013	
	Leave encashment	Gratuity	Leave encashment	Gratuity	Leave encashment	Gratuity	Leave encashment	Gratuity	Leave encashment	Gratuity	Leave encashment	Gratuity
Actuarial assumptions												
Discount rate	7.50%	7.50%	7.50%	7.50%	8.00%	8.00%	8.00%	8.00%	8.75%	8.75%	8.25%	8.25%
Rate of increase in compensation levels												
- Holding company	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
- Subsidiary company	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%
Rate of return of plan assets		7.50%	-	7.50%	-	8.00%	-	9.00%	-	-	-	-
Demographic assumptions												
Mortality rate		IALM 2006-08 Ultimate		IALM 2006-08 Ultimate		IALM 2006-08 Ultimate		IALM 2006-08 Ultimate		IALM 2006-08 Ultimate		IALM 2006-08 Ultimate
Retirement age		60		60		60		60		60		60
Withdrawal rates		4.00%		4.00%		4.00%		4.00%		4.00%		4.00%
Change in the present value of obligation :												
Present value of obligation as at		28.52		24.27		18.91		14.59		11.97		6.61

Particulars	As at 30 September 2017		As at 31 March 2017		As at 31 March 2016		As at 31 March 2015		As at 31 March 2014		As at 31 March 2013	
	Leave encashment	Gratuity	Leave encashment	Gratuity	Leave encashment	Gratuity	Leave encashment	Gratuity	Leave encashment	Gratuity	Leave encashment	Gratuity
the beginning of the period/year												
Addition on consolidation of subsidiary company		0.00		-		-		-		-		2.19
Interest cost		1.04		1.81		1.59		1.17		0.94		0.47
Current service cost		2.38		4.86		5.06		2.76		2.83		0.56
Benefits paid		(0.52)		(3.62)		(1.42)		(0.55)		(0.07)		(1.33)
Actuarial loss/(gain)		0.59		1.20		0.13		0.94		(1.08)		3.47
Present value of obligation as at the end of the period/year		**32.01**		**28.52**		**24.27**		**18.91**		**14.59**		**11.97**
Change in the fair value of plan assets:												
Fair value of plan assets at the beginning of the period/year		3.03		2.06		0.53		-		-		-
Expected return on plan assets		0.11		0.15		0.91		0.07		-		-
Contributions		1.08		0.92		0.97		1.31		-		-
Benefits paid		(0.14)		(0.14)		(0.35)		(0.85)		-		-
Actuarial gain		0.03		0.04		-		-		-		-
Fair value of plan assets at the end of the period/year		**4.11**		**3.03**		**2.06**		**0.53**		**-**		**-**
Reconciliation of present value of defined benefit obligation and the fair value of assets:												
Present value of funded obligation		32.01		28.52		24.27		18.91		14.59		11.97

Particulars	As at 30 September 2017		As at 31 March 2017		As at 31 March 2016		As at 31 March 2015		As at 31 March 2014		As at 31 March 2013	
	Leave encashment	Gratuity	Leave encashment	Gratuity	Leave encashment	Gratuity	Leave encashment	Gratuity	Leave encashment	Gratuity	Leave encashment	Gratuity
as at the end of the period/year												
Fair value of plan assets as at the end of the period funded status		4.11		3.03		2.06		0.53		-		-
Unfunded/funded net liability recognized in statement of assets and liabilities		**27.90**		**25.49**		**22.21**		**18.38**		**14.59**		**11.97**
Expenses recognised in the statement of profit and loss:												
Current service cost		2.38		4.86		5.06		2.76		2.83		0.56
Interest cost		1.04		1.81		1.59		1.17		0.94		0.47
Expected return on plan assets		(0.11)		(0.15)		(0.91)		(0.07)		-		-
Net actuarial loss recognized in the period/year		0.56		1.16		0.13		0.94		(1.08)		3.47
Total expenses recognized in the statement of profit and loss		**3.87**		**7.68**		**5.87**		**4.80**		**2.69**		**4.50**

Notes :

1) The discount rate is based on the prevailing market yield of Indian Government bonds as at the date of statement of assets and liabilities for the estimated terms of obligations.

2) The expected return is based on the expectation of the average long term rate of return on investments of the fund during the estimated terms of obligations.

3) The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

4) In the Holding Company, plan assets comprise funds managed by the i.e. Life Incurance Corporation (LIC)

5) *For gratuity of Rajpura unit, the Holding Company makes annual contributions to the LIC of an amount advised by them.*

Disclosure for current and non-current portion:

	2017-18**	2016-17	2015-16	2014-15	2013-14	2012-13
Current portion	2.31	2.09	2.06	1.75	0.64	0.35
Non-current portion	25.59	23.40	20.15	16.62	13.95	11.62
	27.90	**25.49**	**22.21**	**18.37**	**14.59**	**11.97**

Amounts for the current period and previous four periods are as follows:

Gratuity	**2017-18****	**2016-17**	**2015-16**	**2014-15**	**2013-14**	**2012-13**
Defined benefit obligation	32.01	28.52	24.27	18.91	14.59	11.97
Plan assets	4.11	3.03	2.06	0.53	-	-
Net liability	**27.90**	**25.49**	**22.21**	**18.38**	**14.59**	**11.97**
Experience adjustment arising on the gratuity benefits	0.56	1.16	0.13	0.94	(1.08)	3.47

** *Represents amounts as at and for six months ended 30 September 2017*

7. Short-term borrowings

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Working capital loans	1,498.36	272.83	499.50	750.00	250.00	235.00
Cash credits	317.76	247.62	729.31	403.80	807.34	729.85
Packing credit	4.40	31.54	196.11	191.90	175.76	87.73
Overdraft facilities	-	-	10.70	-	-	-
Bill discounting facility	11.76	8.26	27.95	-	-	-
Foreign currency loan		56.85	-	-	-	-
Buyers credit	622.28	316.77	188.47	250.76	163.58	19.17
	2,454.56	**933.87**	**1,652.04**	**1,596.46**	**1,396.68**	**1,071.75**

Notes:

As at 30 September 2017

- *Working Capital Loans, Cash Credits, Bill discounting facility, Packing Credit and Buyers' Credit facilities (except working capital loan taken by holding company from IDFC Bank) are secured by first pari passu charge on all the present and future current assets of the Company, first pari passu charge on all the present and future unencumbered moveable fixed assets of the Company, first pari passu charge by way of mortgage of industrial properties on land and building located at Plot No. C-1, Phase-II, Focal Point, Rajpura, Punjab in the name of the Company and Plot No. C-2, Phase-II, Focal Point, Rajpura, Punjab in the name of Acme Fabrications Private Limited and Plot No. D-36-37-38, Selaqui, Dehradun, Uttaranchal in the name of the Company and negative lien on Plot No. C-12 Urban Estate Focal Point, Rajpura, Punjab in the name of Acama Appliances Private Limited, first pari passu charge on Plot No. 92, Sector-6, Faridabad in the name of the Subsidiary Company and first pari passu charge on Plot No. 99, Sector-6, Faridabad in the name of Holding Company. The loans are also secured by Corporate guarantees of Holding Company. The loans are also secured by personal guarantee of Mr. Jasbir Singh (Chairman & CEO) and Mr. Daljit Singh (Managing Director) and corporate guarantees of Acme Fabrications Private Limited and Acama Appliances Private Limited.*

  Working Capital Loan of holding company from IDFC Bank i.e. Rs. 30 crore is secured by exclusive charge on immovable property situated at A-1/1A, Selaqui, Dehradun and Working capital facility of Rs. 17.50 crore is secured by exclusive charge on Plant & Machinery (written down value Rs. 6 crore) of the company property situated at Rajpura of the Holding Company and land & building of the Plant situated at H-23, Integrated Industrial Estate,Selaqui , Dehardun in the name of the Holding Company. The loans are also secured by personal guarantee of Mr. Jasbir Singh (Chairman & CEO) and Mr. Daljit Singh (Managing Director).

Terms of repayment and interest rate:

- *Working capital loans from Banks amounting to Rs. 1498.36 million carrying interest rate varying from 8.65% p.a. to 10.05% p.a. is repayable on demand.*
- *Cash Credit from Banks amounting to Rs. 317.76 million , carrying interest rate varying from 10.05% p.a. to 12.00% p.a. is repayable on demand.*
- *Buyers' Credit from Banks amounting to Rs.622.28 million carrying interest rate varying from LIBOR+ 0.30% p.a. to 0.75% p.a. is repayable on demand.*
- *Packing credit from banks amounting to Rs.4.40 million carrying interest carrying interest varying from 2.82% to 2.86% is repayable on demand.*
- *Bill discounting facilities from banks amounting to Rs. 11.76 million carrying interest rate varying from 8% to 9% is repayable on demand.*

As at 31 March 2017

- *Working capital loans, cash credits, packing credit, foreign currency loan, bill discounting and buyers' credit facilities (except IDFC Bank) are secured by first pari passu charge on all the present and future current assets of the Company, first pari passu charge on all the present and future unencumbered moveable fixed assets of the Company, first pari passu charge by way of mortgage of industrial properties including land and building located at Plot No. C-1, Phase-II, Focal Point, Rajpura, Punjab in the name of the Holding Company and Plot No. C-2, Phase-II, Focal Point, Rajpura, Punjab in the name of Acme Fabrications Private Limited and Plot No. D-36-37-38, Selaqui, Dehradun, Uttaranchal in the name of the Holding Company and negative lien on Plot No. C-12 Urban Estate Focal Point, Rajpura, Punjab in the name of Acama Appliances Private Limited, first pari passu charge on Plot No. 92, Sector-6, Faridabad in the name of the Subsidiary Company and first pari passu charge on Plot No. 99, Sector-6, Faridabad in the name of Holding Company. The loans are also secured by personal guarantee of Mr. Kartar Singh (Chairman), Mr. Jasbir Singh (Managing Director), Mr. Kirpal Singh (Director) and and Mr. Daljit Singh (Director) and corporate guarantees of Acme Fabrications Private Limited and Acama Appliances Private Limited and of the Holding Company and are repayable on demand. Working Capital Loan from IDFC Bank i.e. Rs. 300 million is secured by exclusive charge on immovable property situated at A-1/1A, Selaqui, Dehradun in the name of Holding Company and Rs. 175 million is secured by exclusive charge on Plant & Machinery (written down value Rs. 60 million) of the Holding Company property situated at Rajpura and land & building of the Plant situated at H-23, Integrated Industrial Estate, Selaqui, Dehardun in the name of Holding Company.The loans are also secured by personal guarantee of Mr. Jasbir Singh (Managing Director) and Mr. Daljit Singh (Director) and are repayable on demand.*

Terms of repayment and interest rate:

- *Working capital loans from Banks amounting to Rs. 272.83 million carrying interest rate varying from 9.50% p.a. to 11.35% p.a. is repayable on demand.*

- *Cash Credit from Banks amounting to Rs. 247.62 million , carrying interest rate varying from 10.25% p.a. to 12.25% p.a. is repayable on demand.*

- *Buyers' Credit from Banks amounting to Rs.316.77 million carrying interest rate varying from LIBOR+ 0.30% p.a. to 0.75% p.a. is repayable on demand.*

- *Packing credit from banks amounting to Rs.31.53 million carrying interest carrying interest varying from LIBOR+ 1.50% to 3.50% is repayable on demand.*

- *Foreign Currency Loan from banks amounting to Rs.56.85 million carrying interest rate varying from LIBOR+ 1.29% to 1.41% is repayable on demand.*

- *Bill discounting facilities from banks amounting to Rs. 8.26 million carrying interest rate varying is repayable on demand.*

As at 31 March 2016

- *Working capital loans, cash credits, buyers credit, foreign bill discounting, overdraft facilities and packing credits are secured by first pari passu charge on all the present and future current assets of the Company, first pari passu charge on all the present and future unencumbered moveable fixed assets of the Company, first pari passu and exclusive charge by way of mortgage of industrial properties including land and building located at Plot No. C-1, Phase-II, Focal Point, Rajpura Punjab in the name of the holding company and Plot No. C-2, Phase-II, Focal Point, Rajpura Punjab in the name of Acme Fabrications Private Limited and Plot No. D-36-37-38 , Selaqui Dehradun, Uttaranchal in the name of the holding company and negative lien on Plot No. C-12 Urban Estate Focal Point, Rajpura Punjab in the name of Acama Appliances Private Limited and Plot No. 92, Sector-6, Faridabad in the name of the subsidiary company and Plot No. 99, Sector-6, Faridabad in the name of the holding company. The loans are also secured by personal Guarantee of Mr. Kartar Singh (Chairman), Mr. Jasbir Singh (Managing Director), Mr. Kirpal Singh (Director) and and Mr. Daljit Singh (Director) and Corporate guarantees of Acme Fabrications Private Limited and Acama Appliances Private Limited and of the holding company and are repayble on demand.*

Terms of repayment and interest rate:

- *Working capital loans from Banks amounting to Rs.499.5 million carrying interest rate varying from 10.10% to 12.00% (previous year rates 11.00% to 12.75%) is repayable on demand.*

- *Cash Credit from Banks amounting to Rs.729.31 million carrying interest rate varying from 11.15% to 12.75% (previous year rates 10.00% to 13.50%) is repayable on demand.*

- *Buyers' Credit from Banks amounting to Rs.188.47 million carrying interest rate varying from LIBOR+ 0.45% to 1.35% (previous year rates LIBOR+0.40% to 1.50%) is repayable on demand.*

- *Packing credit from banks amounting to Rs.196.11 million carrying interest carrying interest varying from LIBOR+ 1.50% to 3.50% is repayable on demand.*

- *Overdraft facilities from banks amounting to Rs. 10.70 million carrying interest rate varying from 12% to 12.25% is repayable on demand.*

- *Bill discounting facilities from banks amounting to Rs. 27.95 million are repayable within normal transit period which shall not exceed 90 days from date of bill of lading.*

As at 31 March 2015

- *Working capital loans, cash credits, buyers credit facilities and packing credits are secured by first pari passu charge on all the present and future current assets of the Company, first pari passu charge on all the present and future unencumbered moveable fixed assets of the Company, first pari passu and exclusive charge by way of mortgage of industrial properties including land and building located at Plot No. C- 1, Phase-II, Focal Point, Rajpura Punjab in the name of the Company and Plot No. C-2, Phase-II, Focal Point, Rajpura Punjab in the name of Acme Fabrications Private Limited and Plot No. D-36-37-38 , Selaqui Dehradun, Uttaranchal in the name of the Company and H-23, industrial area, Selaqui, Dehradun in the name of the company and A1/1A, UPSIDC industrial area, Selaqui Dehradun in the name of the company and negative lien on Plot No. C-12 Urban Estate Focal Point, Rajpura Punjab in the name of Acama Appliances Private Limited and Plot No. 92, Sector-6, Faridabad in the name of the Company and Plot No. 99, Sector-6, Faridabad in the name Amber Enterprises (India) Private Limited. The loans are also secured by personal Guarantee of Mr. Kartar Singh (Chairman), Mr. Jasbir Singh (Managing Director), Mr. Kirpal Singh (Director) and and Mr. Daljit Singh (Director) and Corporate guarantees of Acme Fabrications Private Limited and Acama Appliances Private Limited and Amber Enterprises (India) Private Limited and are repayble on demand.*

Terms of repayment and interest rate:

- *Working capital loans from banks amounting to Rs.750 million carrying interest carrying interest varying from 11.00% to 12.75% is repayable on demand.*

- *Cash credit from banks amounting to Rs.331.39 million carrying interest carrying interest varying from 10.00% to 13.85% is repayable on demand.*

- *In Subsidiary Company, cash credit from banks amounting to Rs.72.41 million carrying interest carrying interest varying from 12.75% to 13.85% is repayable on demand.*

- *Buyers credit from banks amounting to Rs.250.76 million carrying interest carrying interest varying from LIBOR+ 0.40% to 1.50% is repayable on demand.*

- *Packing credit from banks amounting to Rs.191.90 million carrying interest carrying interest varying from LIBOR+ 1.50% to 3.50% is repayable on demand.*

As at 31 March 2014

- *Working capital loans, cash credits, buyers credit and packing credit are secured by first pari passu charge on all the present and future current assets of the Company, first pari passu charge on all the present and future unencumbered moveable fixed assets of the Company, first pari passu and exclusive charge by way of mortgage of industrial properties including land and building located at Plot No. C-1, Phase-II, Focal Point, Rajpura Punjab in the name of the Company and Plot No. C-2, Phase-II, Focal Point, Rajpura Punjab in the name of Acme Fabrications Private Limited and Plot No. D-36-37-38 , Selaqui Dehradun, Uttaranchal in the name of the Company and H-23, industrial area, Selaqui, Dehradun in the name of the company and A1/1A, UPSIDC industrial area, Selaqui Dehradun in the name of the company and negative lien on Plot No. C-12 Urban Estate Focal Point, Rajpura Punjab in the name of Acama Appliances Private Limited. The loans are also secured by personal Guarantee of Mr. Kartar Singh (Chairman), Mr. Jasbir Singh (Managing Director), Mr. Kirpal Singh (Director) and and Mr. Daljit Singh (Director) and Corporate guarantees of Acme Fabrications Private Limited and Acama Appliances Private Limited.*

- *Cash credit and packing credit facilities from Citi Bank are secured by first pari passu charge on entire current assets of the Company and collateral security extends to mortgage of commercial property located at Plot No. 99, sector-6, Industrial Area, Faridabad. These facilities are also secured through the corporate guarantee of Rs. 150 million given by the holding Company.*

- *Packing credit facility from Axis bank has been secured by first pari-passu charge by way of hypothecation on entire current assets of the company.both present and future first pari passu charge on entire fixed assets of the company, both present and future Extension of first pari passu charge by way of EM of commercial property, and measuring 2566.68 sq. yds, situated at plot no.99, sector-6, Faridabad, Haryana presently in the name of Mr. Rakesh Dewan: Promoter-director of subsidiary Company. Corporate guarantee of holding Company. Personal guarantee of Mr. Rakesh Dewan: Promoter-director of subsidiary Company. Packing credit facility from Corporation bank is secured on same terms as provided for long-term borrowings mentioned in note 3.*

- *Bill discounting facility are secured by first pari passu charge on all the present and future current assets, first pari passu charge on all the present and future unencumbered movable fixed assets of the borrower, first pari passu charge by way of mortgage of industrial properties including land and building located at Plot No. C-1, Phase-II, Focal Point, Rajpura, Punjab in the name of the Company and Plot No. C-2, Phase-II, Focal Point, Rajpura, Punjab in the name of Acme Fabrications Private Limited and Plot No. D-36-37-38, Selaqui Dehradun, Uttaranchal in the name of the Company and negative lien on Plot No. C-12, Urban Estate Focal Point, Rajpura, Punjab in the name of Acama Appliances Private Limited. The loans are also secured by personal guarantee of Mr. Kartar Singh (Chairman), Mr. Jasbir Singh (Managing Director), Mr. Kirpal Singh (Director) and Mr. Daljit Singh (Director) and corporate guarantees of Acme Fabrications Private Limited and Acama Appliances Private Limited.*

Terms of repayment and interest rate:

- *Cash Credit facilities are repayable on demand.*

- *Other facilities viz. Buyers credit, packing credit and bill discounting facilities from Corporation bank are repayable within normal transit period which shall not exceed 90 days from date of bill of lading.*

- *Packing credit facility from Axis bank are repayable within 180 days or on expiry of contracts or letter of credit given by the customer whichever is earlier.*

- *Working capital facilities are repayable on demand and carries interest in the range between 10% to 11.50% per annum.*

As at 31 March 2013

- *Working capital loans of the holding Company are secured by pari passu first charge on all the present and future current assets, first pari passu charge on all the present and future unencumbered movable fixed assets of the borrower, first pari passu charge by way of mortgage of industrial properties including land and building located at Plot No. C-1, Phase-II, Focal Point, Rajpura Punjab in the name of the Company and Plot No. C-2, Phase-II, Focal Point, Rajpura Punjab in the name of Acme Fabrications Private Limited and Plot No. D-36-37-38, Selaqui Dehradun, Uttaranchal in the name of the Company and negative lien on Plot No. C-12, Urban Estate Focal Point, Rajpura Punjab in the name of Acama Appiances Private Limited, exclusive charge by way of equitable mortgage on land and building of the Company situated at A-1/1-A,UPSIDC Industrial Area, Selaqui, Dehradun having minimum valuation of Rs.120 million. The loans are also secured by personal guarantee of Mr. Kartar Singh (Chairman), Mr. Jasbir Singh (Managing Director), Mr. Kirpal Singh (Director) and Mr. Daljit Singh (Director) and Corporate guarantees of Acme Fabrications Private Limited and Acama Appliances Private Limited.*

- *Cash credit facilities by the holding Company are secured by pari passu first charge on all the present and future current assets, first pari passu charge on all the present and future unencumbered movable fixed assets of the borrower, first pari passu charge by way of mortgage of industrial properties including land and building located at Plot No. C-1, Phase-II, Focal Point, Rajpura Punjab in the name of the Company and Plot No. C-2, Phase-II, Focal Point, Rajpura Punjab in the name of Acme Fabrications Private Limited and Plot No. D-36-37-38, Selaqui Dehradun, Uttaranchal in the name of the Company and negative lien on Plot No. C-12, Urban Estate Focal Point, Rajpura, Punjab in the name of Acama Appliances Private Limited. The loans are also secured by personal guarantee of Mr. Kartar Singh (Chairman), Mr. Jasbir Singh (Managing Director), Mr. Kirpal Singh (Director) and and Mr. Daljit Singh (Director) and corporate guarantees of Acme Fabrications Private Limited and Acama Appliances Private Limited.*

- *Buyers credit by the holding Company are secured by first pari passu charge on all the present and future current assets, first pari passu charge on all the present and future unencumbered movable fixed assets of the borrower, first pari passu charge by way of mortgage of industrial properties including land and building located at Plot No. C-1, Phase-II, Focal Point, Rajpura, Punjab in the name of the Company and Plot No. C-2, Phase-II, Focal Point, Rajpura, Punjab in the name of Acme Fabrications Private Limited and Plot No. D-36-37-38, Selaqui Dehradun, Uttaranchal in the name of the Company and negative lien on Plot No. C-12, Urban Estate Focal Point, Rajpura, Punjab in the name of Acama Appliances Private Limited. The loans are also secured by personal guarantee of Mr. Kartar Singh (Chairman), Mr. Jasbir Singh (Managing Director), Mr. Kirpal Singh (Director) and Mr. Daljit Singh (Director) and corporate guarantees of Acme Fabrications Private Limited and Acama Appliances Private Limited.*

- *Working Capital facilities by subsidiary Company from Corporation Bank amounting Rs.0.88 million, carrying interest rate at base rate plus 3.25%, i.e. 13.75% per annum is secured against the first charge on plant and machinery acquired out of term loan. Other facilities from Corporation Bank is secured against the personal guarantee of Rs.132.6 millions of Mr Jasbir Singh, of Rs.61 millions of Mr Daljit Singh and of Rs.760.5 millions of holding Company, first charge by way of hypothecation of entire current assets of the Company inculuding book debts and inventories, first charge by way of hypothecation of plant and machinery and other movable assets. For term loan and other facilities, collateral security extends to mortgage of commercial property, situated at Plot-92 and Plot-99, Sector-6, Industrial area, Faridabad and security extends to first pari passu charge on the entire current assets of the Company. The above mentioned property will be charged to both Corporation Bank and Axis Bank.*

- *Packing credit facility by the subsidiary Company from Axis bank has been secured by first pari-passu charge by way of hypothecation on entire current assets of the company.both present and future first pari-passu charge on entire fixed assets of the company, both present and future Extension of first pari-passu charge by way of EM of commercial property, and measuring 2566.68 sq. yds, situated at plot no.99, sector-6, Faridabad, Haryana presently in the name of Mr. Rakesh Dewan: Promoter-director of subsidiary Company. Corporate guarantee of holding Company. Personal guarantee of Mr. Rakesh Dewan: Promoter-director of subsidiary Company. Packing credit facility from Corporation bank is secured on same terms.*

- *Bill discounting facility by the holding Company are secured by first pari passu charge on all the present and future current assets, first pari passu charge on all the present and future unencumbered movable fixed assets of the borrower, first pari passu charge by way of mortgage of industrial properties including land and building located at Plot No. C-1, Phase-II, Focal Point, Rajpura, Punjab in the name of the Company and Plot No. C-2, Phase-II, Focal Point, Rajpura, Punjab in the name of Acme Fabrications Private Limited and Plot No. D-36-37-38, Selaqui Dehradun, Uttaranchal paerdesh in the name of the Company and negative lien on Plot No. C-12, Urban Estate Focal Point, Rajpura, Punjab in the name of Acama Appliances Private Limited. The loans are also secured*

by personal guarantee of Mr. Kartar Singh (Chairman), Mr. Jasbir Singh (Managing Director), Mr. Kirpal Singh (Director) and Mr. Daljit Singh (Director) and corporate guarantees of Acme Fabrications Private Limited and Acama Appliances Private Limited.

Terms of repayment and interest rate:

- *Cash Credit facilities are repayable on demand.*
- *Other facilities viz. Buyers credit, packing credit and bill discounting facilities from Corporation bank are repayable within normal transit period which shall not exceed 90 days from date of bill of lading.*
- *Packing credit facility from Axis bank are repayable within 180 days or on expiry of contracts or letter of credit given by the customer whichever is earlier.*
- *Working capital facilities carry interest ranging between 10% to 11.50% per annum.*

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8. Trade payables

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Due to micro and small enterprises [refer note (a) below]	128.91	254.97	164.54	113.27	3.29	2.18
Dues to related party (refer note 30)	0.40	0.79	-	-	29.16	-
Dues to others	1,795.35	4,202.20	2,672.58	2,306.40	1,979.35	2,324.62
	1,924.66	**4,457.96**	**2,837.12**	**2,419.67**	**2,011.80**	**2,326.80**

a. Dues to micro and small enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED),2006

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act ,2006 (MSMED Act, 2006) and based on the information available with the Group, the following are the details:

	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Principal amount remaining unpaid	122.13	249.71	162.34	112.64	3.29	2.18
Interest accrued and due thereon remaining unpaid	1.52	3.06	1.57	0.63	-	-
Interest paid by the company in terms of service 16 of MSMED Act 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the year	-	-	-	-	-	-
Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year), but without adding the interest specified under MSMED Act, 2006.	-	-	-	-	-	-
Interest accrued and remaining unpaid as at the end of the year	6.78	5.26	2.20	0.63	-	-
Further interest remaining due and payable even in the succeeding years ,until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-	-	-	-	-

9 Other current liabilities

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Current maturities of long-term borrowings:						
Term loan (also refer note 3)						
-from banks	136.15	87.00	173.81	491.38	485.97	173.51
-from others	172.68	115.56	93.17	58.55	73.33	-
8.65% Compulsory convertible debentures of Rs 50,000,000 each [refer note a]	500.00	-	-	-	-	-
Vehicle loan (also refer note 3)	-					
-from banks	0.32	0.30	0.33	1.62	3.29	3.06
-from others	2.58	1.87	0.59	0.53	-	-
Finance lease obligation (also refer note 3 and 33)	58.93	54.07	46.32	40.68	19.25	-
Advance from customers *	2.62	3.30	0.36	4.13	27.72	15.63
Creditors for capital expenditure	23.62	51.96	41.64	39.42	125.37	78.65
Acceptances for bills discounted	197.76	601.40	1,053.66	809.19	746.34	635.26
Statutory dues	12.09	66.79	66.04	44.83	39.70	42.37
Rent equalisation provision	-	-	-	-	0.29	0.18
Interest accrued but not due	46.57	19.40	15.25	15.84	14.70	10.90
Interest accrued and due on borrowings	0.14	-	-	-	-	-
Expenses payable *	54.63	57.05	45.29	19.75	22.11	45.85
Employee related payables*	42.16	43.01	41.80	30.59	28.09	23.14
Book overdraft	-	-	-	-	-	58.96
Forward payable (including mark to market losses) [net of forward receivable]	-	0.12	0.23	6.76	21.79	13.58
Other accrued liabilities	1.49	-	-	-	-	-
	1,251.74	**1,101.83**	**1,578.49**	**1,563.27**	**1,607.95**	**1,101.09**

* *For balances related to related party, refer note 30.*

a. On 02 December 2017, as per agreed terms, the holding company has converted its Compulsory convertible debentures into equity shares.

10 Short-term provisions

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Provision for gratuity [also refer note 6(a)]	2.31	2.08	2.07	1.75	0.64	0.35
Provision for wealth tax	-	-	-	0.32	0.32	0.14

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Provision for leave encashment	3.79	3.79	0.54	2.94	2.43	2.24
Provision for bonus	9.12	9.19	8.71	8.92	8.69	6.82
Provision for income tax [net of prepaid taxes]	32.15	25.05	22.85	46.87	50.35	23.65
	47.37	**40.11**	**34.17**	**60.80**	**62.43**	**33.20**

11 Property, plant and equipment

Details of the Groups's property, plant and equipment and their carrying amounts are as follows:

Particulars	Land	Buildings	Leasehold improvements	Plant and machinery (owned assets)	Plant and machinery (leasehold assets)	Furniture and fixtures	Office equipments	Vehicles	Computers	Total
Gross block										
As at 1 April 2012	95.97	240.27	-	1,573.63	-	8.55	9.22	27.67	11.60	**1,966.91**
Acquired pursuant to business purchase arrangement (refer note 36)	-	-	-	17.26	-	0.29	0.14	0.02	0.01	**17.72**
Addition due to acquisition/ consolidation of subsidiary Company (refer note 37)	26.60	42.03	-	103.07	-	9.70	2.38	7.67	9.59	**201.04**
Additions (other than above)	169.76	131.04	-	469.98	-	2.83	4.70	10.52	4.29	**793.12**
Sales /adjustments during the year	42.98	2.03	-	12.45	-	0.02	-	4.23	-	**61.71**
As at 31 March 2013	249.35	411.31	-	2,151.49	-	21.35	16.44	41.65	25.49	2,917.08
Additions	107.22	186.46	5.65	276.23	118.12	13.83	6.46	9.57	3.44	**726.97**
Sales /adjustments during the year	-	1.77	-	40.60	-	0.08	0.08	4.71	0.28	**47.53**
As at 31 March 2014	356.57	596.00	5.65	2,387.12	118.12	35.10	22.82	46.51	28.65	**3,596.53**
Additions	35.41	32.38	-	778.81	-	2.65	3.16	5.32	3.18	**860.92**

Sales /adjustments during the year	-	-	-	16.93	-	-	-	6.16	-	**23.09**
As at 31 March 2015	391.98	628.38	5.65	3,148.99	118.12	37.76	25.98	45.68	31.83	**4,434.36**
Additions	5.30	123.29	-	685.59	153.62	2.66	4.60	3.01	2.32	**980.39**
Sales /adjustments during the year	-	-	-	10.20	1.04	0.01	0.02	2.56	0.03	**13.85**
As at 31 March 2016	397.28	751.67	5.65	3,824.38	270.70	40.42	30.57	46.13	34.11	**5,400.91**
Additions	1.84	88.96	-	600.32	-	4.21	5.85	7.43	4.46	**713.07**
Sales /adjustments during the year	0.40	-	-	4.72	-	-	-	2.75	0.22	**8.08**
As at 31 March 2017	398.72	840.63	5.65	4,419.98	270.70	44.62	36.43	50.81	38.34	**6,105.89**
Additions	0.05	45.17	1.59	93.54	0.00	0.82	4.68	3.38	2.97	**152.19**
Sales /adjustments during the period	0.00	0.00	0.00	7.24	0.00	0.00	0.00	0.68	0.00	**7.92**
As at 30 September 2017	398.77	885.80	7.24	4,506.27	270.70	45.44	41.11	53.51	41.31	**6,250.17**

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11 Property, plant and equipment (Cont'd)

Details of the Groups's property, plant and equipment and their carrying amounts are as follows:

Particulars	Land	Buildings	Leasehold improvements	Plant and machinery (owned assets)	Plant and machinery (leasehold assets)	Furniture and fixtures	Office equipments	Vehicles	Computers	Total
Depreciation/amortisation										
As at 1 April 2012	-	13.36	-	382.28	-	0.80	1.17	6.23	5.38	**409.22**
Addition due to consolidation of subsidiary Company (refer note 37)	-	8.48	-	21.12	-	5.58	(0.31)	2.99	5.69	**43.55**
Charge for the year	-	8.38	-	102.28	-	1.06	1.09	3.59	1.47	**117.87**
Sales /adjustments during the year	-	0.66	-	0.71	-	0.01	-	1.47	-	**2.85**
As at 31 March 2013	-	29.56	-	504.97	-	7.43	1.95	11.34	12.54	**567.78**
Charge for the year	-	14.95	0.28	127.76	1.98	0.65	3.50	5.22	4.06	**158.41**
Sales /adjustments during the year	-	0.45	-	5.34	-	0.05	0.05	3.02	0.15	**9.06**
As at 31 March 2014	-	44.06	0.28	627.39	1.98	8.03	5.40	13.54	16.45	**717.13**
Charge for the year	-	20.09	-	156.15	5.46	3.79	6.38	4.49	5.62	**201.98**
Adjustment from reserves	-	0.21	-	2.26	-	0.57	0.91	-	2.25	**6.19**
Sales /adjustments during the year	-	-	-	5.52	-	-	0.00	4.57	-	**10.09**
As at 31 March 2015	-	64.35	0.28	780.28	7.44	12.39	12.69	13.46	24.31	**915.22**
Charge for the year	-	21.06	0.68	199.93	8.38	4.04	5.18	4.41	4.20	**247.88**
Impairment loss	-	1.89	-	2.54	-	0.91	0.01	0.01	0.03	**5.39**
Sales /adjustments during the year	-	0.81	(0.68)	4.41	(1.58)	0.19	(0.01)	1.41	0.12	**4.67**
As at 31 March 2016	-	86.49	1.64	978.35	17.40	17.16	17.89	16.47	28.42	**1,163.82**
Charge for the year	-	24.15	0.68	247.66	17.16	3.65	4.84	4.39	2.77	**305.30**
Impairment loss	-	-	-	2.28	-	0.18	-	-	-	**2.46**
Sales /adjustments during the year	-	-	-	2.54	-	-	-	0.88	0.19	**3.60**
As at 31 March 2017	0.00	110.65	2.32	1,225.76	34.56	20.99	22.72	19.98	31.00	**1,467.98**

Particulars	Land	Buildings	Leasehold improvements	Plant and machinery (owned assets)	Plant and machinery (leasehold assets)	Furniture and fixtures	Office equipments	Vehicles	Computers	Total
Charge for the year	-	13.43	0.35	128.95	17.16	1.94	2.42	2.48	1.68	**168.41**
Sales /adjustments during the period	-	-	-	3.28	-	-	-	-	-	**3.28**
As at 30 September 2017	0.00	124.08	2.67	1,351.43	51.72	22.93	25.14	22.46	32.68	**1,633.10**
Net block at 31 March 2012	95.97	226.91	-	1,191.35	-	7.75	8.05	21.43	6.23	**1,557.69**
Net block at 31 March 2013	249.35	381.75	-	1,646.52	-	13.92	14.49	30.31	12.96	**2,349.29**
Net block at 31 March 2014	356.57	551.94	5.37	1,759.73	116.14	27.07	17.42	32.97	12.20	**2,879.40**
Net block at 31 March 2015	391.98	564.02	5.37	2,368.71	110.67	25.36	13.29	32.22	7.51	**3,519.14**
Net block at 31 March 2016	397.28	665.18	4.01	2,846.03	253.31	23.25	12.68	29.66	5.69	**4,237.09**
Net block at 31 March 2017	398.72	729.98	3.33	3,194.22	236.15	23.63	13.70	30.83	7.35	**4,637.91**
Net block at 30 September 2017	398.77	761.72	4.57	3,154.84	218.98	22.51	15.97	31.05	8.63	**4,617.07**

Notes:

a. *Impact due to revision of useful life in accordance with the requirement of Schedule II of the Companies Act, 2013:*

Pursuant to the enactment of schedule II to the Companies Act, 2013 w.e.f 1 April 2014, the management has changed the useful lives of the assets to compute depreciation to conform with its requirements. Further as provided under schedule II, the carrying amount of the assets whose reassessed remaining useful life is Nil as at 1 April 2014 has been adjusted from the retained earnings amounting to Rs. 4.18 millions (net of tax).

b. *For property, plant and equipment pledged as security, refer note 3 (a).*

c. *For borrowings costs capitalised during the respective years, refer note 25.*

12 Intangible assets

Details of the Group's intangible assets and their carrying amounts are as follows:

Particulars	Softwares	Goodwill	Product development	Patent & trademark	Total
Gross block					
As at 1 April 2012	5.31	-	-	-	**5.31**
Addition due to acquisition/consolidation of subsidiary company (refer note 36)	8.13	-	-	3.00	**11.13**
Additions (other than above)	7.07	2.96	129.19	-	**139.23**
Sales /adjustments during the year	-	-	-	-	**-**
As at 31 March 2013	20.51	2.96	129.19	3.00	**155.67**
Additions	3.75	-	211.22	-	**214.96**
Sales /adjustments during the year	0.00	-	0.16	-	**0.16**
As at 31 March 2014	24.26	2.96	340.24	3.00	**370.47**
Additions	6.22	-	55.06	-	**61.27**
Sales /adjustments during the year	-	-	1.39	-	**1.39**
As at 31 March 2015	30.48	2.96	393.91	3.00	**430.35**
Additions	1.62	-	176.11	-	**177.73**
Sales /adjustments during the year	-	-	1.75	-	**1.75**
As at 31 March 2016	32.10	2.96	568.26	3.00	**606.32**
Additions	5.45	-	242.84	-	**248.29**
Sales /adjustments during the year	-	-	2.87	-	**2.87**
As at 31 March 2017	37.54	2.96	808.24	3.00	**851.74**
Additions	0.33	0.00	4.59	0.00	**4.93**
Sales /adjustments during the year	0.00	0.00	0.00	0.00	**0.00**
As at 30 September 2017	37.87	2.96	812.83	3.00	**856.66**
Depreciation/amortisation					
As at 01 April 2012	0.55	-	-	-	**0.55**
Addition due to acquisition/consolidation of subsidiary company (refer note 36)	5.02	-	-	2.62	**7.64**
Charge for the year	2.32	0.59	3.65	0.08	**6.65**
Sales /adjustments during the year	-	-	-	-	**-**
As at 31 March 2013	7.89	0.59	3.65	2.70	**14.84**
Charge for the year	3.70	0.59	21.36	0.12	**25.78**
Sales /adjustments during the year	-	-	-	-	**-**
As at 31 March 2014	11.60	1.18	25.01	2.83	**40.61**
Charge for the year	3.05	0.59	49.99	0.03	**53.67**
Sales /adjustments during the year	-	-	1.08	-	**1.08**

Particulars	Softwares	Goodwill	Product development	Patent & trademark	Total
As at 31 March 2015	14.65	1.78	73.92	2.85	**93.20**
Charge for the year	3.44	0.30	56.98	0.03	**60.75**
Impairment loss	-	-	11.22	-	**11.22**
Sales /adjustments during the year	(0.01)	-	0.45	-	**0.45**
As at 31 March 2016	18.10	2.07	141.67	2.88	**164.72**
Charge for the year	3.78	0.30	87.59	0.03	**91.70**
Sales /adjustments during the year	-	-	2.87	-	**2.87**
As at 31 March 2017	21.88	2.37	226.39	2.91	**253.56**
Charge for the year	2.29	0.15	57.96	0.01	**60.41**
Sales /adjustments during the year	0.00	0.00	0.00	0.00	**0.00**
As at 30 September 2017	24.18	2.52	284.35	2.92	**313.97**
Net block at 31 March 2012	4.76	-	-	-	**4.76**
Net block at 31 March 2013	12.62	2.37	125.54	0.30	**140.83**
Net block at 31 March 2014	12.66	1.78	315.24	0.17	**329.85**
Net block at 31 March 2015	15.83	1.18	319.99	0.15	**337.15**
Net block at 31 March 2016	14.00	0.89	426.59	0.12	**441.60**
Net block at 31 March 2017	15.66	0.59	581.84	0.09	**598.19**
Net block at 30 September 2017	13.69	0.44	528.48	0.08	**542.69**

13 **Long-term loans and advances** (unsecured considered good, unless otherwise stated)

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Capital advances to related parties *	-	-	-	4.26	21.97	24.10
Capital advances to others	156.82	71.32	71.71	53.38	40.69	61.35
Security deposits*	93.40	89.18	84.54	66.74	120.63	89.67
Minimum Alternate Tax (MAT) credit entitlement [refer note (a) below]	406.92	328.39	240.23	161.81	9.46	9.46
Balance with statutory and government authorities	9.98	11.09	11.09	11.09	1.95	-
Prepaid income taxes (net of provisions)	8.06	10.29	6.71	-	-	-
Prepaid expenses	10.19	42.19	19.19	17.45	1.86	-
Loans and advances to employees	-	-	-	-	-	1.06

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
	685.37	**552.46**	**433.47**	**314.73**	**196.56**	**185.64**

* *Refer note 30 for the same*

a. Minimum alternate tax (MAT) credit entitlement

Balance at beginning of the period/year	328.39	240.23	187.86	139.62	84.24	33.50
Add: MAT credit entitlement recognised during the period/year	79.74	88.16	55.24	48.13	55.38	50.74
Less: Minimum alternative tax credit utilised/reversed	0.00	-	(2.87)	0.11	-	-
Balance at end of the period/year	408.14	328.39	240.23	187.86	139.62	84.24
Less: current portion	(1.22)	-	-	(26.05)	(130.16)	(74.78)
Non current portion (as presented above)	406.92	328.39	240.23	161.81	9.46	9.46

14 Other non-current assets

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Non-current bank balances (refer note 17)	4.10	30.92	18.60	40.15	44.00	91.60
Interest accrued but not due on fixed deposits	0.45	2.71	0.82	2.74	5.50	10.15
Forward receivable (net of forward payable, if any)	-	-	-	-	3.53	10.45
	4.55	**33.63**	**19.42**	**42.89**	**53.03**	**112.20**

15 Inventories (valued at lower of cost and net realisable value, unless otherwise stated)

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Raw material	2,051.14	1,941.79	1,837.67	1,414.93	1,298.67	1,190.53
Raw material in transit	114.66	52.73	15.46	121.65	152.26	108.02
Work-in-progress	76.34	169.79	95.31	86.78	64.17	78.99
Finished goods	342.43	447.05	243.63	180.88	153.78	164.88
Stores, spares and other consumables	12.34	17.85	21.19	21.70	12.13	15.38
Packing materials	47.40	25.92	24.86	48.79	53.48	35.45
Scrap (valued at net realisable value)	10.31	21.53	19.60	19.61	7.45	21.98

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
	2,654.62	**2,676.66**	**2,257.72**	**1,894.34**	**1,741.94**	**1,615.23**

a. Details of work-in-progress

Air conditioner parts	11.06	100.43	6.41	12.43	16.65	17.93
Refrigerator parts	1.92	9.05	4.87	5.56	-	-
Electric motors	62.04	56.15	80.61	51.00	34.86	52.68
Others	1.32	4.16	3.42	17.79	12.66	8.38
	76.34	169.79	95.31	86.78	64.17	78.99

b. Details of finished goods

Air conditioner parts	213.07	303.37	158.14	81.42	39.20	56.52
Air conditioners	89.69	97.09	28.90	42.07	52.01	39.37
Electric motor	16.98	26.09	16.77	18.40	21.76	36.31
Others	22.69	20.50	39.82	38.99	40.81	32.68
	342.43	447.05	243.63	180.88	153.78	164.88

16 Trade receivables

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Unsecured						
Debts outstanding for a period exceeding six months from the date they are due for payment						
Considered good *	11.15	26.01	32.69	29.98	53.54	41.68
Considered doubtful	0.88	0.88	-	1.54	1.54	7.43
	12.03	26.89	32.69	31.52	55.08	49.11
Less: Allowances for bad and doubtful debts	0.88	0.88	-	1.54	1.54	7.43
	11.15	26.01	32.69	29.98	53.54	41.68
Other debts						
Unsecured, Considered good *	1,736.63	3,077.99	2,446.77	2,285.94	1,530.74	1,749.81
Unsecured, Considered doubtful		-	-	-	-	0.63

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
	1,736.63	3,077.99	2,446.77	2,285.94	1,530.74	1,750.44
Less: Allowances for bad and doubtful debts	-	-	-	-	-	0.63
	1,736.63	3,077.99	2,446.77	2,285.94	1,530.74	1,749.81
	1,747.78	**3,104.00**	**2,479.46**	**2,315.92**	**1,584.28**	**1,791.49**
* Refer note 30 for balance with related parties						

17. Cash and bank balances

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Cash and cash equivalents:						
Cash in hand	3.58	1.48	1.24	1.27	1.89	2.71
Cheques in hand		9.36	0.45	3.15	0.11	62.97
Balances with banks						
- in current and cash credit accounts	60.25	89.37	22.30	15.51	67.15	60.24
	63.83	100.21	23.99	19.93	69.15	125.92
Other bank balances*:						
- escrow accounts		-	-	-	85.50	85.50
- deposit accounts (with original maturity upto three months)	60.42	63.17	32.56	57.02	242.53	14.12
- deposit accounts (with original maturity more than three months, but less than twelve months)	162.02	183.81	127.01	212.09	109.24	206.69
- deposit accounts (with original maturity more than twelve months)	4.10	30.92	18.60	40.15	44.00	91.60
	226.54	277.90	178.17	309.26	481.27	397.91
Less : Amounts disclosed as other non-current assets (refer note 14)	(4.10)	(30.92)	(18.60)	(40.15)	(44.00)	(91.60)
	222.44	246.98	159.57	269.11	437.27	306.31
	286.27	**347.19**	**183.56**	**289.04**	**506.42**	**432.23**
*** Cash and bank balances which are under restriction:**	-					
Fixed deposits with banks held as margin money for letter of credits, bank guarantees, working capital facilities and buyers credit	163.83	150.67	106.69	124.43	54.16	141.67

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Fixed deposits with banks held as margin money for External Commercial Borrowings (ECB)	-	-	-	157.85	305.76	35.60
Fixed deposits with banks held as margin money for term loan	44.88	39.60	32.24	14.49	10.66	135.00
Balance held in "Rakesh Deewan Amber Escrow Account" pursuant to share purchase agreement	-	-	-	-	85.50	85.50
Fixed deposits lodged with banks for issue of guarantees in favour of sale tax authorities	0.44	0.44	0.41	0.15	0.15	0.14
Fixed deposits with banks held as margin money for assets taken on lease	8.59	8.59	8.30	6.89	6.89	-
Fixed deposits with banks held till security perfection	-	-	5.91	-	5.00	-
	217.74	**199.30**	**153.55**	**303.81**	**468.12**	**397.91**
Cash and bank balances which are not under restriction	8.81	78.60	24.62	5.45	13.15	-

18 **Short-term loans and advances** (Unsecured, considered good, unless otherwise stated)

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Advances to related parties (refer note 30)		-	1.31	8.06	4.45	1.76
Advances to suppliers	111.47	12.94	55.94	101.74	67.84	89.76
Loans and advances to employees	12.91	10.28	5.31	8.76	19.30	12.32
Security deposits	-					
-to related parties (refer note 30)	-	38.50	38.50	38.50	-	0.00
-to others	70.73	31.66	30.67	28.79	5.21	3.67
Prepaid expenses	14.24	24.41	15.32	18.08	21.12	6.00
Balances with statutory and government authorities	215.59	207.09	241.64	227.93	216.92	139.99
Advance interest on invoice financing with banks	2.04	6.95	11.19	10.33	9.74	3.78
Minimum Alternate Tax (MAT) credit entitlement [refer note 13 (a)]	1.22	-	-	26.05	130.16	74.78
Advance tax	-	-	-	-	8.99	5.49
Other recoverables	49.25	39.38	5.77	8.83	0.43	0.18
	477.45	**371.21**	**405.65**	**477.07**	**484.16**	**337.73**

19 ***Other current assets***

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Interest accrued but not due on fixed deposits	6.56	5.20	6.29	13.61	19.56	22.40
Forward receivable (net of forward payable)	-	-	-	4.10	14.11	8.36
Margin money against commodities hedging	-	-	3.27	6.10	2.90	-
Other assets*	31.87	-	-	-	-	-
	38.43	**5.20**	**9.56**	**23.81**	**36.57**	**30.76**

* *includes share issue expenses (to the extent not written off adjusted)(refer note 42)*

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	Particulars	For six months ended 30 September 2017	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
20	**Revenue from operations**						
	Sale of products (including excise duty) (refer note 40)	9,577.67	17,130.05	11,282.93	12,683.49	10,040.78	8,940.38
		-					
	Other operating revenues	-					
	-Scrap sales	88.75	143.12	135.67	110.27	80.51	73.58
	-Testing charges	-	-	8.58	-	-	-
	-Job work charges	5.02	3.52	3.21	3.29	1.91	5.12
	-Export incentive	6.46	6.83	21.61	13.19	21.76	10.82
	-Budgetory support income under GST regime	15.04	-	-	-	-	-
		9,692.94	17,283.52	11,452.00	12,810.24	10,144.96	9,029.90
	Less : Excise duty	311.31	839.54	561.74	507.59	411.18	272.79
	Revenue from operations (net)	**9,381.63**	**16,443.98**	**10,890.26**	**12,302.65**	**9,733.78**	**8,757.11**
	Details of manufactured products sold (excluding other operating revenue and excise duty)						
	Air conditioners and related components	7,677.98	13,749.53	8,122.41	7,952.48	6,055.80	5,611.63
	Refrigerators and related components	251.12	365.76	325.87	404.44	403.64	444.09
	Washing machines	104.91	139.57	127.64	143.12	86.40	10.99
	Electric motor	483.10	868.71	1,065.03	1,451.33	920.81	369.10
	Others	749.26	1,166.94	1,080.24	2,224.53	2,162.94	2,231.77
		9,266.37	16,290.51	10,721.19	12,175.90	9,629.59	8,667.58

21 Other income

Other income	33.87	78.57	30.89	62.02	63.22	66.26
Profit before tax	375.52	383.98	327.11	404.01	305.15	291.38
% age of other income w.r.t net profit before tax	9.02%	20.46%	9.44%	15.35%	20.72%	22.74%

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	Particulars	For six months ended 30 September 2017	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
	Break up of "Other Income"						
	(Not related to Business activities)						
	Recurring other incomes						
	Interest income on deposits with banks	7.46	15.27	18.74	27.52	41.52	29.73
	Non-recurring other incomes						
	Insurance claims	1.07	0.31	0.03	1.17	-	-
	Profit on disposal of fixed assets (net)	0.93	3.35	-	4.09	3.86	21.00
	Interest income on mutual funds	-	-	-	-	-	5.02
	Subsidy claim received	-	-	-	-	1.30	-
	Liabilities no longer required written back	-	0.56	7.29	5.04	15.32	-
	Foreign exchange fluctuation (net)	23.13	54.67	-	-	-	-
	Sales tax refund	-	0.16	-	2.03	-	-
	Bad debts recovered	-	2.18	-	-	-	-
	Provision for doubtful debts written back	-	-	1.54	-	-	-
	Interest income on others	-	-	-	-	-	2.13
	Profit on mark to market of derivative contracts	-	-	-	15.03	-	5.74
	Miscellaneous income	1.28	2.07	3.29	7.14	1.22	2.64
		33.87	**78.57**	**30.89**	**62.02**	**63.22**	**66.26**
22	**Cost of materials consumed**						
	Opening stock						
	Raw material	1,941.79	1,837.67	1,414.93	1,298.67	1,190.53	810.92
	Stores, spares and other consumables	17.85	21.19	21.70	12.13	15.38	8.65
	Packing material	25.92	24.86	48.79	53.48	35.45	8.95
	Less: Credits allowed under Goods and Service Tax Act, 2017 (refer note 41)	(17.96)					
	Add: Purchases made during the year	7,785.56	14,111.10	9,047.30	10,311.41	8,061.30	7,721.89
	Add: Adjustments	-					
	Adjustment pursuant to business purchase arrangement (refer note 36)	-	-	-	-	-	0.90
	Adjustment pursuant to acquisition of subsidiary (refer note 37)	-	-	-	-	-	81.50

Particulars	For six months ended 30 September 2017	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
	9,753.16	15,994.82	10,532.72	11,675.69	9,302.66	8,632.81
Less: Closing stock						
Raw material	2,051.14	1,941.79	1,837.67	1,414.93	1,298.67	1,190.53
Stores, spares and other consumables	12.34	17.85	21.19	21.70	12.13	15.38
Packing material	47.40	25.92	24.86	48.79	53.48	35.45
	2,110.88	1,985.56	1,883.72	1,485.42	1,364.28	1,241.36
	7,642.28	**14,009.26**	**8,649.00**	**10,190.27**	**7,938.38**	**7,391.45**

a. Details of raw material and components consumed

Air conditioner parts and accessories	6,010.06	12,074.86	6,666.97	6,929.52	5,340.16	4,978.23
Others	1,632.22	1,934.40	1,982.03	3,260.75	2,598.22	2,413.22
	7,642.28	14,009.26	8,649.00	10,190.27	7,938.38	7,391.45

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23 Changes in inventories of finished goods and work-in-progress

Opening stock						
Work-in-progress	169.79	95.31	86.78	64.17	78.99	114.28
Finished goods	447.05	243.63	180.88	153.78	164.88	111.54
Scrap	21.53	19.60	19.61	7.45	21.98	0.07
Adjustment pursuant to acquisition/ consolidation of subsidiary (refer note 37)						
Work-in-progress	-	-	-	-	-	54.54
Finished goods	-	-	-	-	-	52.58
Closing stock						
Work-in-progress	76.34	169.79	95.31	86.78	64.17	78.99
Finished goods	342.43	447.05	243.63	180.88	153.78	164.88
Scrap	10.31	21.53	19.60	19.61	7.45	21.98
	-					
Impact of excise duty on opening/closing stock	27.38	(8.53)	(7.29)	(5.45)	(0.10)	(10.07)
	181.91	**(271.30)**	**(63.98)**	**(56.42)**	**40.55**	**77.23**

	Particulars	For six months ended 30 September 2017	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
24	**Employee benefits expense**						
	Salary, wages and bonus	204.01	401.26	333.96	309.54	295.19	176.09
	Contribution to provident and other funds	12.11	22.32	21.10	16.68	16.78	13.05
	Staff welfare expenses	4.97	14.20	10.27	9.11	8.35	6.05
		221.09	**437.78**	**365.33**	**335.33**	**320.32**	**195.19**
25	**Finance costs**						
	Interest on						
	- Term loans (refer note below)	133.36	214.92	206.76	171.73	111.25	78.02
	- Others	122.85	358.23	349.51	291.74	245.04	125.33
	Other borrowing costs	19.28	27.90	42.58	35.78	32.68	25.47
		275.49	601.05	598.85	499.25	388.97	228.82
	Less: Borrowing costs capitalised	8.55	17.65	66.39	71.33	66.32	25.70
		266.94	**583.40**	**532.46**	**427.92**	**322.65**	**203.12**

Note :

During six months ended 30 September 2017, the Company has charged off unamortised borrowing cost of Rs. 21.96 millions in the statement of profit and loss. The said unamortized borrowing costs relates to term loan from IndusInd Bank which has been replaced with another loan taken from IDFC Bank. Term loan from IndusInd Bank were taken at 10.40% p.a. - 10.75% p.a which have been replaced with IDFC Bank during the period at reduced rate at 9.25% p.a. As a result, the Company should be able to improve its financial position, cash flows and return on net worth.

26	**Depreciation and amortisation expense**						
	Depreciation and amortisation (also refer note 11)	168.41	305.30	247.88	201.98	158.41	117.87
	Amortisation (also refer note 12)	60.41	91.70	60.75	53.67	25.78	6.65
		228.82	**397.00**	**308.63**	**255.65**	**184.19**	**124.52**

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27	**Other expenses**						
	Power, fuel and water charges	101.23	204.20	148.94	179.07	140.66	114.51
	Contractual labour charges	93.24	178.76	136.81	141.11	66.98	75.06
	Loading and unloading charges	69.25	118.98	77.88	88.12	66.51	40.15
	Freight inward and octroi charges	31.94	79.29	59.97	77.36	54.01	58.27
	Freight outward	51.98	70.92	55.11	61.71	53.97	36.42
	Loss on disposal of fixed assets (net)	-	-	0.84	-	-	-

Particulars	For six months ended 30 September 2017	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
Provision for impairment loss of property, plant and equipment and intangible assets (refer note 11 and 12)	-	2.47	16.61	-	-	-
Impairment loss on capital work-in-progress	1.38	6.03	-	-	-	-
Loss on mark to market of derivative contracts	-	-	-	-	8.20	-
Foreign exchange fluctuation (net)	-	-	7.89	5.59	81.72	24.63
Legal and professional fees [refer note (a) below]	12.51	70.63	40.65	27.92	18.84	34.45
Workshop expenses	3.44	6.73	4.70	4.66	9.55	6.39
Travelling and conveyance	19.54	37.30	36.03	32.44	24.78	20.95
Repairs and maintenance						
-plant and machinery	18.51	24.53	16.21	12.34	12.50	10.84
-buildings	3.66	3.55	5.45	4.41	5.51	1.84
-others	6.31	9.89	7.10	6.82	6.25	4.21
Insurance	1.70	5.85	6.03	5.88	4.77	5.21
Rent						
-plant and machinery	0.78	5.68	2.13	2.20	1.67	1.28
-buildings	21.51	36.50	32.58	32.05	27.69	19.41
Rates and taxes	2.58	4.81	3.90	4.90	4.07	5.02
Job work charges	23.09	44.62	60.72	46.57	36.17	26.20
Communication expenses	3.78	9.03	8.49	8.79	7.59	5.36
Donation	0.01	0.58	0.45	0.32	0.52	0.30
Provision for doubtful debts	-	0.88	-	-	1.54	8.06
Vehicle running expenses	1.60	4.86	4.03	5.00	3.51	3.01
Corporate social responsibility expenditure (refer note 35)	2.16	2.10	0.45	-	-	-
Printing and stationary	1.73	4.54	4.43	3.10	3.02	2.16
Business promotion expenses	1.26	2.54	2.45	2.34	3.39	5.16
Advances and other balance written off	0.64	2.43	21.89	3.34	-	-
Festival expenses	-	2.96	2.69	1.95	1.99	3.69
Bad debts	-	5.25	8.07	19.09	12.53	-
Security charges	1.15	1.80	1.85	1.74	1.62	1.25
Clearing and forwarding expense	1.94	2.53	2.09	2.74	2.98	1.69
Miscellaneous expenses	22.02	32.19	26.16	26.35	23.22	24.96

Particulars	For six months ended 30 September 2017	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
	498.94	**982.43**	**802.60**	**807.91**	**685.76**	**540.48**

a) Legal and professional includes auditors' remuneration:

Audit Fee	2.63	3.10	3.78	3.33	1.90	2.66
Other certifcations	3.00	-	-	-	-	-
Reimbursement of expenses	0.25	0.26	0.21	0.28	0.28	0.22
	5.88	3.36	3.99	3.61	2.18	2.88

	Particulars	For six months ended 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
28	**Estimated amount of contracts remaining to be executed on**						
	capital account and not provided for (net of advances)	99.89	25.24	147.31	140.01	209.39	33.08
29	**Contingent liability not provided for exists in respect of:**						
a)	Service tax (FY 2010-11, FY 2012-13 and FY 2013-14)*	1.33	1.28	1.28	-	-	-
	Service tax (Show cause notice received for FY 2010-11)	-	-	-	-	3.56	3.56
b)	Sales tax (FY 2008-09, FY 2009-10, FY 2010 – 11, FY 2012-13 and FY 2015-16)**	19.71	15.28	15.28	1.62	4.50	2.73
c)	Income-tax (AY 2008-09 to AY 2017-18)***	3.14	2.85	8.30	13.29	5.97	10.80
d)	Octroi tax	1.56	1.56	1.56	1.56	1.56	1.56
e)	Excise duty (FY 2011-12 and 2015-16)****	5.75	5.75	5.83	-	-	-
f)	Claims against the Company not acknowledged as debts	-					
	On account of claims by vendors	1.24	1.24	1.24	1.17	1.11	1.04
	On account of claims by employees	0.16	0.16	0.16	0.25	0.23	0.22
h)	Bonus*****	1.14	1.14	1.14	-	-	-

* *Includes amount paid under protest (Rs in millions)* *1.33* - - - - -

* *The Company received show cause notice from Deputy Commissioner of Central Excise against which a reply date 24 April 2017 has been filed.*

*** Includes amount paid under protest (Rs in millions)*	*0.20*	*0.20*	*0.20*	*0.26*	*0.88*	*0.44*

****Includes amount paid under protest (Rs in millions). The amount appearing above is after netting of the amount already provided for in the books of account*	*3.78*	*3.78*	*3.78*	*3.50*	*3.50*	*3.50*
***** Includes amount paid under protest (Rs in millions)*	*2.91*	*2.91*	-	-	-	-

******The Payment of Bonus (Amendment) Act, 2015 dated 31 December 2015 (which was made effective from 01 April 2014) revised the thresholds for coverage of employee eligible for Bonus and also enhanced the ceiling limits for computation of bonus. However, taking cognizance of the stay granted by various High Courts, the Company has not recognised any differential amount of bonus for the period 01 April 2014 to 31 March 2015 and accordingly has recognised the expense as per the amended provisions w.e.f. 1 April 2015 and onwards.*

The Holding Company has a finance lease obligation with Connect Residuary Private Limited (the "lessor") amounting to Rs.34,243,531 which has been fully prepaid by the Company and therefore, quarterly payments for the installments are not being made to the lessor. However pending payment acceptance from the lessor for prepayment, the Company has recognized the prepaid amount under "other current asset". The management of the Company is in discussion with lessor for getting 'no objection certificate' (NOC) and they believe that the same shall be materialized very soon and therefore, the Company has not considered the non-payments of quarterly installments to the lessor as default.

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30 Related party disclosures

A.	**Relationships**			
	I.	**Entities over which significant influence is exercised by the company /key management personnel (either individually or with others)**		Amrit Aircon System Private Limited
				Amber Infracon Energy (India) Private Limited (till 12 January 2016)
				Amber Organic Farming Private Limited (w.e.f 22 July 2012)
				Amber Aviation (India) Private Limited (w.e.f 5 October 2016)
				Acme Fabrications Private Limited (till 25 August 2017)
				Expo Sales India Private Limited (till 2 April 2014)
				Home Appliances Company (till 2 April 2014)
				Star Academy Private Limited (till 2 April 2014)
				Grinder Care Enterprises Private Limited (till 2 April 2014)
				Acme Engeneering and Fabrications
				Acama Appliances Private Limited (till 31 March 2014)
	II.	**Key management personnel (KMP)**		**Relatives ***
		a.	Mr. Kartar Singh	Mr. Jasbir Singh (son)
			(Chairman Emeritus)	Mr. Daljit Singh (son)
			(director till 25 August 2017)	Mr. Kirpal Singh (brother)
		b.	Mr. Jasbir Singh	Mr. Kartar Singh (father)
			Chairman & Chief Executive Officer	Mr. Daljit Singh (brother)
		c.	Mr. Daljit Singh	Mr. Kartar Singh (father)
			(Managing Director)	Mr. Jasbir Singh (brother)
				Ms. Sukhmani Lakhat (spouse)
		d.	Ms. Sukhmani Lakhat	Mr. Daljit Singh (husband)
			(Director till 12 January 2017)	
		e.	Mr. Kirpal Singh	Mr Kartar Singh (brother)

			(Director till 12 January 2017)	
		g.	Rakesh Dewan	Ritika Dhingra (Sister)
			(Director in subsidiary company till 02 April 2014)	Advitya Dewan (Son)
				Atulya Dewan (Son)
				Rajesh Dewan (Brother)
				Neeraj Dewan (Sister-in-law)
				Kavita Dewan (wife)
		h.	Advitya Dewan	
			(Director in subsidiary company till 02 April 2014)	

* *Only those relatives of key management personnel with whom the Company had transactions during the period/year, have been given.*

30 Related party disclosures

The following transactions were carried out with related parties in the ordinary course of business:

S No.	Year	Particulars	Entities over which significant influence is exercised	Key Management Personnel and their relatives
(A)		**Transactions made during the period/year**		
1		**Rent paid**		
	2017-18**	Acme Fabrications Private Limited	1.14	-
	2017-18**	Mr. Jasbir Singh	-	2.28
	2017-18**	Mr. Daljit Singh	-	0.86
	2016-17	Acme Fabrications Private Limited	2.73	-
	2016-17	Mr. Jasbir Singh	-	4.56
	2016-17	Mr. Daljit Singh	-	1.71
	2015-16	Acme Fabrications Private Limited	2.73	-
	2015-16	Mr. Jasbir Singh	-	4.56
	2015-16	Mr. Daljit Singh	-	1.71
	2014-15	Acme Fabrications Private Limited	2.34	-
	2014-15	Acama Appliances Private Limited	1.36	-
	2014-15	Mr. Jasbir Singh	-	4.56
	2014-15	Mr. Daljit Singh	-	1.71
	2013-14	Acme Fabrications Private Limited	1.43	-
	2013-14	Amrit Aircon System Private Limited (till 10 May 2013)	0.11	-

S No.	Year	Particulars	Entities over which significant influence is exercised	Key Management Personnel and their relatives
	2013-14	Acama Appliances Private Limited	1.34	-
	2013-14	Mr. Jasbir Singh	-	2.28
	2013-14	Mr. Daljit Singh	-	1.30
	2012-13	Acama Appliances Private Limited	1.04	-
	2012-13	Amrit Aircon system Private Limited	0.78	-
	2012-13	Acme Fabrications Private Limited	1.20	-
	2012-13	Mr. Rakesh Dewan	-	1.11
2		**Capital advance**		
	2013-14	Amber Infracon Energy India Private Limited	15.00	-
	2012-13	Amber Infracon Energy India Private Limited	7.22	-
3		**Expense incurred on behalf of**		
	2014-15	Amber Infracon Energy (India) Private Limited	0.05	-
	2013-14	Amber Infracon Energy India Private Limited	0.13	-
	2013-14	Acama Appliances Private Limited	0.58	-
	2013-14	Amrit Aircon system Private Limited	0.34	-
	2013-14	Acme Fabrications Private Limited	0.66	-
	2012-13	Amber Organic Farming Private Limited	0.05	-
	2012-13	Amber Aviation (India) Private Limited	0.07	-
	2012-13	Amber Infracon Energy India Private Limited	0.07	-
	2012-13	Acama Appliances Private Limited	0.92	-
	2012-13	Amrit Aircon System Private Limited	0.02	-
	2012-13	Acme Fabrications Private Limited	2.23	-
4		**Interest income**		
	2013-14	Amber Aviation (India) Private Limited	0.01	-
	2012-13	Amber Organic Farming Private Limited	0.16	-
	2012-13	Amber Aviation (India) Private Limited	0.26	-
5		**Sale of goods**		
	2013-14	Amber Infracon Energy India Private Limited	1.14	-
	2013-14	Expo Sales India Private Limited	0.17	-
	2013-14	Home appliances Company	9.18	-
	2012-13	Expo Sales India Private Limited	0.73	-

S No.	Year	Particulars	Entities over which significant influence is exercised	Key Management Personnel and their relatives
	2012-13	Home Appliances Company	27.69	-
6		**Professional service availed**		
	2012-13	Star Academy Private Limited	0.46	-
	2012-13	Ms. Ritika Dhingra	-	0.18
7		**Purchase of Goods**		
	2016-17	Amrit Aircon system Private Limited	0.79	-
	2012-13	Home appliances Company	5.69	-
8		**Consideration for business purchase arrangement (refer note 36)**		
	2012-13	Acme Fabrications Private Limited	25.30	-
9		**Property, plant and equipment purchased**		
	2015-16	Amrit Aircon System Private Limited	2.86	-
	2013-14	Amrit Aircon System Private Limited	17.14	-
	2012-13	Acme Fabrications Private Limited	1.20	-
10		**Net assets acquired**		
	2012-13	Acme Fabrications Private Limited	22.32	-
11		**Remuneration paid**		
	2017-18**	Mr. Kartar Singh	-	0.58
	2017-18**	Mr. Jasbir Singh	-	7.98
	2017-18**	Mr. Daljit Singh	-	7.77
	2017-18**	Ms. Sukhmani Lakhat	-	0.20
	2017-18**	Mr. Kirpal Singh	-	0.05
	2016-17	Mr. Kartar Singh	-	1.20
	2016-17	Mr. Jasbir Singh	-	15.96
	2016-17	Mr. Daljit Singh	-	15.54
	2016-17	Ms. Sukhmani Lakhat (remuneration till date of resignation)	-	0.94
	2016-17	Mr. Kirpal Singh (remuneration till date of resignation)	-	0.23
	2015-16	Mr. Kartar Singh	-	1.20
	2015-16	Mr. Jasbir Singh	-	14.96
	2015-16	Mr. Daljit Singh	-	13.52

S No.	Year	Particulars	Entities over which significant influence is exercised	Key Management Personnel and their relatives
	2015-16	Ms. Sukhmani Lakhat	-	1.20
	2015-16	Mr. Kirpal Singh	-	0.30
	2014-15	Mr. Kartar Singh	-	1.20
	2014-15	Mr. Jasbir Singh	-	12.80
	2014-15	Mr. Daljit Singh	-	11.60
	2014-15	Ms. Sukhmani Lakhat	-	1.20
	2014-15	Mr. Kirpal Singh	-	0.30
	2013-14	Mr. Kartar Singh	-	1.20
	2013-14	Mr. Jasbir Singh	-	12.80
	2013-14	Mr. Daljit Singh	-	11.60
	2013-14	Ms. Sukhmani Lakhat	-	1.20
	2013-14	Mr. Kirpal Singh	-	0.30
	2013-14	Rakesh Dewan	-	7.50
	2012-13	Mr. Kartar Singh	-	1.20
	2012-13	Mr. Jasbir Singh	-	11.30
	2012-13	Mr. Daljit Singh	-	10.10
	2012-13	Ms. Sukhmani Lakhat	-	1.20
	2012-13	Mr. Kirpal Singh	-	0.30
	2012-13	Mr. Rakesh Dewan	-	2.88
	2012-13	Ms. Kavita Dewan	-	1.11
12		**Repayment of advance given**		
	2012-13	Amber Organic Farming Private Limited	2.97	-
	2012-13	Amber Aviation (India) Private Limited	10.20	-
	2012-13	Amrit Aircon System Private Limited	83.50	-
	2012-13	Acme Fabrications Private Limited	31.16	-
13		**Salary paid**		
	2013-14	Advitya Dewan	-	0.10
	2012-13	Mr. Neeraj Dewan	-	0.44
	2012-13	Mr. Rajesh Dewan	-	0.74
	2012-13	Mr. Advitya Dewan	-	0.51
	2012-13	Mr. Atulya Dewan	-	0.71
14		**Payments made**		

S No.	Year	Particulars	Entities over which significant influence is exercised	Key Management Personnel and their relatives
	2015-16	Amrit Aircon System Private Limited	0.98	-
	2015-16	Acme Fabrications Private Limited	1.25	-
	2014-15	Acama Appliances Private Limited	0.20	-
	2014-15	Amrit Aircon System Private Limited	0.06	-
	2014-15	Acme Fabrications Private Limited	1.92	-
	2013-14	Acme Fabrications pvt ltd	3.17	-
15		**Payments received**		
	2015-16	Amrit Aircon System Private Limited	0.13	-
	2014-15	Amber Infracon Energy (India) Private Limited	20.00	-
16		**Property, plant and equipment sold**		
	2013-14	Home appliances Company	1.03	-
	2013-14	Rakesh Dewan	-	0.22
	2012-13	Mr. Rakesh Dewan	-	6.84
17		**Corporate gaurantees taken**		
	2016-17	Acme Fabrications Private Limited	1,150.00	
	2015-16	Acme Fabrications Private Limited	1,121.00	-
	2015-16	Acme Engineering and Fabrications	250.00	-
18		**Borrowings taken**		
	2012-13	Mr. Rakesh Dewan	-	6.42
19		**Borrowings repaid**		
	2013-14	Mr. Rakesh Dewan	-	13.70
20		**Advance given to related parties**		
	2012-13	Mr. Jasbir Singh	-	0.15
	2012-13	Acme Fabrications Private Limited	77.25	-
21		**Interest received on loans and advances given**		
	2013-14	Mr. Advitya Dewan	-	1.83

S No.	Year	Particulars	Entities over which significant influence is exercised	Key Management Personnel and their relatives
22		**Interest on borrowings**		
	2013-14	Mr. Advitya Dewan	-	2.15
	2012-13	Mr. Rakesh Dewan	-	0.71
		Personal gurantee surrender to KMPs' with respect to term loan and working capital loans		
	2016-17	Mr. Jasbir Singh	-	205.00
	2016-17	Mr. Daljit Singh	-	205.00
23		**Personal gurantee taken from KMPs' with respect to term loan and working capital loans**		
	2017-18**	Mr. Jasbir Singh	-	650.00
	2017-18**	Mr. Daljit Singh	-	650.00
	2016-17	Mr. Jasbir Singh	-	2,743.49
	2016-17	Mr. Daljit Singh	-	2,743.49
	2015-16	Mr. Kartar Singh	-	60.00
	2015-16	Mr. Jasbir Singh	-	2,895.05
	2015-16	Mr. Daljit Singh	-	2,895.05
	2013-14	Mr. Daljit Singh	-	211.00
	2013-14	Mr. Jasbir Singh	-	282.60
(B)		**Balances at period/year end**		
24		**Expenses payable (disclosed under other current liabilities)**		
	2017-18**	Acme Fabrications Private Limited	1.45	-
	2017-18**	Mr. Jasbir Singh	-	0.23
	2017-18**	Mr. Daljit Singh	-	2.53
	2016-17	Acme Fabrications Private Limited	0.75	
	2014-15	Amrit Aircon System Private Limited	0.85	-
	2014-15	Acama Appliances Private Limited	2.04	-
	2013-14	Acama Appliances Private Limited	1.94	-
	2013-14	Amrit Aircon System Private Limited	0.90	-
	2013-14	Amber Infracon Energy India Private Limited	0.07	-
	2012-13	Acama Appliances Private Limited	0.12	-
	2012-13	Amrit Aircon System Private Limited	1.14	-

S No.	Year	Particulars	Entities over which significant influence is exercised	Key Management Personnel and their relatives
	2012-13	Amber Infracon Energy India Private Limited	0.25	-
	2012-13	Mr. Kirpal Singh	-	0.02
25		**Amount receivable (disclosed under short-term loans and advances)**		
	2014-15	Acme Fabrications Private Limited	2.89	-
	2014-15	Amber Infracon Energy (India) Private Limited	0.10	-
	2013-14	Acme Fabrications Private Limited	3.31	-
	2013-14	Amber Aviation (India) Private Limited	0.09	-
	2013-14	Acama Appliances Private Limited	1.05	-
26		**Other recoverables (disclosed under short term loans and advances)**		
	2014-15	Amber Infracon Energy India Private Limited	4.45	-
27		**Capital advances (disclosed under long term loans and advances)**		
	2014-15	Amrit Aircon System Private Limited	2.86	-
	2014-15	Amber Infracon Energy India Private Limited	1.40	-
	2013-14	Amber Infracon Energy India Private Limited	19.11	-
	2013-14	Amrit Aircon System Private Limited	2.86	-
	2012-13	Amber Infracon Energy India Private Limited	4.10	-
	2012-13	Amrit Aircon System Private Limited	20.00	-
28		**Advances to related parties (disclosed under short term loans and advances)**		
	2015-16	Acme Fabrications Private Limited	1.31	-
	2012-13	Mr. Jasbir Singh	-	0.15
	2012-13	Mr. Advitya Dewan	-	5.00
	2012-13	Amber Aviation (India) Private Limited	0.10	-
	2012-13	Acme Fabrications Private Limited	0.91	-
	2012-13	Amber Infracon Energy India Private Limited	0.75	-
29		**Security deposits (disclosed under long term loans and advances)**		
	2016-17	Acme Fabrications Private Limited	38.50	-

S No.	Year	Particulars	Entities over which significant influence is exercised	Key Management Personnel and their relatives
	2015-16	Acme Fabrications Private Limited	38.50	-
	2014-15	Acme Fabrications Private Limited	38.50	-
	2013-14	Acama Appliances Private Limited	25.00	-
	2013-14	Acme Fabrications Private Limited	38.50	-
	2012-13	Acama Appliances Private Limited	25.00	-
	2012-13	Acme Fabrications Private Limited	38.50	-
30		**Security deposits (disclosed under long term loans and advances)**		
	2017-18**	Jasbir singh	-	7.98
	2017-18**	Daljit Singh	-	7.98
	2016-17	Mr. Jasbir Singh	-	7.98
	2016-17	Mr. Daljit Singh	-	7.98
	2015-16	Mr. Jasbir Singh	-	7.98
	2015-16	Mr. Daljit Singh	-	7.98
	2014-15	Mr. Jasbir Singh	-	7.98
	2014-15	Mr. Daljit Singh	-	7.98
	2013-14	Mr. Jasbir Singh	-	7.98
	2013-14	Mr. Daljit Singh	-	7.98
	2012-13	Mr. Jasbir Singh	-	7.98
	2012-13	Mr. Daljit Singh	-	7.98
31		**Trade receivable**		
	2013-14	Amber Infracon Energy India Private Limited	9.91	-
	2013-14	Expo Sales India Private Limited	0.01	-
	2013-14	Grinder Care Enterprises Limited	3.81	-
	2013-14	Home appliances Company	5.87	-
	2012-13	Amber Infracon Energy India Private Limited	5.02	-
	2012-13	Expo Sales India Private Limited	0.73	-
	2012-13	Grinder Care Enterprises Private Limited	3.81	-
	2012-13	Home Appliances Company	5.81	-
32		**Trade payables**		
	2017-18**	Amrit Aircon System Private Limited	0.40	-
	2016-17	Amrit Aircon System Private Limited	0.79	-

S No.	Year	Particulars	Entities over which significant influence is exercised	Key Management Personnel and their relatives
33		**Remuneration payable (disclosed under other current liabilities)**		
	2017-18**	Mr. Jasbir Singh	-	0.65
	2017-18**	Mr. Daljit Singh	-	2.24
	2016-17	Mr. Kirpal Singh	-	0.03
	2016-17	Mr. Kartar Singh	-	0.08
	2016-17	Mr. Jasbir Singh	-	0.70
	2016-17	Mr. Daljit Singh	-	0.65
	2015-16	Mr. Kirpal Singh	-	0.12
	2015-16	Mr. Kartar Singh	-	0.36
	2015-16	Mrs. Sukhmani Lakhat	-	0.44
	2015-16	Mr. Jasbir Singh	-	0.64
	2015-16	Mr. Daljit Singh	-	1.89
	2014-15	Mr. Kirpal Singh	-	0.12
	2014-15	Mr. Kartar Singh	-	0.40
	2014-15	Ms. Sukhmani Lakhat	-	0.40
	2014-15	Mr. Jasbir Singh	-	1.95
	2013-14	Mr. Daljit Singh	-	0.55
	2013-14	Mr. Jasbir Singh	-	0.30
	2013-14	Mr. Jasbir Singh	-	0.09
	2012-13	Mr. Kartar Singh	-	0.08
	2012-13	Mr. Sukhmani Lakhat	-	0.08
	2012-13	Mr. Kirpal Singh	-	0.02
	2012-13	Mr. Rakesh Dewan	-	0.45
	2012-13	Mr. Daljit Singh	-	0.40
	2012-13	Mr. Jasbir Singh	-	0.35
	2012-13	Mr. Rajesh Dewan	-	0.14
	2012-13	Ms. Kavita Dewan	-	0.07
	2012-13	Mr. Atulya Dewan	-	0.01
	2012-13	Mr. Neeraj Dewan	-	0.02
34		**Corporate gaurantees taken***		
	2017-18**	Acme Fabrications Private Limited	2,615.00	-
	2016-17	Acme Fabrications Private Limited	2,780.00	-
	2015-16	Acme Fabrications Private Limited	2,636.00	-

S No.	Year	Particulars	Entities over which significant influence is exercised	Key Management Personnel and their relatives
	2015-16	Acme Engeneering and Fabrications	250.00	-
35		**Borrowings (including current maturities)**		
	2012-13	Mr. Rakesh Dewan	-	13.70
36		**Interest accrued but not due on borrowings (disclosed under other current liabilities)**		
	2013-14	Rakesh Dewan	-	2.35
	2012-13	Mr. Rakesh Dewan	-	3.36
37		**Personal gurantee taken from KMPs' with respect to term loan and working capital loans***		
	2017-18**	Mr. Kartar Singh	-	210.00
	2017-18**	Mr. Jasbir Singh	-	8,459.63
	2017-18**	Mr. Daljit Singh	-	8,459.63
	2016-17	Mr Kartar Singh	-	37.50
	2016-17	Mr Jasbir Singh	-	8,859.63
	2016-17	Mr Daljit Singh	-	8,859.63
	2016-17	Mr Kirpal Singh	-	165.00
	2015-16	Mr Kartar Singh	-	2,485.00
	2015-16	Mr Jasbir Singh	-	7,798.02
	2015-16	Mr Daljit Singh	-	7,618.02
	2015-16	Mr Kirpal Singh	-	665.00
	2014-15	Mr. Jasbir Singh	-	580.00
	2014-15	Mr. Daljit Singh	-	580.00
	2013-14	Mr. Daljit Singh	-	211.00
	2013-14	Mr. Jasbir Singh	-	282.60

*** Represents amounts as at and for six months ended 30 September 2017*

30 Related party disclosures

As at 30 September 2017

* The above disclosed balances of corporate guarantees and personal guarantees taken include original sanctioned limits of working capital borrowings and term loans by the

continuing banks. However, at the reporting date, the outstanding balance of working capital borrowings and the term loans in respect of which corporate guarantees stands at Rs. 1,730.84 millions of Acme Fabrications Private Limited and personal guarantees have been taken stands at Rs. 149.90 millions of Mr. Kartar Singh, Rs.5,447.55 millions of Mr. Jasbir Singh, and Rs. 5,447.55 millions of Mr. Daljit Singh.

As at 31 March 2017

* The above disclosed balances of corporate guarantees and personal guarantees taken include original sanctioned limits of working capital borrowings and term loans by the continuing banks. However, at the reporting date, the outstanding balance of working capital borrowings and the term loans in respect of which corporate guarantees and personal guarantees have been taken stands at Rs. 1524.60 millions of Acme Fabrications Private Limited, Rs. 169.51 millions of Mr. Kartar Singh, Rs.5,261.89 millions of Mr. Jasbir Singh, Rs. 5,261.89 millions of Mr. Daljit Singh and Rs. 1.62 millions of Mr. Kirpal Singh.

As at 31 March 2016

* The above disclosed balances of corporate guarantees and personal guarantees taken include original sanctioned limits of working capital borrowings and term loans by the continuing banks. However, at the reporting date, the outstanding balance of working capital borrowings and the term loans in respect of which corporate guarantees and personal guarantees have been taken stands at Rs. 1,699.77 millions of Acme Fabrications Private Limited, Rs. 224.63 millions of Acme Engineering and Fabrications, Rs. 1,608.15 millions of Mr. Kartar Singh, Rs. 5271.56 millions of Mr. Jasbir Singh, Rs. 5195.35 millions of Mr. Daljit Singh and Rs. 372.66 millions of Mr. Kirpal Singh.

As at 31 March 2015

* The above disclosed balances of corporate guarantees and personal guarantees taken include original sanctioned limits of working capital borrowings and term loans by the continuing banks. However, at the reporting date, the outstanding balance of working capital borrowings and the term loans in respect of which corporate guarantees and personal guarantees have been taken stands at Rs. 1,757.64 millions of Acme Fabrications Private Limited, Rs. 1,757.64 millions of Acama Appliances Private Limited , Rs. 1,753.41 millions of Mr. Kartar Singh, Rs. 3,858.37 millions of Mr. Jasbir Singh, Rs. 3,676.73 millions of Mr. Daljit Singh and Rs. 461.83 millions of Mr. Kirpal Singh. The subsidiary company has given the guarantee for holding company for Rs. 53.33 millions.

As at 31 March 2014

* The above disclosed balances of corporate guarantees and personal guarantees taken include original sanctioned limits of working capital borrowings and term loans by the continuing banks. However, at the reporting date, the outstanding balance of working capital borrowings and the term loans in respect of which corporate guarantees and personal guarantees have been taken stands at Rs. 2,102.02 millions of Acme Fabrications Private Limited, Rs. 2,102.02 millions of Acama Appliances Private Limited , Rs. 2,217.06 millions of Mr. Kartar Singh, Rs. 3,314.52 millions of Mr. Jasbir Singh, Rs. 2,994.73 millions of Mr. Daljit Singh and Rs. 867.64 millions of Mr. Kirpal Singh. The subsidiary company has given the guarantee for holding company for Rs. 69.33 millions.

As at 31 March 2013

* The above disclosed balances of corporate guarantees and personal guarantees taken include original sanctioned limits of working capital borrowings and term loans by the continuing banks. However, at the reporting date, the outstanding balance of working capital borrowings and the term loans in respect of which corporate guarantees and personal guarantees have been taken stands at Rs. 1,858.01 millions of Acme Fabrications Private Limited, Rs. 1,858.01 millions of Acama Appliances Private Limited , Rs. 1,668.25 millions of Mr. Kartar Singh, Rs. 2,364.41 millions of Mr. Jasbir Singh, Rs. 2,067.48 millions of Mr. Daljit Singh and Rs. 854.36 millions of Mr. Kirpal Singh. The subsidiary company has given the guarantee for holding company for Rs. 80 millions.

** Represents amounts as at and for six months ended 30 September 2017

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31 The information required by paragraph 5 of general instructions for preparation of the statement of profit and loss as per revised schedule III of Companies Act, 2013 and revised schedule VI of Companies act, 1956.

a. Value of imported and indigenous raw materials and components and stores and spares consumed

Particulars	For the six months ended 30 September 2017		For the year ended 31 March 2017		For the year ended 31 March 2016		For the year ended 31 March 2015		For the year ended 31 March 2014		For the year ended 31 March 2013	
	Amount	Percentage	Amount	Percentage	Amount	Percentage	Amount	Percentage	Amount	Percentage	Amount	Percentage
Raw material and components												
Imported	1,786.29	23.37%	2,695.67	19.24%	1,327.84	15.35%	1,376.90	13.51%	897.65	11.31%	597.61	8.09%
Indigenous	5,855.99	76.63%	11,313.59	80.76%	7,321.16	84.65%	8,813.37	86.49%	7,040.73	88.69%	6,793.84	91.91%
	7,642.28	**100.00%**	**14,009.26**	**100.00%**	**8,649.00**	**100.00%**	**10,190.27**	**100.00%**	**7,938.38**	**100.00%**	**7,391.45**	**100.00%**

b. Value of imports on CIF basis

a) Capital goods	11.50	242.29	170.75	197.85	146.62	134.35
b) Raw material and components	2,154.72	1,214.80	1,488.89	1,061.67	776.90	537.52

c. Expenditure in foreign currency (on accrual basis)

a) Travelling	1.05	2.92	2.69	1.37	2.80	1.81
b) Business promotion	-	-	-	-	-	0.53

d. Earnings in foreign exchange

FOB value of exports	194.33	208.10	667.97	794.83	756.12	269.70

32 Earnings per share

Particulars	For the six months ended 30 September 2017		For the year ended 31 March 2017		For the year ended 31 March 2016		For the year ended 31 March 2015		For the year ended 31 March 2014		For the year ended 31 March 2013	
Net profit attributable to equity shareholders		273.14		278.99		241.04		287.73		216.19		194.78
Adjustment for:												
Interest on compulsory convertible debentures (Net of tax)		14.14		6.47		-		-		-		-
Adjusted profit		287.28		285.46		241.04		287.73		216.19		194.78
Number of weighted average equity shares (Nominal value of Rs 10 each)												
-Basic		238,09,825		217,95,151		217,02,788		217,02,788		199,49,496		168,92,626
-Diluted		259,16,855		222,51,193		217,02,788		217,02,788		199,49,496		203,07,864
Earnings per share after exceptional items and tax (in Rupees per share)												
-Basic*		11.47		12.80		11.11		13.26		10.84		11.53
-Diluted*		11.08		12.80		11.11		13.26		10.84		9.59

* The figures of basic and diluted earning per share for the six month ended 30 September 2017 are not annualised.

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33 Leases

Operating leases

Particulars	For the six months ended 30 September 2017	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
The Company is a lessee under various cancellable operating leases. Rental expense from the same amounts is disclosed :	22.29	42.18	34.71	34.25	29.36	20.69

Finance leases

The Company has taken certain assets on finance lease basis. The legal title to such assets vests with the lessors. The total minimum lease payments, elements of unearned interest included in such payments and present value of lease payments are as follows:

Particulars	For the six months ended 30 September 2017	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
Total minimum lease payments	127.50	152.86	218.84	274.32	120.22	-
Less: Future interest included in above	17.48	25.21	44.88	66.07	21.54	-
Present value of minimum lease payments	110.02	127.64	173.96	208.25	98.68	-

The maturity profile of the finance lease obligation is as follows:

Particulars	For the six months ended 30 September 2017		For the year ended 31 March 2017		For the year ended 31 March 2016		For the year ended 31 March 2015		For the year ended 31 March 2014		For the year ended 31 March 2013	
Year ending after balance sheet date:	Minimum lease payment	Present value	Minimum lease payment	Present value	Minimum lease payment	Present value	Minimum lease payment	Present value	Minimum lease payment	Present value	Minimum lease payment	Present value
-not later than one year	68.29	58.92	65.86	54.07	65.98	46.32	64.15	40.68	27.39	19.25	-	-
-later than one year but not later than five years	59.21	51.10	87.00	73.57	152.86	127.65	210.17	167.58	92.83	79.43	-	-
-later than five years			-	-	-	-	-	-	-	-	-	-

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34 Hedged and unhedged foreign currency exposure

I Hedged foreign currency exposure as at year end

Nature of hedge instrument	Description of hedge	As at 30 September 2017		As at 31 March 2017		As at 31 March 2016		As at 31 March 2015		As at 31 March 2014		As at 31 March 2013	
		Amount in foreign currency (USD)	Amount in INR	Amount in foreign currency (USD)	Amount in INR	Amount in foreign currency (USD)	Amount in INR	Amount in foreign currency (USD)	Amount in INR	Amount in foreign currency (USD)	Amount in INR	Amount in foreign currency (USD)	Amount in INR
Contract 1: Cross-currency rate swap													
USD/INR currency option	To take protection against appreciation in Indian Rupees against USD payable in respect of external commercial borrowings with 4.4% p.a. of fixed rate of interest	-	-	-	-	-	-	0.25	11.49 (at contract rate) 15.58 (at closing rate)	1.25	57.43 (at contract rate) 75.07 (at closing rate)	2.25	103.39 (at contract rate) 122.20 (at closing rate)
Contract 2: Interest rate swap													
USD/INR interest rate swap	3 months LIBOR + 250 bps interest rate liability swapped with 4.1% p.a fixed rate of interest.	-	-	-	-	-	-	0.75*	46.75*	1.75*	105.10*	2.75*	149.35*
Contract 3: Forward contract													
Forward contract	To take protection against appreciation in Indian Rupees against USD payable in respect of imports against buyers credit	-	-	-	-	2.65**	179.54**	-	-	1.80	108,11 (at closing rate)	-	-
Forward contract	To take protection against appreciation in Indian Rupees against USD payable in respect of imports	-	-	0.23	15.01	0.95	63.06	-	-	1.44	86.68	2.96	160.90 (at contracted rate)

Nature of hedge instrument	Description of hedge	As at 30 September 2017		As at 31 March 2017		As at 31 March 2016		As at 31 March 2015		As at 31 March 2014		As at 31 March 2013	
		Amount in foreign currency (USD)	Amount in INR	Amount in foreign currency (USD)	Amount in INR	Amount in foreign currency (USD)	Amount in INR	Amount in foreign currency (USD)	Amount in INR	Amount in foreign currency (USD)	Amount in INR	Amount in foreign currency (USD)	Amount in INR
	against letter of credit												
Forward contract	To take protection against depreciation in Indian Rupees against USD receivable in respect of export sales.	-	-	0.54	35.33	0.22	14.40	8.86	577.57	-	-	1.06	56.59
Contract 4: Option Contract													
Foreign currency option contract	To take protection against appreciation in Indian Rupees against USD payable in respect of external commercial borrowings with 4% p.a. of fixed rate of interest	-	-	-	-	-	-	2.50	155.84	5.00	300.27	-	-

* *These represents the principal amount of loan outstanding for disclosure purpose. However, the Company has only hedged its interest liability on such loans and hence, the amounts are again disclosed in note 34 (II).*

II Unhedged foreign currency exposure as at year end

	Currency	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Trade payables	USD	327.49	781.86	537.36	225.86	293.36	188.66
Letter of credit	USD	159.64	644.11	416.91	285.21	295.28	-
Buyer's credit	USD	622.28	301.76	102.39	250.76	67.79	19.13
SCB ECB Loan	USD	-	-	-	46.75	105.10	149.35

	Currency	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Receivables	USD	37.29	43.06	67.17	72.57	-	271.55
Advance to vendors	USD	30.17	1.90	8.69	3.41	-	-
Short term borrowings	USD	34.68	88.39	247.10	191.90	-	-

35 **Corporate social responsibility** (CSR)

In accordance with the provisions of section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time the Group was required to spent certain amounts of on Corporate social responsibility (CSR) activities. Details are disclosed below:

S.no	Particulars	For six months ended 30 September 2017	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
i)	Amount required to be spent	6.85	7.19	5.61	5.03	-	-
ii)	Actual amount spent						
	Expenditure on vocational training						
	Amount paid in cash	2.16	1.02	-	-	-	-
	Amount yet to be paid in cash		-	-	-	-	-
	Construction of lavatories						
	Amount paid in cash	-	1.08	0.45	-	-	-
	Amount yet to be paid in cash	-	-	-	-	-	-
	Amount spent for sanitation work	1.00	-	-	-	-	-

36 During the year ended 31 March 2013, the Holding Company acquired automobile business of Acme Fabrications Private Limited, a company engaged in maufacturing of automotive parts and components

The following table summarises the book values of the assets and liabilities assumed at the date of acquisition viz 10 July 2012

Particulars	Amount

Particulars	Amount
Property, plant and equipment	17.72
Cash and bank balances	1.82
Inventory	0.90
Trade receivables	7.98
Long term loans and advances	0.81
Long term borrowings	(0.22)
Trade payables	(6.67)
Net assets acquired	**22.34**
Less: Consideration paid	**25.30**
Goodwill	**2.96**

37 During the year ended 31 March 2013, Amber Enterprises India Limited (Holding Company), formerly known as Amber Enterprises India Private Limited acquired 83.13% stake in PICL (India) Private Limited (Subsidiary Company), a Company engaged in the business of motors for white goods appliances.

The following table summarises the book values of the assets and liabilities acquired at the date of acquisition viz 11 November 2012

Particulars	Amount in Rupees
Tangible assets (property, plant and equipment)	160.40
Intangible assets	0.59
Long term loans and advances	52.79
Inventories	171.83
Trade receivables	223.35
Cash and cash equivalents	14.15
Short term loans and advances	25.20
Other current assets	24.23
Long term borrowings	(34.06)
Defferred tax liabilities (net)	(6.63)
Long term provisions	(3.90)
Short term borrowings	(208.82)
Trade payables	(225.00)
Other current liabilities	(10.37)
Short term provisions	(14.65)
Net assets acquired	169.12
Holding Company's stake (83.13%)	140.59

Particulars	Amount in Rupees
Less: Consideration paid	**417.53**
Goodwill	**276.95**

38 Additional information, as required under Schedule III to the Companies Act, 2013 of entities consolidated as Subsidiaries, Joint venture and Associate;

	Net assets		Share in profit/loss	
Name of the entity	**As a percentage of consolidated net assets**	**Amount**	**As a percentage of consolidated profit**	**Amount**
	30 September 2017			
Parent Company				
Amber Enterprises India Limited	**97.62%**	3,539.92	**98.15%**	268.08
Subsidiary Company				
PICL (India) Private Limited	**7.44%**	269.68	**1.26%**	3.45
Subtotal	**105.06%**	**3,809.60**	**99.41%**	**271.53**
Less : Effects of intercompany eliminations/adjustments	**-5.06%**	(183.31)	**0.59%**	1.61
Total	**100.00%**	**3,626.29**	**100.00%**	**273.14**

	31 March 2017			
Parent Company				
Amber Enterprises (India) Private Limited	97.57%	3,268.03	107.87%	300.93
Subsidiary Company				
PICL (India) Private Limited	7.54%	252.63	-7.69%	(21.46)
Subtotal	**105.12%**	**3,520.66**	**100.18%**	**279.48**
Less : Effects of intercompany eliminations/adjustments	**-5.12%**	(171.45)	-0.18%	(0.49)
Total	**100.00%**	**3,349.21**	**100.00%**	**278.99**

	31 March 2016			
Parent Company				
Amber Enterprises (India) Private Limited	96.07%	2,523.11	84.73%	204.24
Subsidiary Company				
PICL (India) Private Limited	10.44%	274.10	17.51%	42.21
Subtotal	**106.51%**	**2,797.21**	**102.25%**	**246.45**
Less : Effects of intercompany eliminations/adjustments	**-6.51%**	(170.95)	-2.25%	(5.41)
Total	**100.00%**	**2,626.26**	**100.00%**	**241.04**

	31 March 2015			
Parent Company				
Amber Enterprises (India) Private Limited	97.21%	2,318.87	87.85%	252.78
Subsidiary Company				
PICL (India) Private Limited	9.72%	231.88	12.15%	34.96
Subtotal	**106.94%**	**2,550.75**	**100.01%**	**287.74**
Less : Effects of intercompany eliminations/adjustments	**-6.94%**	(165.54)	**-0.01%**	(0.02)
Total	**100.00%**	**2,385.31**	**100.00%**	**287.73**

	31 March 2014			
Parent Company				
Amber Enterprises (India) Private Limited	98.36%	2,060.50	87.47%	189.11
Subsidiary Company				
PICL (India) Private Limited	6.19%	129.67	13.58%	29.37
Minority Interest	1.75%	36.59	-2.70%	(5.85)
Subtotal	**106.30%**	**2,226.75**	**98.35%**	**212.63**
Less : Effects of intercompany eliminations/adjustments	-6.30%	(132.01)	1.65%	3.57
Total	**100.00%**	**2,094.75**	**100.00%**	**216.19**

	31 March 2013			
Parent Company				
Amber Enterprises (India) Private Limited	99.46%	1,319.39	95.20%	185.44
Subsidiary Company				
PICL (India) Private Limited	7.60%	100.80	6.60%	12.86
Minority Interest	2.32%	30.74	-1.13%	(2.21)
Subtotal	**109.37%**	**1,450.94**	**100.67%**	**196.09**
Less : Effects of intercompany eliminations/adjustments	-9.37%	(124.37)	-0.67%	(1.31)
Total	**100.00%**	**1,326.57**	**100.00%**	**194.78**

39 Additional disclosures required by Accounting Standard 21 "Consolidated Financials Statements":

a. Detail of the subsidiaries are as under:

Name of subsidiary	As at	Country of incorporation	Percentage of ownership
PICL (India) Private Limited	30 September 2017	India	99.99%
PICL (India) Private Limited	31 March 2017	India	99.99%
PICL (India) Private Limited	31 March 2016	India	99.99%
PICL (India) Private Limited	31 March 2015	India	99.99%

PICL (India) Private Limited	31 March 2014	India	83.13%
PICL (India) Private Limited	31 March 2013	India	83.13%

b. The consolidated financial statements of the Group have been based on a line by line consolidation of statement of profit and loss and balance sheet of Amber Enterprises India Limited (formerly known as Amber Enterprises (India) Private Limited) and its subsidiary. The effects of inter-company transactions between consolidated companies are eliminated on consolidation. Unrealised profit on unsold stock, if any, is eliminated while valuing inventories. These eliminations have been considered in the consolidated financial statement on the basis of figures provided and certified by the management and the auditors have relied on the same.

40 Revenue from operations presented is inclusive of excsie duty for the period ended 1 April 2012 to 30 June 2017. Afterwards, being Goods and Serivce Tax (GST) phase, the same is presented net of GST as it being destination based tax.

41 As per transitional provisions for GST, the Holding Company has avalied benfits of input tax credits avalible under GST for units which were tax exempted under earlier laws on stocks lying with the Holding Company as on 30 June 2017. Required Adjustments aggregating to Rs. 17.96 millions have been made in the cost of raw material consumed for the period against purchases made during the last year which were lying with the Holding Company in stocks as on 30 June 2017 too.

42 The Holding Company has incurred share issue expenses amounting to Rs. 28.48 millions being presented under "other current assets" during the six months ended 30 Sepetmber 2017 in connection with proposed offering of equity shares. As per the exiting regulations in force and the Offer Arrangement entered between the selling shareholders and the Holding Company, the former will reimburse to the Holding Company, their propotionate share of expenses. The Holding Company will adjust its share of expenses against share issue premium proceeds in accordance with the laws and regulations in force and the balance shall be recovered from selling shareholders.

43 Segment revenues, results and capital employed

S.No	Particulars	30 September 2017	31 March 2017	31 March 2016	31 March 2015	31 March 2014	31 March 2013
1	**Segment revenue**						
	a) Consumer durable products	11,039.25	19,750.35	13,025.94	14,915.81	11,365.94	9,467.34
	b) Others	30.71	26.25	80.68	45.01	47.15	564.67
	Less: Inter segment revenue	1,688.33	3,332.62	2,216.36	2,658.17	1,679.31	1,274.90
	Revenue from operations	**9,381.63**	**16,443.98**	**10,890.26**	**12,302.65**	**9,733.78**	**8,757.11**
2	**Segment results**						
	(Profit before tax and interest from each segment)						
	a) Consumer durable products	632.24	949.19	832.29	795.31	566.53	409.38
	b) Others	2.76	2.36	1.25	4.06	4.43	53.27
	Total	**635.00**	**951.55**	**833.54**	**799.37**	**570.96**	**462.65**
	Less: Finance costs	266.94	583.40	532.46	427.92	322.65	203.12
	Less: Other un-allocable expenditure net of un-allocable income	-7.46	-15.83	-26.03	-32.56	-56.84	-31.85

S.No	Particulars	30 September 2017	31 March 2017	31 March 2016	31 March 2015	31 March 2014	31 March 2013
	Total profit before tax	**375.52**	**383.98**	**327.11**	**404.01**	**305.15**	**291.38**
3	**Capital employed**						
	(Segment assets - segment liabilities)						
	a) Consumer durable products	8,457.51	6,535.06	5,732.72	5,833.05	3,904.00	2,033.37
	b) Others	-	-	-	-	-	-
	c) Unallocated	327.07	521.98	474.09	211.89	1,345.44	2,020.42
	Total	**8,784.59**	**7,057.04**	**6,206.81**	**6,044.94**	**5,249.44**	**4,053.79**

* *For the disclosure requirements regarding segment reporting, the Group has followed requirements of Schedule VIII of Securities Exchange of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.*

44 The management of the Company has approved Amber Enterprises India Limited - Employee Stock Option Plan 2017 (the "Plan") pursuant to a special resolution passed by the shareholders at the extra-ordinary general meeting held on 26 September 2017. As per the plan, a maximum number of 518,300 options can be granted to eligible employees, in one or more tranches, from time to time, exercisable in aggregate not more than 518,300 equity shares of face value Rs. 10/- each fully paid up and on such terms and conditions as may be determined by the Nomination and Remuneration Committee as per the provisions of the Plan and relevant relegulations of Securities Exchange Board of India. As at 30 September 2017, the options are yet to be granted by the Company.

45 Subsequent to 30 September 2017, the Company has entered into a Share Purchase Agreement for purchase of 1,320,613 equity shares (approx. 70% stake) of IL JIN Electronics (India) Private Limited for a consideration of Rs 544.25 million, which, on fulfilment of certain conditions precent, has been paid on 28 December 2017. IL JIN Electronics (India) Private Limited is engaged in the business of manufacturing, assembling and dealing in electronic assembled printed circuit boards for home appliances and automobile products. Further, subject to certain other conditions, the Company may consider acquiring the balance 30% stake in IL JIN Electronics (India) Private Limited in future.

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Amber Enterprises India Limited
(formerly known as Amber Enterprises (India) Private Limited)

Annexure VI: Statement to Adjustments to Audited Consolidated Financial Statements
(All amounts in Rupees millions, unless stated otherwise)

Summarized below are the restatement adjustments made to the audited financial statements for the six months ended 30 september 2017 and financial years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 and their impact on the profit / (loss) of the Company:

Particulars	Notes	For six months ended 30 September 2017	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
Net profit after tax as per the audited consolidated financial statements (A)		273.14	287.53	210.24	290.07	236.16	212.27
Restatement adjustments							
(i) Impact of audit qualifications	(i)						
On account of mark to market losses on derivative contracts		-	-	-	(15.03)	8.20	(5.74)
On account of foreign exchange fluctuation losses on foreign currency monetary items		-	-	-	(1.82)	(5.82)	(2.10)
(ii) Other adjustments							
Reversal of prior period expenses in audited financial statements	(ii) (a)	-	(2.67)	(11.22)	(4.47)	(2.24)	(15.81)
Prior period taxes	(ii) (a)	-	0.97	(21.18)	(5.59)	3.89	9.40
Impact of recognition of adjustments in respective financial years arising on account of prior period expenses and taxes	(ii) (b)	-	-	2.67	4.77	7.05	1.88
Minimum Alternate Tax (MAT) credit entitlement for earlier years		-	9.46	-	-	-	-
Change in method of depreciation from written down value to straight line method	(ii) (c)	-	-	-	33.61	-	-

Particulars	Notes	For six months ended 30 September 2017	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
(iii) Tax impact on the above adjustments							
Deferred tax (asset)/liability recognized (other than impacts already considered in prior period taxes)		-	0.78	(1.07)	(9.14)	3.04	27.65
Total impact of adjustments (B)		0.00	8.54	(30.80)	2.33	14.12	15.28
Net profit/(loss) after tax as per restated financial statements (A-B)		**273.14**	**278.99**	**241.04**	**287.73**	**222.04**	**196.99**

Notes to above adjustments:-

(i) Adjustments to audit qualifications

For the financial years ended 31 March 2015, 31 March 2014 and 31 March 2013, the Group had not recognized mark to market losses on the derivative contracts taken in the form of interest rate swaps, currency options and forward currency contracts entered into by the Group to hedge its unrecognized firm commitments and not recognized foreign exchange fluctuation loss on foreign currecny monetary items which was not accordance with the guidance note issued by Institute of Chartered Accountants of India (ICAI) and Accounting Standard 11 "The Effects of Changes in Exchange Rates".

However, the necessary adjustments in the Restated Consolidated Financial Information has been made in regards to the same in the respective years.

(ii) Other adjustments

(a) Reversal of prior period expenses in audited financial statements

In the financial statements for the financial years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 certain prior period items were discovered in reporting periods as a result of errors and omissions in the preparation of financial statements of the respective years. For the purpose of Restated Consolidated Financial Information, the said prior period items have been appropriately adjusted in the respective financial year to which they relate.

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Particulars of prior period items adjusted to respective period

Nature of the transactions	***Discovered during the financial year ended***	***Relates to financial year ended***				***For the periods prior to financial year ended 2012-13****
		2015-16	***2014-15***	***2013-14***	***2012-13***	
Legal and professional fees	*2016-17*	*2.53*	*-*	*-*	*-*	*-*
Others		*0.13*	*-*	*-*	*-*	*-*
Employee benefit expenses	*2015-16*	*-*	*(0.92)*	*-*	*-*	*-*
Loss on mark to market of derivative contracts		*-*	*0.82*	*-*	*-*	*-*
Foreign exchange fluctuation losses		*-*	*1.79*	*-*	*-*	*-*
Depreciation		*-*	*5.07*	*3.83*	*-*	*-*
Others		*-*	*0.62*	*-*	*-*	*-*
Lease rent	*2014-15*	*-*	*-*	*1.10*	*-*	*-*
Employee benefit expenses		*-*	*-*	*0.52*	*-*	*1.25*
Electricity expenses		*-*	*-*	*0.62*	*-*	*-*
Interest expense		*-*	*-*	*0.26*	*-*	*-*
Freight inward expenses		*-*	*-*	*0.29*	*-*	*-*
Excess cenvat credit claimed		*-*	*-*	*0.42*	*-*	*-*
Interest expense	*2013-14*	*-*	*-*	*-*	*0.03*	*-*
Foreign Exchange Fluctutaion		*-*	*-*	*-*	*0.36*	*-*
Excess cenvat credit claimed		*-*	*-*	*-*	*1.85*	*-*
Interest expense	*2012-13*	*-*	*-*	*-*	*-*	*10.39*
Reversal of profit on inter unit sales of tools		*-*	*-*	*-*	*-*	*9.97*
Rent equalisation expense		*-*	*-*	*-*	*-*	*0.85*
Employee benefit expenses		*-*	*-*	*-*	*-*	*(1.05)*
Export incentive		*-*	*-*	*-*	*-*	*(7.92)*
Export sales of electric motors during previous years		*-*	*-*	*-*	*-*	*31.81*
Change in inventories against sale of electric motors during previous year		*-*	*-*	*-*	*-*	*(27.35)*
Foreign currency exchange fluctuation		*-*	*-*	*-*	*-*	*(0.89)*
Total		***2.67***	***7.38***	***7.05***	***2.24***	***17.06***

* *adjusted with brought forward surplus in the statement of profit and loss account*

(b) Prior period taxes

In the financial statements for the financial years ended 31 March 2016, 31 March 2015 and 31 March 2013 certain deferred tax adjustments were made in reporting periods in relation to previous periods as a result of errors and omissions in the preparation of financial statements of one or more prior periods. For the purpose of this statement, the said adjustments have been appropriately adjusted in the respective financial year to which they relate.

(c) The Subsidiary Company followed written down value method of depreciation upto 31 March 2014. In order to align the accounting policies with the Holding Company since the date of acquisition of stake in such subsidiary company, and for consolidation purposes, the impact has been recognized in earlier years.

(d) The tax rate applicable for the respective years has been used to calculate the deferred tax impact on other restatement adjustments.

(e) Corresponding adjustments on account of restatement adjustments as specified above has been made in minority interest being presented in the Restated Consolidated Statement of Assets and Liabilities and Restated Consolidated Statement of Profit and Loss

(iii) Material regroupings

Appropriate adjustments have been made in the Restated Consolidated Financial Information, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the requirements of the Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (as amended) and as per the audited financials of the Group for six months ended 30 September 2017 prepared in accordance with the Schedule III of the Companies Act, 2013.

(iv) Surplus in Consolidated statement of profit and loss account as on 01 April 2012

	As at 31 March 2012
Balance as at 31 March 2012 as per audited financial statements	*588.08*
(i) Impact of audit qualifications	
a) On account of mark to market losses on derivative contracts	*5.20*
b) On account of foreign exchange fluctuation losses on foreign currency monetary items	*8.77*
(ii) Restatement adjusted to give effect to profits for the periods prior to financial years ended 2012-13	
Reversal of prior period expenses in audited financial statements	*18.74*
Prior period taxes	*(9.40)*
Minimum Alternate Tax (MAT) credit entitlement for earlier years	*(9.46)*
(iii) Tax impact on the above adjustments	
Deferred tax (asset)/liability recognized (other than impacts already considered in prior period taxes)	*(3.86)*
Total impact of adjustments	*10.00*
Opening balance as at 01 April 2012 as restated	***578.08***

(v) Modifications in the auditor's report and statements/comments included in the Annexure's to the Audit Report on the audited financial statements of the Company for six months ended 30 September 2017 and the years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 which do not required any corrective adjustments in the Restated Consolidated Finanical Statement are as follows:

i.a In respect of classification between specified bank notes and other denomination notes

The Group has made requisite disclosures in notes to the audited financial statements regarding holdings as well as dealings in specified bank notes during the period from 08 November 2016 to 30 December 2016. However, as stated in notes to the audited financial statements (an extract of which is given below), the Group was unable to appropraitely classify between specified bank notes and other denomination notes of "permitted receipts/ non permitted receipts" and "permitted payments/ non permitted payments"

Extract of the details of Specified Bank Notes (SBN) held and transacted during the period from 8 November 2016 to 30 December 2016 from the audited financial statements for the year ended 31 March 2017:

	SBNs	***Other denomination notes***	***Total***
Closing cash in hand as on 8 November 2016	***2.01***	***1.30***	***3.31***
(+) Permitted receipts	*1.65*	*2.13*	***3.78***
(-) Permitted payments	*-*	*2.79*	***2.79***
(-) Amount deposited in banks	*3.65*	*-*	***3.65***
Closing cash in hand as on 30 December 2016	***-***	***0.65***	***0.65***

* *For the purpose of this note, the term Specified Bank Notes (SBN), shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated 8 November 2016.*

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Financial Year Ended 31 March 2015

Auditor's comments on matters to be reported under Companies (Auditor's Report) Order, as ammended time to time;-

iii.a. Clause (ii) (c)

The Group is maintaining proper records of inventory, except that the records with respect to issue of materials for normal production and for research and development should be segregated. No material discrepancies between physical inventory and book records were noticed on physical verification

iii.b ***Clause (vii) (a)***

Undisputed statutory dues in case of Holding Company and the Subsidiary Company including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

iii.c ***Clause (vii)(b)***

The dues outstanding in respect of income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess on account of any dispute, are as follows:

Statement of Disputed Dues

Name of the statute	Nature of Due	Forum where dispute is pending	Period to which the amount relates	Amount Paid Under protest	Amount
Punjab Municipal Act, 1911	Octroi	Hon'ble High Court of Punjab & Haryana	From 13 May 2006 to 31 August 2006	-	1.56
Uttar Pradesh Value Added Tax Act, 2008	Sales tax	Additional Commissioner (Appeal), Noida	FY 2008-09	-	1.41
Himachal Pradesh General Sales Tax Act, 1968	Sales tax	Court of Himachal Pradesh Tax Tribunal	FY 2008-09	0.20	1.50
Uttar Pradesh Value Added Tax Act, 2008	Sales tax	Additional Commissioner (Appeal), Noida	FY 2009-10	0.06	0.16
Income-tax Act, 1961	Income tax	Income Tax Appelate Tribunal , Chandigarh	AY 2009-10	-	0.60
Income-tax Act, 1961	Income tax	Commissioner Income Tax (Appeals), Patiala	AY 2010-11	3.50	6.90
Income-tax Act, 1961	Income tax	Income Tax Appelate Tribunal , Chandigarh	AY 2009-10	-	4.41
Income-tax Act, 1961	Income tax	Income Tax Department (TDS) Faridabad	From AY 2008-09 to AY 2015-16	-	4.53

* *FY- Financial Year; AY- Assessment Year*

iv.d Clause (xvii)

According to the information and explanations given to us, no fraud on or by the Group has been noticed or reported during the year, except for an instance of misappropriation of funds as detailed in note 42 to the financial statements, wherein a party impersonating as an authorized vendor of the Company, fraudulently misled the Company to transfer USD 29,327 (equivalent to Rs 1.80 millions) to its bank account. The Company has filed a first information report with the police department in this reference and has recorded entire amount as

expense in the statement of profit and loss.

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Amber Enterprises India Limited
(formerly known as Amber Enterprises (India) Private Limited)

Annexure VII: Restated Consolidated Statement of Accounting Ratios
(All amounts in Rupees millions, unless stated otherwise)

	Particulars	For six months ended 30 September 2017	31 March 2017	31 March 2016	31 March 2015	31 March 2014	31 March 2013
A	Net worth	3,626.29	3,349.32	2,626.35	2,385.31	2,094.79	1,326.59
B	Net profit/(loss) after tax, as restated	273.14	278.99	241.04	287.73	216.19	194.78
	-Adjustments for interest on compulsory convertible debentures (net of tax)	14.14	6.47	-	-	-	-
C	Adjusted profit	287.28	285.45	241.04	287.73	216.19	194.78
	Weighted average number of equity shares outstanding during the year (in Rupees)						
D	For basic earnings per share	238,09,825	217,95,151	217,02,788	217,02,788	199,49,496	168,92,626
E	For diluted earnings per share	259,16,855	222,51,193	217,02,788	217,02,788	199,49,496	203,07,864
F	Number of shares outstanding at the end of the year	238,09,825	238,09,825	217,02,788	217,02,788	217,02,788	178,88,885
G	Restated basic earnings per share* (Rs.) **(B/D)**	11.47	12.80	11.11	13.26	10.84	11.53
H	Restated diluted earnings per share* (Rs.) **(C/D)**	11.08	12.80	11.11	13.26	10.84	9.59
I	Return on net worth* (%) **(B/A)**	7.53%	8.33%	9.18%	12.06%	10.32%	14.68%
J	Net assets value per share of ₹10 each **(A/F)**	152.30	140.67	121.01	109.91	96.52	74.16
K	Face value (Rs)	10.00	10.00	10.00	10.00	10.00	10.00

* *The figures of basic, diluted earning per share and return on net worth for the six month ended 30 September 2017 are not annualised.*

Notes:

1. The ratio has been computed as below:

Basic earnings per share (Rs) = $\frac{\text{Net profit after tax, as restated}}{\text{Weighted average number of equity shares outstanding during the period/year}}$

Diluted earnings per share (Rs) = $\frac{\text{Net profit after tax, as restated}}{\text{Weighted average number of potential equity shares outstanding during the period/year}}$

Return on net worth (%) = $\frac{\text{Net profit after tax, as restated}}{\text{Net worth as restated as at period/year end}}$

Net asset value per share (Rs) = $\frac{\text{Net asset, as restated}}{\text{Number of equity shares outstanding as at period/year end}}$

2. *Earning per shares (EPS) calculation is in accordance with the notified Accounting Standard 20 'Earnings per share' specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).*

3. *The amounts disclosed above are based on the Restated Consolidated Financial Information of the Company.*

4. *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 weighing factor. The time weighing factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.*

5. *Net worth means the aggregate value of the paid up share capital of the Group and all reserves created out of profits and securities premium account as per Restated Consolidated Statement of Assets and Liabilities of the Group.*

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Amber Enterprises India Limited
(formerly known as Amber Enterprises (India) Private Limited)

Annexure VIII: Restated Consolidated Statement of Capitalisation
(All amounts in Rupees millions, unless stated otherwise)

Particulars	Pre - Issue (as at 30 September 2017)	Post - Issue*
Borrowings:		
Short-term borrowings	2,454.56	-
Long-term borrowings **(A)**	2,703.74	-
Total debt (B)	**5,158.30**	-
Shareholders' fund (Net worth)		
Share capital	238.10	-
Reserves and surplus	3,388.19	-
Total shareholders' fund (Net worth) (C)	**3,626.29**	-
Long-term borrowings/shareholders' fund (Net worth) ratio (A/C)	0.75	-
Total borrowings/shareholders' fund (Net worth) ratio (B/C)	1.42	-

Notes:

1. Short-term borrowings and current maturities of long term borrowings are debts which are due for repayment within 12 months from 30 September 2017.

2. Long-term borrowings is considered as borrowings other than short-term borrowings and includes current maturities of long term borrowings.

3. The amounts disclosed above are based on the Restated Consolidated Financial Information of the Group.

** These amounts (as adjusted for issue) are not determinable at this stage pending the completion of the book building process and hence have not been furnished.*

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Amber Enterprises India Limited
(formerly known as Amber Enterprises (India) Private Limited)

Annexure IX: Restated Consolidated Statement of Dividend
(All amounts in Rupees millions, unless stated otherwise)

Particulars	For six months ended 30 September 2017	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
Equity shares						
Number of shares	238,09,825	238,09,825	217,02,788	217,02,788	217,02,788	178,88,885
Face value (Rs.)	10.00	10.00	10.00	10.00	10.00	10.00
Amount	238.10	238.10	217.03	217.03	217.03	178.89
Final dividend						
Rate of dividend (%)	-	-	-	-	-	-
Dividend per share (Rs.)	-	-	-	-	-	-
Amount of dividend (Rs.)	-	-	-	-	-	-
Corporate dividend tax (Rs.)	-	-	-	-	-	-
Interim dividend						
Rate of dividend (%)	-	23.10%	-	-	-	40.00%
Dividend per share (Rs.)	-	2.31	-	-	-	4.00
Amount of dividend (Rs. in millions)	-	50.13	-	-	-	57.30
Corporate dividend tax (Rs. in millions)	-	10.21	-	-	-	9.39

i) Interim dividend by holding company during the financial year ended 31 March 2017 has been paid on the number of shares existing as on the date of declaration of interim dividend i.e. 11 January 2017. 2,107,037 number of shares were issued after the declaration of dividend during the financial year ended 31 March 2017.

ii) Interim dividend by holding company during the financial year ended 31 March 2013 has been paid on the number of shares existing as on the date of declaration of interim dividend i.e. 25 July 2017. 3,565,045 number of shares were issued after the declaration of dividend during the financial year ended 31 March 2013.

RESTATED STANDALONE FINANCIAL STATEMENTS

To
The Board of Directors
Amber Enterprises India Limited
[formerly known as Amber Enterprises (India) Private Limited]
Universal Trade Tower, First Floor,
Sector- 49, Sohna Road,
Gurgaon – 122001

Auditor's Report on Restated Standalone Financial Information of Amber Enterprises India Limited [formerly Amber Enterprises (India) Private Limited] (the "Company")

Dear Sirs,

1) We have examined the attached Restated Standalone Financial Information of Amber Enterprises India Limited [formerly Amber Enterprises (India) Private Limited], which comprise the Restated Standalone Summary Statement of Assets and Liabilities as at 30 September 2017, 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013, the Restated Standalone Summary Statement of Profit and Loss and the Restated Standalone Summary Statement of Cash Flows for six months period ended 30 September 2017 and for each of the years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 and the Restated Standalone Summary of Significant Accounting Policies as approved by the Board of Directors at their meeting held on 28 December 2017 for the purpose of inclusion in the Red Herring Prospectus ("RHP") and the Prospectus to be prepared by the Company in connection with its proposed offer of equity shares of the Company in terms of the requirements of:

   a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act") read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 ("the Rules"); and

   b) the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 ("ICDR Regulations").

   The preparation of the Restated Standalone Financial Information is the responsibility of the management of the Company for the purpose set out in paragraph 10 below. The management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Standalone Financial Information. The management is also responsible for identifying and ensuring that the Company complies with the Rules and ICDR Regulations.

2) We have examined such Restated Standalone Financial Information taking into consideration:

   a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 26 August 2017 and addendum thereto in connection with the proposed issue of equity shares of the Company; and

   b) The Guidance Note on Reports in Company Prospectuses (Revised 2016) ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("the ICAI").

3) The Restated Standalone Financial Information have been compiled by the management from:

   c) the Audited Standalone Financial Statements as at and for the six months period ended 30 September 2017 and year ended 31 March 2017 prepared in accordance with accounting principles generally accepted in India which have been approved by Board of directors at their meeting held on 20 December 2017 and 10 July 2017 respectively and have been audited by us;

   d) the Audited Standalone Financial Statements as at and for the year ended 31 March 2016 and 31 March 2015 prepared in accordance with accounting principles generally accepted in India which have been approved by Board of directors at their meetings held on 9 August 2016 and 31 July 2015 respectively; and

e) the Audited Standalone Financial Statements as at and for the year ended 31 March 2014 and 31 March 2013 prepared in accordance with accounting principles generally accepted in India which have been approved by Board of directors at their meetings held on 16 September 2014 and 26 September 2013 respectively.

4) For the purpose of our examination, we have relied on:

f) Independent Auditors' Report jointly issued by us and M/s B M Sharma & Associates, Chartered Accountants dated 9 August 2016 and 31 July 2015 on the standalone financial statements of the Company as at and for the year ended 31 March 2016 and 31 March 2015, respectively as referred in paragraph 3(b) above; and

g) Independent Auditors' Report jointly issued by us and M/s R. K. Pahwa & Co., Chartered Accountants dated 16 September 2014 and 26 September 2013 on the standalone financial statements of the Company as at and for the year ended 31 March 2014 and 31 March 2013, respectively as referred in paragraph 3(c) above.

5) In accordance with the provisions and for complying the requirements of Section 26 of Part I of Chapter III of the Act read with, Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, the ICDR Regulations and the Guidance Note, we report that:

a) The Restated Standalone Summary Statement of Assets and Liabilities of the Company as at 30 September 2017, 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 examined by us, as set out in Annexure I to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure VI: Statement of Adjustments to Audited Standalone Financial Statements.

b) The Restated Standalone Summary Statement of Profit and Loss of the Company, for the six months ended 30 September 2017 and for each of the years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 examined by us, as set out in Annexure II to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure VI: Statement of Adjustments to Audited Standalone Financial Statements.

c) The Restated Standalone Summary Statement of Cash Flows of the Company, for the six months ended 30 September 2017 and for each of the years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 examined by us, as set out in Annexure III to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure VI: Statement of Adjustments to Audited Standalone Financial Statements.

6) Based on the above and according to the information and explanations given to us, we further report that the Restated Standalone Financial Information:

h) have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods;

i) have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate; and

j) do not contain any extraordinary items that need to be disclosed separately in the Restated Standalone Financial Information and do not contain any qualification requiring adjustments.

7) We have also examined the following restated standalone financial information of the Company set out in the Annexures prepared by the management and approved by the Board of Directors for the six months ended 30 September 2017 and years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013:

a) Annexure IV: Restated Standalone Summary of Significant Accounting Policies;
b) Annexure V: Notes to Restated Standalone Financial Information;
c) Annexure VI: Statement of Adjustments to Audited Standalone Financial Statements;

d) Annexure VII: Restated Standalone Statement of Accounting Ratios;
e) Annexure VIII: Restated Standalone Statement of Capitalization;
f) Annexure IX: Restated Standalone Statement of Dividend; and
g) Annexure X: Restated Statement of Tax Shelter

According to the information and explanations given to us, in our opinion, the Restated Standalone Financial Information and the above restated financial information contained in Annexures I to X accompanying this report, read with Restated Standalone Summary of Significant Accounting Policies disclosed in Annexure IV, are prepared after making adjustments and reclassifications/regroupings as considered appropriate and have been prepared in accordance with Section 26 of Part I of Chapter III of the Companies Act, 2013 read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, ICDR Regulations and the Guidance Note.

8) This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, either separately or jointly with other firms of chartered accountants as referred to in paragraph 4 above, nor should this report be construed as a new opinion on any of the audited standalone financial statements referred to herein.

9) We have no responsibility to update our report for events and circumstances occurring after the date of the report.

10) Our report is intended solely for use of the management for inclusion in the offer document to be filed with Securities and Exchange Board of India, the stock exchanges where the equity shares are proposed to be listed and Registrar of Companies, Chandigarh in connection with the proposed issue of equity shares of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013

per **Sumit Mahajan**
Partner
Membership Number: 504822

Place: Gurugram
Date: 28 December 2017

Amber Enterprises India Limited
(formerly known as Amber Enterprises (India) Private Limited)

Annexure I: Restated Standalone Summary Statement of Assets and Liabilities
(All amounts in Rupees millions, unless stated otherwise)

Particulars	Notes	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
EQUITY AND LIABILITIES							
Shareholders' funds							
Share capital	1	238.10	238.10	217.03	217.03	217.03	178.89
Reserves and surplus	2	3,301.82	3,029.91	2,306.06	2,101.82	1,843.47	1,140.51
		3,539.92	**3,268.01**	**2,523.09**	**2,318.85**	**2,060.50**	**1,319.40**
Non-current liabilities							
Long-term borrowings	3	1,788.94	2,491.14	1,614.22	1,450.07	1,174.54	1,464.24
Deferred tax liabilities (net)	4	520.03	420.18	308.54	248.67	175.86	112.59
Other long term liabilities	5	-	-	447.22	270.97	11.99	0.75
Long-term provisions	6	35.74	24.33	21.21	15.31	13.35	9.55
		2,344.71	**2,935.65**	**2,391.19**	**1,985.02**	**1,375.74**	**1,587.13**
Current liabilities							
Short-term borrowings	7	2,104.73	735.40	1,280.68	1,332.14	1,124.23	909.08
Trade payables	8						
-Dues to Micro Enterprises and Small Enterprises		128.91	257.15	165.17	113.26	3.29	2.18
-Dues to creditors other than Micro Enterprises and Small Enterprises		1,605.65	3,852.89	2,565.45	2,041.51	1,778.78	2,029.73
Other current liabilities	9	1,188.60	1,045.64	1,520.00	1,536.26	1,553.18	1,005.58
Short-term provisions	10	40.51	27.31	10.76	41.07	43.34	23.28
		5,068.40	**5,918.39**	**5,542.06**	**5,064.24**	**4,502.82**	**3,969.85**
Total		**10,953.03**	**12,122.05**	**10,456.34**	**9,368.11**	**7,939.06**	**6,876.38**
ASSETS							
Non-current assets							
Fixed assets							
Property, plant and equipment	11	4,287.54	4,327.51	3,976.45	3,257.96	2,631.56	2,177.29

Particulars	Notes	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Intangible assets	12	490.86	546.11	409.02	318.54	324.04	136.24
Capital work-in-progress		84.78	48.96	78.67	400.34	500.86	136.16
Intangible assets under development		218.32	119.93	198.34	92.05	-	103.13
Non-current investments	13	503.03	503.03	503.03	503.03	417.53	417.53
Long-term loans and advances	14	641.52	533.15	412.03	302.08	280.04	156.82
Other non-current assets	15	4.55	33.63	19.42	26.01	52.09	98.60
		6,230.60	**6,112.32**	**5,596.96**	**4,900.01**	**4,206.12**	**3,225.77**
Current assets							
Inventories	16	2,411.12	2,457.42	2,084.37	1,753.10	1,591.95	1,443.54
Trade receivables	17	1,643.28	2,931.75	2,332.30	2,084.18	1,411.60	1,593.42
Cash and bank balances	18	267.06	329.41	162.58	285.44	492.98	367.00
Short-term loans and advances	19	362.64	286.20	276.01	327.73	205.60	215.89
Other current assets	20	38.33	4.95	4.12	17.65	30.81	30.76
		4,722.43	**6,009.73**	**4,859.38**	**4,468.10**	**3,732.94**	**3,650.61**
Total		**10,953.03**	**12,122.05**	**10,456.34**	**9,368.11**	**7,939.06**	**6,876.38**

The accompanying Restated Standalone Summary of Significant Accounting Policies in Annexure IV and Notes to Restated Standalone Financial Information in Annexure V are an integral part of this statement.

For and on behalf of Board of Directors of
Amber Enterprises India Limited
(formerly known as Amber Enterprises (India) Private Limited)

Jasbir Singh
Chairman & Chief Executive Officer
(DIN: 00259632)

Place: Gurugram
Date: 28 December 2017

Daljit Singh
Managing Director
(DIN: 02023964)

Place: Gurugram
Date: 28 December 2017

Konica Yadav
Company Secretary
(Membership No. A30322)

Place: Gurugram
Date: 28 December 2017

Sudhir Goyal
Chief Financial Officer

Place: Gurugram
Date: 28 December 2017

Amber Enterprises India Limited
(formerly known as Amber Enterprises (India) Private Limited)

Annexure II: Restated Standalone Summary Statement of Profit and Loss
(All amounts in Rupees millions, unless stated otherwise)

Particulars	Notes	For six months ended 30 September 2017	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
REVENUE							
Revenue from operations	21	8,880.81	15,544.77	9,780.74	10,812.23	8,383.05	8,211.54
Other income	22	32.80	72.05	23.63	62.31	64.99	51.14
Total revenue		**8,913.61**	**15,616.82**	**9,804.37**	**10,874.54**	**8,448.04**	**8,262.68**
EXPENSES							
Cost of materials consumed	23	7,308.95	13,403.06	7,876.09	9,023.18	6,951.82	6,995.98
Changes in inventories of finished goods and work-in-progress	24	180.97	(286.86)	(36.53)	(59.44)	10.98	66.71
Employee benefits expense	25	193.66	380.65	314.20	291.73	249.45	176.91
Finance costs	26	242.79	540.02	481.61	378.31	282.16	187.47
Depreciation and amortisation expense	27	207.99	359.67	280.32	232.15	167.10	118.94
Other expenses	28	411.31	807.71	624.59	657.07	534.20	456.25
Total expenses		**8,545.67**	**15,204.25**	**9,540.28**	**10,523.00**	**8,195.71**	**8,002.26**
Profit before tax		**367.94**	**412.57**	**264.09**	**351.54**	**252.33**	**260.42**
Tax expense							
Current tax		78.52	88.16	55.24	70.66	55.38	51.67
Deferred tax		99.86	111.64	59.85	73.50	63.23	74.04
Minimum Alternate Tax (MAT) credit entitlement		(78.52)	(88.16)	(55.24)	(45.38)	(55.38)	(50.74)
Profit for the year		**268.08**	**300.93**	**204.24**	**252.76**	**189.10**	**185.45**

Earnings per equity share (Nominal value of		

equity share Rs 10 each)	33						
-Basic		11.26	13.81	9.41	11.65	9.48	10.98
-Diluted		10.89	13.81	9.41	11.65	9.48	9.13

The accompanying Restated Standalone Summary of Significant Accounting Policies in Annexure IV and Notes to Restated Standalone Financial Information in Annexure V are an integral part of this statement.

For and on behalf of Board of Directors of
Amber Enterprises India Limited
(formerly known as Amber Enterprises (India) Private Limited)

Jasbir Singh
Chairman & Chief Executive Officer
(DIN: 00259632)

Place: Gurugram
Date: 28 December 2017

Daljit Singh
Managing Director
(DIN: 02023964)

Place: Gurugram
Date: 28 December 2017

Konica Yadav
Company Secretary
(Membership No. A30322)

Place: Gurugram
Date: 28 December 2017

Sudhir Goyal
Chief Financial Officer

Place: Gurugram
Date: 28 December 2017

Amber Enterprises India Limited
(formerly known as Amber Enterprises (India) Private Limited)

Annexure III: Restated Standalone Summary Statement of Cash Flows
(All amounts in Rupees millions, unless stated otherwise)

Particulars	For six months ended 30 September 2017	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
A. Cash flow from operating activities:						
Net profit before tax	367.94	412.57	264.09	351.54	252.33	260.42
Adjustments for:						
Depreciation and amortisation	207.99	359.67	280.32	232.15	167.10	118.94
(Profit)/Loss on sale of fixed assets (net)	(0.93)	(3.35)	0.74	(4.13)	(5.23)	(14.86)
Finance cost	242.79	540.02	481.61	378.31	282.16	187.47
Bad debts	-	5.25	0.49	7.18	8.71	-
Advances written off	-	1.98	4.50	2.51	-	-
Provision for impairment of property, plant and equipment and intangible assets	-	-	11.97	-	-	-
Liabilities no longer required written back	-	-	(0.06)	(4.09)	(15.32)	-
Interest income	(7.01)	(14.44)	(16.98)	(26.21)	(38.32)	(29.73)
Unrealised foreign exchange rate variation (net)	(20.81)	(45.97)	-	(1.82)	(4.48)	2.14
(Profit) / Loss on mark to market of derivative contracts	-	-	-	(15.03)	13.12	2.73
Provision for doubtful debts	-	-	-	-	-	4.65
Operating profit before working capital changes	**789.97**	**1,255.73**	**1,026.68**	**920.41**	**660.07**	**531.76**
Adjustments for movement in:						
Inventories	46.30	(373.01)	(331.30)	(161.17)	(148.40)	(398.19)
Trade receivables	1,288.47	(604.70)	(248.61)	(679.76)	170.05	(847.72)
Short-term loans and advances	(81.35)	(16.38)	29.27	(105.96)	(32.09)	(90.81)
Long-term loans and advances	30.31	(27.39)	(24.03)	40.04	3.19	(5.72)
Other current assets	(31.87)	-	3.48	10.01	(5.75)	(14.52)
Other non-current assets	-	(1.88)	0.61	3.53	-	-
Trade payables	(2,354.66)	1,425.40	576.38	378.61	(333.62)	999.75
Other current liabilities	(455.79)	(446.51)	249.94	58.50	223.20	232.31
Other long term liabilities	-	(447.22)	176.25	270.52	11.24	0.75

			Short-term provisions	0.54	3.69	(2.72)	2.42	2.22	(48.66)
			Long-term provisions	11.40	3.13	4.98	3.22	3.79	4.14
	Cash flow from operating activities before taxes			**(756.68)**	**770.85**	**1,460.94**	**740.38**	**553.90**	**363.08**
			Income taxes paid	(65.88)	(76.50)	(93.72)	(75.24)	(37.69)	(0.93)
	Net cash generated from operating activities (A)			**(822.56)**	**694.35**	**1,367.21**	**665.14**	**516.21**	**362.15**
B.	**Cash flow from investing activities:**								
			Purchase of fixed assets (including capital advances and creditors for capital expenditure and capital work-in-progress)	(328.89)	(735.46)	(825.83)	(871.11)	(1,061.60)	(1,081.01)
			Proceeds from sale of fixed assets	5.57	7.80	12.53	6.68	45.06	56.03
			Changes in restricted cash	(18.13)	(94.53)	127.19	176.45	(84.62)	(119.77)
			Changes in non-current fixed deposits	69.80	(12.32)	5.96	-	-	-
			Purchase of equity shares of subsidiary	-	-	-	(85.50)	-	(407.59)
			Interest received on deposits with banks	7.75	13.62	26.40	33.36	48.73	29.73
			Consideration paid under business purchase arrangement (refer Note 37)	-	-	-	-	-	(25.30)
	Net cash utilised in investing activities (B)			**(263.90)**	**(820.89)**	**(653.74)**	**(740.12)**	**(1,052.43)**	**(1,547.91)**
C.	**Cash flow from financing activities:**								
			Proceeds from issue of share capital (includes share premium)	-	500.00	-	-	-	448.00
			Proceeds from issue of debentures	-	500.00	-	-	-	252.00
			Proceeds from long-term borrowings	651.29	439.76	1,527.36	1,066.73	879.51	526.99
			Repayment of long term borrowings	(753.18)	(105.50)	(1,640.86)	(800.63)	(202.76)	(132.95)
			Net (decrease)/ increase in short term borrowings	1,369.33	(545.27)	(51.48)	207.91	215.16	333.58
			Finance cost paid	(218.49)	(529.82)	(544.17)	(448.67)	(349.22)	(206.67)
			Interim dividend paid	-	(50.13)	-	-	-	(57.30)
			Tax on interim dividend	-	(10.21)	-	-	-	(9.39)
	Net cash generated /(utilised) from financing activities (C)			**1,048.95**	**198.83**	**(709.15)**	**25.34**	**542.69**	**1,154.26**
	Net increase/(decrease) in cash and cash equivalents (A+B+C)			(37.51)	72.29	4.32	(49.65)	6.47	(31.50)
	Opening cash and cash equivalents			94.95	22.66	18.33	67.98	61.51	91.19

	Transfer of cash and bank balances pursuant to the scheme of business purchase (refer note 37)	-	-	-	-	-	1.82
	Closing cash and cash equivalents	**57.44**	**94.95**	**22.66**	**18.33**	**67.98**	**61.51**

Notes:

a) The above cash flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard 3 (AS-3) on "Cash flow statements" as specified under section 133 of Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).

b) Figures in bracket indicate cash outflows.

c) Cash and cash equivalents include:

Cash in hand	*2.67*	*1.36*	*0.69*	*0.52*	*1.16*	*1.72*
Cheques on hand	*-*	*9.36*	*0.45*	*3.15*	*0.11*	*-*
Balance with banks						
- in current and cash credit account	*54.77*	*84.23*	*21.52*	*14.66*	*66.71*	*59.79*
Cash and cash equivalents	***57.44***	***94.95***	***22.66***	***18.33***	***67.98***	***61.51***
Excludes the following :						
*Other bank balances**						
- escrow account	*-*	*-*	*-*	*-*	*85.50*	*85.50*
- deposits with maturity of upto three months	*52.72*	*63.17*	*32.56*	*57.02*	*242.53*	*14.12*
- deposits with maturity of more than three months but less than twelve months	*156.89*	*171.29*	*107.36*	*210.09*	*96.97*	*205.87*
- deposits with maturity of more than twelve months	*4.10*	*30.92*	*18.60*	*24.57*	*43.12*	*78.00*
Less : Amounts disclosed as other non-current assets	*(4.10)*	*(30.92)*	*(18.60)*	*(24.57)*	*(43.12)*	*(78.00)*
Cash and bank balances (refer note 18)	***267.06***	***329.41***	***162.58***	***285.44***	***492.98***	***367.00***

* *Other bank balances include cash and cash balances which are under restriction (refer note 18)*	*204.91*	*186.78*	*133.89*	*291.68*	*468.12*	*383.50*

The accompanying Restated Standalone Summary of Significant Accounting Policies in Annexure IV and Notes to Restated Standalone Financial Information in Annexure V are an integral part of this statement.

For and on behalf of Board of Directors of
Amber Enterprises India Limited
(formerly known as Amber Enterprises (India) Private Limited)

Jasbir Singh
Chairman & Chief Executive Officer
(DIN: 00259632)

Place: Gurugram
Date: 28 December 2017

Konica Yadav
Company Secretary
(Membership No. A30322)

Place: Gurugram
Date: 28 December 2017

Daljit Singh
Managing Director
(DIN: 02023964)

Place: Gurugram
Date: 28 December 2017

Sudhir Goyal
Chief Financial Officer

Place: Gurugram
Date: 28 December 2017

Amber Enterprises India Limited
(formerly known as Amber Enterprises (India) Private Limited)

Annexure IV: Restated Standalone Summary of Significant Accounting Policies

1. (a) Corporate Information

Amber Enterprises India Limited (the "Company") incorporated in 1990, under the Companies Act 1956, is engaged in the business of manufacturing a versatile range of products i.e. Air conditioners, microwave ovens, washing machines, refrigerators, heat exchangers, sheet metal components etc. Currently, the Company has nine manufacturing facilities in India. The Company was converted into a public limited company with effect from 22 September 2017.

(b) Basis of preparation

The Restated Standalone Summary Statement of Assets and Liabilities as at 30 September 2017, 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 and Restated Standalone Summary Statement of Profit and Loss and Restated Standalone Summary Statement of Cash Flow for the period/year ended 30 September 2017, 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 (together referred to as "Restated Standalone Financial Information") have been compiled by the Company from the Audited Standalone Financial Statements to which further adjustments are made to comply in all material aspects with the requirements of the SEBI (Issue of Disclosure and Capital Requirements) Regulations, 2009, as amended (the "Regulations"). Accordingly, these Restated Standalone Financial Information have been prepared after incorporating adjustments for the audit qualifications for the respective period/years under consideration and after incorporating adjustments for the material amounts in the respective financial period/years to which they relate as explained later. There were no extraordinary items that needed to be disclosed separately for the respective period/years under consideration.

The Audited Standalone Financial Statements of the Company were prepared under the historical cost convention on a going concern basis, on the accrual basis of accounting in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). Indian GAAP comprises accounting standards as specified under Section 133 of the Companies Act, 2013 ('the Act'), and the relevant provisions of the Act/ the Companies Act, 1956 and other accounting pronouncements of The Institute of Chartered Accountants of India (ICAI). The accounting policies adopted in the preparation of the standalone financial statements are consistent with those adopted in the preparation of the financial statements for the year ended 31 March 2017

All 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 III to the Companies Act, 2013. Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current/ non-current classification of its assets and liabilities.

This Restated Standalone Financial Information has been prepared for inclusion in the Offer Document to be filed by the Company with the Securities and Exchange Board of India ('SEBI') in connection with proposed Initial Public Offering of its equity shares, in accordance with the requirements of:

(a) Sub-clause (i), (ii) and (iii) of clause (b) of Sub-section (1) of Section 26 of Chapter III of the Act read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014; and

(b) relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "Regulations") issued by the Securities and Exchange Board of India ('SEBI') on 26 August 2009, as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992.

2. Significant accounting policies

(a) Use of estimates

While preparing the Restated Standalone Financial Information in conformity with the accounting principles generally accepted in India, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

b) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

i) Revenue from operations

a) Revenue from sale of goods is recognized when significant risks and rewards of ownership are transferred to the buyer and there do not exist significant uncertainty regarding the amount of the consideration that will be derived from the sale of goods. It is stated inclusive of excise duty and net of trade discounts, sales returns, sales tax and goods and service tax wherever applicable.

b) Revenue in respect of tool development and job charges is recognized as per the terms of the contract with the customers.

ii) Other income

a) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

b) In respect of assets given on operating lease, income is recognised on a straight line basis over the lease term.

c) Revenue in respect of insurance claims is recognized when no significant uncertainty exists with regard to the amount to be realized and the ultimate collection thereof.

d) Dividend income has been recognized when the right to receive has been established.

c) Employee benefits

Short - term employee benefits

All employee benefits payable/available within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages, bonus, etc are recognized in the period in which the employee renders the related service.

Post-employment benefits Defined contribution plan

The Company makes contribution to provident fund in accordance with Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The plan is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee.

Defined benefit plan

Gratuity

Gratuity is a post-employment defined benefit plan. The liability recognized in the Restated Standalone Summary Statement of Assets and Liabilities in respect of gratuity is the present value of the defined benefit obligation as at the balance sheet date together with adjustments for past service costs not yet recognised and actuarial gains or losses. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from adjustments and changes in actuarial assumptions are credited or charged to the Restated Standalone Summary Statement of Profit and Loss in the period/year in which such gains or losses arise.

Other long-term liability

Leave encashment

Provision for leave encashment when determined to be a long term benefit is made on the basis of actuarial valuation using projected unit credit method as at the end of the period/year. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the Restated Standalone Summary Statement of Profit and Loss in the period/year in which such gains or losses arise. Provision related to short term compensated absences of workers is recognised on full cost basis. Full cost basis, measures the liability of all the accumulated leaves outstanding as at the balance sheet date as a product of basic salary of the employees.

Actuarial Gains/Losses

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the Restated Standalone Summary Statement of Profit and Loss in the period/year in which such gains or losses arise.

d) Fixed assets

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable costs of bringing the asset to its working condition for its intended use. Subsequent expenditure relating to the same, is capitalised only when it is probable that the future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

When an item of property, plant and equipment is disposed off or scrapped or it is estimated that no future economic benefits are expected to flow to the enterprise, the carrying amount of such item of property, plant and equipment are derecognised and gain/loss arising from the same are included in the statement of profit and loss.

Project under commissioning and other assets under erection/installation are shown under capital work in progress and are carried at cost, comprising of direct cost and related incidental expenses.

Intangibles

Intangible assets include goodwill, development cost and software licenses.

Goodwill is recognised as the excess of business consideration paid over the share of net assets acquired and liabilities assumed in case of business purchase arrangement.

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised as an expense when it is incurred.

Expenditure on development activities, where research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalised if the product or process is technically and commercially feasible and the Company has sufficient resources to complete development. The expenditure capitalised includes the cost of materials, direct personnel cost and an appropriate proportion of overheads. Other development expenditure is recognised in the income statement as an expense is incurred.

Software licenses are providing future enduring economic benefits are stated at acquisition cost, net of accumulated amortization and accumulated impairment loss, if any.

Intangible assets are stated at cost less accumulated amortization and impairment losses (if any).

e) Depreciation and amortization expense

Property, plant and equipment

Depreciation amount for the assets is the cost of the asset or other amount substituted for cost, less its estimated residual value. Depreciation on property, plant and equipment is provided on straight line method.

Prior to 1 April 2014, depreciation on property, plant and equipment except for lease hold improvements, has been provided on the straight line method. With effect from 01 April 2014, pursuant to notification of Schedule II to the Companies Act, 2013, depreciation on property, plant and equipment has been provided as per useful lives as prescribed in Schedule II to the Companies Act, 2013 except for leasehold improvements.

Block of asset	Useful life as per Companies Act, 2013 (in years)
Building	30-60
Plant and machinery	15
Computer	3
Furniture and fixture	10
Office equipment	5
Vehicles	8 – 10

Leasehold land under perpetual leases is not amortised and leasehold improvements are depreciated over the duration of the lease or useful life whichever is shorter.

Depreciation on improvements carried out on buildings taken on lease (included under buildings) is provided over the period of the lease or useful life of the assets, whichever is lower.

Intangibles

i) Goodwill is written of over a period of five years.

ii) Expenditure on development activities is amortised over a period of seven years.

iii) Computer softwares are amortised over a period of six years.

f) Research and development

Revenue expenditure on research is expensed off under the respective heads of accounts in the period/year in which it is incurred.

Expenditure on development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalized, if the cost can be reliably measured, the product or process is technically and commercially feasible

and the company has sufficient resources to complete the development and to use and sell the asset. The expenditure capitalized includes cost of material, direct labour and an appropriate proportion of overheads that are directly attributable to preparing the assets for its intended use. Other development expenditure is recognized in the Restated Standalone Summary Statement of profit and loss as an expense as incurred.

Items of property, plant and equipment used for research and development are depreciated in accordance with the Company's policy on property, plant and equipment assets as stated above.

g) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non-current investments.

Current investments are stated at lower of cost and fair value determined on an individual investment basis.

Non-current investments are stated at cost. Provision is made for diminution in the value of non- current investments to recognise decline, if any, other than temporary in nature.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Restated Standalone Summary of Statement of Profit and Loss.

h) Inventories

Inventories are valued at cost and net realizable value, whichever is lower. The cost in respect of the various items of inventory is computed as under:

- Raw material cost includes direct expenses and is determined on the basis of first in first out method.
- Stores and spares, consumables and packing materials cost includes direct expenses and is determined on the basis of first in first out method.
- In case of work in process - at raw material cost plus conversion costs depending upon the stage of completion.
- In case of finished goods - at raw material cost plus conversion costs, packing cost and other overheads incurred to bring the goods to their present location and condition. Excise duty in respect of goods manufactured by the Company is accounted for at the time of removal of goods from factory for sale and/or captive consumption and provision for excise duty is made for finished goods lying in the factory at period/ year end.
- Scrap: At estimated net realisable value.

i) Subsidy

Government grant available to the Company is recognised only when there is reasonable assurance that the Company will comply with the conditions attached to them and where such benefits have been earned by the Company and it is reasonably certain that the ultimate collection will be made.

Where the assistance from the government is in the nature of promoter's contribution, it is credited to capital reserve.

Where the grant or subsidy relates to revenue item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate.

Where the grant or subsidy relates to an asset, it is treated as deferred income which is recognised in the statement of profit and loss on a systematic and rational basis over the useful life of assets. Such allocation to income is usually made over the periods and in proportions in which depreciation on related assets is charged.

j) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of cost of such asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

k) Leases

i) Operating leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Restated Standalone Summary Statement of Profit and Loss on a straight-line basis over the lease term.

ii) Finance leases

Assets acquired on lease where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalized at the inception of the lease at the lower of fair value or the present value of minimum lease payments and a liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period. The resultant interest cost is charged to the Restated Standalone Summary Statement of Profit and Loss on accrual basis.

l) Impairment of property, plant and equipment and intangible assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is
reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Restated Standalone Summary Statement of Profit and Loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists then the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

m) Foreign currency transactions

i) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii) Conversion

Foreign currency monetary items are reported using the closing rate. 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; and 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.

iii) Exchange differences

Exchange differences arising on the settlement of monetary items or on restatement of the Company's monetary items at rates different from those at which they were initially recorded during the period/year, or reported in previous financial period/years, are recognized as income or as expenses in the period/year in which they arise except to the extent permitted by the transitional provision contained in Companies (Accounting Standards) Amendments Rules, 2009 in respect of long term foreign currency monetary items, in which case the cost of assets are adjusted by the translation differences and amortised over the remaining useful life of the related assets.

n) Accounting for taxes on income

Tax expense comprises current tax and deferred income tax.

Current tax is determined as the amount of tax payable in respect of taxable income for the period/year, computed in terms with the provision for Income-tax Act, 1961 and rules made thereunder.

Deferred income taxes reflect the impact of current period/year timing differences between taxable income and accounting income for the period/year and reversal of timing differences of earlier period/years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. In respect of carry forward losses and unabsorbed depreciation, deferred tax assets are recognized only to the extent there is virtual certainty that sufficient future taxable income will be available against which such losses can be realised.

Minimum Alternate tax ('MAT') 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. In the period/year in which MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

o) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period/year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period/year. The weighted average number of equity shares outstanding during the period/year is adjusted for events of bonus issue and share split.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period/year attributable to equity shareholders and the weighted average number of shares outstanding during the period/year are adjusted for the effects of all dilutive potential equity shares.

p) Provision, contingent liabilities and contingent assets

The Company makes a provision when there is a present obligation as a result of a past event where the outflow of economic resources is probable and a reliable estimate of the amount of the obligation can be made.

A disclosure is made for a contingent liability when there is a

(i) Possible obligation, the existence of which will be confirmed by the occurrence/non- occurrence of one or more uncertain events, not fully with in the control of the Company;

(ii) Present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation;

(iii) Present obligation, where a reliable estimate cannot be made.

q) Derivative instruments

The exchange differences arising on forward contracts other than those entered into to hedge the foreign currency risk of firm commitments or highly probable forecast transactions are recognised in the period/year in which they arise based on the difference between i) foreign currency amount of the contract translated at the exchange rate on the reporting date and

ii) the same foreign currency amount translated at the later of the date of inception of the forward exchange contract or the last reporting date.

The premium or discount arising at the inception of the forward contracts other than those entered into to hedge the foreign currency risk of firm commitments or highly probable forecast transactions is amortized as expense or income over the life of the contract.

Any profit or loss arising on cancellation or renewal of forward exchange contracts is recognised as income or expense for the period/year.

As per the Institute of Chartered Accountants of India (ICAI) Announcement, accounting for derivative contracts, other than those covered under Accounting Standard-11, "The Effects of Changes in Foreign Exchange Rates", are marked to market on individual portfolio basis, and the net loss after considering the offsetting effect on the underlying hedge item is charged to the statement of profit and loss. Considering the principles of prudence as enumerated in Accounting Standard-1, "Disclosure of Accounting Policies", net gains arising on account of marked to market of derivative contracts are ignored.

r) Cash and cash equivalents (for the purpose of cash flow statement)

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short term investments with an original maturity of three months or less.

s) Cash flow statement

Cash flows are reported using the indirect method, whereby profit /(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, investing and financing activities of the Company are segregated based on the available information.

t) Segment accounting

Segments are identified in line with Accounting Standard 17 - 'Segment Reporting' ('AS 17'). The accounting policies adopted for segment reporting are in line with those adopted\ for preparing and presenting the financial statements of the Company. In addition, the following additional policies for segment reporting:

i. Inter segment revenues have been accounted for based on the transaction price agreed to between segments at estimated cost of the transferor segment.

ii. Revenues and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

iii. Revenues and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated corporate expenses". Unallocated corporate expense also includes taxes and finance charges and other unallocable corporate expenses.

iv. Assets and liabilities, which relate to the Company as a whole and are not allocable to segments on a reasonable basis, are shown as unallocated corporate assets and liabilities respectively.

The Company's operating businesses is organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Amber Enterprises India Limited
(formerly known as Amber Enterprises (India) Private Limited)

Annexure V: Notes to Restated Standalone Financial Information
(All amounts in Rupees millions, unless stated otherwise)

1 Share capital

Particulars	As at 30 September 2017		As at 31 March 2017		As at 31 March 2016		As at 31 March 2015		As at 31 March 2014		As at 31 March 2013	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Authorised share capital												
Equity shares of Rs. 10 each	450,00,000	450.00	265,00,000	265.00	250,00,000	250.00	250,00,000	250.00	250,00,000	250.00	250,00,000	250.00
Preference shares of Rs. 10 each	-	-	45,00,000	45.00	-	-	-	-	-	-	-	-
	450,00,000	450.00	310,00,000	310.00	250,00,000	250.00	250,00,000	250.00	250,00,000	250.00	250,00,000	250.00
Issued, subscribed and fully paid-up												
Equity shares of Rs. 10 each	238,09,825	238.10	238,09,825	238.10	217,02,788	217.03	217,02,788	217.03	217,02,788	217.03	178,88,885	178.89
	238,09,825	238.10	238,09,825	238.10	217,02,788	217.03	217,02,788	217.03	217,02,788	217.03	178,88,885	178.89

a. The Company has only one class of equity shares having a par value of Rs.10 each (All other previous years: Rs 10 each). Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

b. Reconciliation of equity share capital and preference share capital

	Particulars	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
i)	**Equity share capital of Rs. 10 each fully paid up**												
	Balance at the beginning of the period/year	23,809,825	238.10	21,702,788	217.03	21,702,788	217.03	21,702,788	217.03	17,888,885	178.89	14,323,840	143.24
	Add:												
	Share issues during the period/year	-	-	-	-	-	-	-	-	-	-	3,565,045	35.65

Compulsory convertible debentures converted into equity shares	-	-	-	-	-	-	-	-	3,813,903	38.14	-	-
Compulsory convertible preference shares converted into equity shares	-	-	2,107,037	21.07	-	-	-	-	-	-	-	-
Balance at the end of the period/year	**23,809,825**	**238.10**	**23,809,825**	**238.10**	**21,702,788**	**217.03**	**21,702,788**	**217.03**	**21,702,788**	**217.03**	**17,888,885**	**178.89**

ii) Preference share capital of Rs. 10 each fully paid-up

Particulars	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Balance at the beginning of the period/year	-	-	-	-	-	-	-	-	-	-	-	-
Add: Compulsory convertible preference shares issued during the period/year	-	-	21,07,037	21.07	-	-	-	-	-	-	-	-
Less: Compulsory convertible preference shares converted into equity shares*	-	-	(21,07,037)	(21.07)	-	-	-	-	-	-	-	-
Balance at the end of the period/year	-	-	-	-	-	-	-	-	-	-	-	-

* *On 12 January 2017, the Company issued 2,107,037 Compulsorily Convertible Preference Shares ("CCPS") of Rs. 10 each at premium of Rs. 227.30 per CCPS, aggregating to Rs. 499.99 millions. The holder of the CCPS shall be entitled to receive, fixed dividend in respect of the par value of the CCPS at the rate of 0.01% per annum. During the year ended 31 March 2017, CCPS were converted into equivalent number of equity shares of Rs.10 each in the ratio of 1:1.*

c. Shareholders holding more than 5% of shares of the Company as at

Particulars	30 September 2017		31 March 2017		31 March 2016		31 March 2015		31 March 2014		31 March 2013	
	Number	Percentage (%)	Number	Percentage (%)	Number	Percentage (%)	Number	Percentage (%)	Number	Percentage (%)	Number	Percentage (%)

Mr. Jasbir Singh	66,85,840	28.08%	66,85,840	28.08%	66,85,840	30.81%	66,85,840	30.81%	66,85,840	30.81%	66,85,840	37.37%
Mr. Daljit Singh	57,00,880	23.94%	57,00,880	23.94%	57,00,880	26.27%	57,00,880	26.27%	57,00,880	26.27%	57,00,880	31.87%
Mr. Kartar Singh	10,46,264	4.39%	10,46,264	4.39%	14,80,320	6.82%	14,80,320	6.82%	14,80,320	6.82%	14,80,320	8.28%
Ascent Investment Holdings Pte. Ltd.	99,20,041	41.66%	99,20,041	41.66%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Reliance Alternate Investment Fund-Private Equity Scheme I-Fairwinds Trustees Services Private Limited	-	0.00%	-	0.00%	73,78,948	34.00%	73,78,948	34.00%	73,78,948	34.00%	35,65,045	19.93%

d. Details of shares allotted as fully paid up by way of bonus issues during current period and last 5 years

Period/Year ended	Face value (in Rs.)	Number of shares
30 September 2017	10	-
31 March 2017	10	-
31 March 2016	10	-
31 March 2015	10	-
31 March 2014	10	-
31 March 2013	10	-
31 March 2012	10	125,33,360
31 March 2011	10	-
31 March 2010	10	-
31 March 2009	10	-
31 March 2008	10	-

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2 Reserves and surplus

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Securities premium						
Balance at the beginning of the period/year	1,405.14	926.21	926.21	926.21	412.35	-
Add: Additions made during the period/year on allotment of equity shares	-	478.93	-	-	513.86	412.35
Balance at the end of the period/year	1,405.14	1,405.14	926.21	926.21	926.21	412.35
Capital reserve						
State investment subsidy at the beginning of the period/year	27.17	22.84	22.84	15.87	15.87	15.87
Add : Subsidy received during the period/year	3.83	4.33	-	6.97	-	-
Balance at the end of the period/year	31.00	27.17	22.84	22.84	15.87	15.87
General reserve						
Balance at the beginning of the period/year	33.73	33.73	33.73	33.73	33.73	13.31
Add : Additions made during the period/year	-	-	-	-	-	20.42
Balance at the end of the period/year	33.73	33.73	33.73	33.73	33.73	33.73
Surplus in the statement of profit and loss						
Balance at the beginning of the period/year	1,563.87	1,323.28	1,119.05	867.67	678.56	580.22
Add : Transferred from statement of profit and loss	268.08	300.93	204.24	252.76	189.10	185.45
Less :						
Interim dividend	-	50.13	-	-	-	57.30
Tax on Interim dividend	-	10.21	-	-	-	9.39
Transfer to general reserve	-	-	-	-	-	20.42
Depreciation adjustment (refer note 11)	-	-	-	2.04	-	-
Deferred tax impact of depreciation adjustment	-	-	-	(0.66)	-	-
	-					
Balance at the end of the period/year	1,831.95	1,563.87	1,323.28	1,119.05	867.67	678.56
	3,301.82	**3,029.91**	**2,306.06**	**2,101.82**	**1,843.47**	**1,140.51**

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3 Long-term borrowings

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Secured						
Term loans						
- from banks	767.63	845.27	376.39	906.48	1,094.74	909.73
- from others	965.78	1,068.37	1,108.18	373.43	-	-
Vehicle loan						
- from banks	1.26	1.42	-	-	0.37	2.51
- from others	3.17	2.51	2.00	2.58	-	-
3,000,000 Compulsory convertible debentures of Rs. 100 each	-	-	-	-	-	300.00
2,520,000 Compulsory convertible debentures of Rs. 100 each	-	-	-	-	-	252.00
10 Compulsory convertible debentures of Rs 50 million each	-	500.00	-	-	-	-
Finance lease obligations (also refer note 9 and note 34)	51.10	73.57	127.65	167.58	79.43	-
	1,788.94	**2,491.14**	**1,614.22**	**1,450.07**	**1,174.54**	**1,464.24**

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3(a) Details of long term borrowings

S. No.	Nature of loan	Lender	As at												Nature of Securities	Interest Rate	Tenure of Repayment
			30 September 2017		31 March 2017		31 March 2016		31 March 2015		31 March 2014		31 March 2013				
			Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current			
1	Term loans from Banks (in foreign currency)	Development Bank of Singapore	-	-	-	-	-	-	-	155.84	150.15	150.15	271.55	-	Pledge of fixed deposits of Rs. 230.00 million and negative pledge.	4% p.a.	2 Equal annual installments of USD 2.5 millioin.
2	Term loans from Banks (in foreign currency)	Standard Chartered Bank	-	-	-	-	-	-	-	62.34	60.06	120.12	162.93	108.62	Exclusive charge over movable properties purchased out of proceeds of this loan, first pari passu charge on moveable fixed assets of the company exclusive of those specifically hypothecated to other banks, first pari passu charge on plot no. C-1, phase- II, focal point, Rajpura and plot no. D-36-37- 38 , selaqui Dehradun, uttaranchal in the name of the company and first pari passu charge on plot no. C-2, phase- II, focal point, Rajpura in the name of Acme Fabrications Private Limited and negative lien on plot no. C-12,	4.10% to 4.40%	16 equal quarterly installments of USD 0.5 million.

S. No.	Nature of loan	Lender	As at												Nature of Securities	Interest Rate	Tenure of Repayment
			30 September 2017		31 March 2017		31 March 2016		31 March 2015		31 March 2014		31 March 2013				
			Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current			
															phase- II, focal point, Rajpura in the name of Acama Appliances Private Limited. The external commercial borrowing loan is also secured by corporate guarantees of Acme Fabrications Private Limited and Acama Appliances Private Limited and personal guarantees of Mr. Kartar singh (chairman), Mr. Jasbir singh (Managing Director), Mr. Daljit singh (Director) and Mr. Kirpal singh (Director)		
3	Term loan from bank (in Rupees)	Housing Development Finance Corporation (HDFC) Bank Limited	-	-	-	-	122.70	54.53	177.23	54.53	231.76	54.53	244.81	11.66	First pari passu charge on all the present and future current assets, first pari passu charge on moveable fixed assets of the company exclusive of those specifically hypothecated to other banks, first pari passu charge on plot no. C-	Base Rate + 2.15 % p.a.	22 equal quaterly installments of Rs. 13.63 million.

S. No.	Nature of loan	Lender	As at												Nature of Securities	Interest Rate	Tenure of Repayment
			30 September 2017		31 March 2017		31 March 2016		31 March 2015		31 March 2014		31 March 2013				
			Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current			
															1, phase- II, focal point, Rajpura belonging to the company and, plot no. C-2, phase- II, focal point, Rajpura belonging to Acme Fabrications Private Limited and negative lien on plot no. C-12 urban estate focal point, Rajpura belonging to Acama Appliances Private Limited, exclusive charge on the machinery purchased out of the proceeds of this term loan , exclusive charge on the Jhajjar factory building- khewat no. 29 min, khata no 29 min, rect no 92, kila no 13 (8-0), 14/1 (1-15), 17 (7-7), 18(8-0), khewat no. 110 min, khata no 125 min, rect no 92, kila no 6/2 (4-0), 7/1 (4-0), khewat no. 916 min, khata no 1031 min, rect no 92, kila		

S. No.	Nature of loan	Lender	As at												Nature of Securities	Interest Rate	Tenure of Repayment
			30 September 2017		31 March 2017		31 March 2016		31 March 2015		31 March 2014		31 March 2013				
			Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current			
															no 8/2 (3-18), 15/1 (4-0), 16/2 (5- 17), khewat no. 143 min, khata no 167 min, rect no 92, kila no 23/2/1 (2-4), situated in village dadr toe, tehsil-Jhajjar, district-Jhajjar valued at 120 million. The term loans are also secured by corporate guarantees of Acme Fabrications Private Limited and Acama Appliances Private Limited and personal guarantee of Mr. Kartar singh (chairman), Mr. Jasbir singh (Managing Director), Mr. Daljit singh (Director) and Mr. Kirpal singh (Director).		
4	Term loan from bank (in Rupees)	Yes Bank Limited	-	-	-	-	-	-	-	-	66.00	24.00	90.00	24.00	Exclusive charge by way of equitable mortgage on land and building of the company situated at a-1/1-A,upsidc	12.5% p.a.	20 quarterly installments of Rs. 60 million starting from June

S. No.	Nature of loan	Lender	As at												Nature of Securities	Interest Rate	Tenure of Repayment
			30 September 2017		31 March 2017		31 March 2016		31 March 2015		31 March 2014		31 March 2013				
			Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current			
															industrial area, selaqui, Dehradun having minimum valuation of Rs.120 million, subservient charge on all the current assets and movable fixed assets of the company (both present and future). The term loans are also secured by unconditional and irrevocable personal guarantee of Mr. Jasbir singh (Managing Director) and Mr. Daljit singh (Director).		2013.
5	Term loan from bank (in Rupees)	Axis Bank Limited	-	-	-	-	16.67	22.22	38.89	22.22	66.67	16.67	71.11	8.89	Exclusive charge by way of hypothecation on fixed assets funded out of the term loan, first pari passu charge by way of equitable mortgage of 3 immovable properties including land and building located at plot no. C-1, phase- II, focal point, Rajpura punjab owned by the	Base Rate + 2.5% p.a.	18 equal quaterly installments of 5.55 millions each.

S. No.	Nature of loan	Lender	As at												Nature of Securities	Interest Rate	Tenure of Repayment
			30 September 2017		31 March 2017		31 March 2016		31 March 2015		31 March 2014		31 March 2013				
			Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current			
															company and plot no. C- 2, phase- II, focal point, Rajpura punjab owned by Acme Fabrications Private Limited and plot no. D-36-37-38 , selaqui Dehradun, Uttaranchal pardesh owned by the company, negative lien on plot no. C-12, urban estate, focal point, Rajpura punjab in the name of Acama appliances private. Limited. The term loans are also secured by corporate guarantees of Acme Fabrications Private Limited and Acama Appliances Private Limited and personal guarantees of Mr. Jasbir singh (Managing Director) and Mr. Kartar singh (chairman).		
6	Term loan from bank (in Rupees)	Axis Bank Limited	-	-	-	-	21.32	16.00	37.33	16.00	53.33	16.00	69.33	10.67	First pari passu charge by way of equitable mortgage of commercial property situated at	Base Rate + 2.5 %	60 monthly installments of Rs. 1.3 million starting

S. No.	Nature of loan	Lender	As at												Nature of Securities	Interest Rate	Tenure of Repayment
			30 September 2017		31 March 2017		31 March 2016		31 March 2015		31 March 2014		31 March 2013				
			Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current			
															plot no. 99, sector 6, faridabad (admeasuring 2,566.68 sq. Yards), extension of first pari passu charge on commercial property , situated at plot no. 92, sector 6, faridabad (admeasuring 2,566.68 sq. Yards) presently in the name of PICL(India) private limited, (a subsidiary company) subservient charge on the current assets of the company, both present and future. The terms loans are also secured by personal guarantees of Mr. Kartar singh (Chairman) and Mr. Jasbir singh (Managing Director) and corporate guarantee of PICL (India) Private Limited.	p.a.	from August 2013.
7	Term loan from bank (	Industrial Credit and Investment	-	-	-	-	-	-	200.03	44.45	138.78	22.50	-	-	Exclusive charge by way of equitable mortgage on land and	Base Rate +	24 equal quarterly installments

S. No.	Nature of loan	Lender	As at												Nature of Securities	Interest Rate	Tenure of Repayment
			30 September 2017		31 March 2017		31 March 2016		31 March 2015		31 March 2014		31 March 2013				
			Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current			
	in Rupees)	Corporation of India (ICICI) Bank Limited													building of the Company situated at a-1/1, selaqui, Dehradun and exclusive charge on fixed assets funded out of the term loan. The term loan is also secured by unconditional and irrevocable personal guarantee of Mr. Jasbir singh (Managing Director), Mr. Kartar singh (Director) and Mr. Daljit singh (Director).	2.25 % p.a.	of Rs.11.25 million each.
8	Term loan from bank (in Rupees)	ING Vysya Bank Limited	-	-	-	-	-	-	42.00	24.00	-	-	-	-	Exclusive charge on movable fixed assets having minimum value of Rs. 500 million , subservient charge on all the current assets (both present and future), exclusive charge on immovable properties situated at H-23, selaqui, Dehradun owned by the company and a-1/1-a,upsidc industrial area,	Base Rate + 0.20 % p.a.	11 quarterly installments of Rs. 6 million each.

S. No.	Nature of loan	Lender	As at												Nature of Securities	Interest Rate	Tenure of Repayment
			30 September 2017		31 March 2017		31 March 2016		31 March 2015		31 March 2014		31 March 2013				
			Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current			
															selaqui, Dehradun owned by the company . The corporate loan is also secured by corporate guarantees of Acme Fabrications Private Limited and Acama Appliances Private Limited and personal guarantees of Mr. Jasbir singh (Managing Director) and Mr. Daljit singh (Director).		
9	Term loan from bank (in Rupees)	ING Vysya Bank Limited	-	-	-	-	-	-	246.00	82.00	328.00	82.00	-	-	Secured by exclusive charge on movable fixed assets having minimum value of Rs. 500 million, subservient charge on all the current assets (both present and future), exclusive charge on 4 immovable properties situated at H-23, selaqui, Dehradun owned by the company and a-1/1-a,upsidc industrial area, selaqui, Dehradun owned by the	Base Rate + 0.40 % p.a.	60 monthly installments of Rs. 6.83 million each.

S. No.	Nature of loan	Lender	As at												Nature of Securities	Interest Rate	Tenure of Repayment
			30 September 2017		31 March 2017		31 March 2016		31 March 2015		31 March 2014		31 March 2013				
			Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current			
															company and plot no. C-2, phase- II, focal point, Rajpura punjab owned by Acme Fabrications Private Limited and plot no. C-12, urban estate, focal point, Rajpura punjab in the name of Acama Appliances Private Limited. The corporate loan is also secured by corporate guarantees of Acme Fabrications Private Limited and Acama Appliances Private Limited and personal guarantees of Mr. Jasbir singh (Managing Director) and Mr. Daljit singh (Director)		
10	Term loan from bank (in Rupees)	SBER Bank	-	-	-	-	-	37.06	165.00	10.00	-	-	-	-	First pari passu charge on all the present and future current assets of the company, first pari passu charge on moveable fixed assets of the company exclusive of those specifically hypothecated to other	13.15% p.a.	7 monthly ballooning installments starting from March 2016 as per the repayment schedule.

S. No.	Nature of loan	Lender	As at												Nature of Securities	Interest Rate	Tenure of Repayment
			30 September 2017		31 March 2017		31 March 2016		31 March 2015		31 March 2014		31 March 2013				
			Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current			
															banks, first pari passu charge on plot no. C-1, phase- II, focal point, Rajpura and plot no. D-36-37- 38, selaqui Dehradun, uttaranchal in the name of the company and first pari passu charge on plot no. C-2, phase- II, focal point, Rajpura in the name of Acme Fabrications Private Limited and negative lien on plot no. C-12, phase- II, focal point, Rajpura in the name of Acama Appliances Private Limited. The corporate loan is also secured by corporate guarantees of Acme Fabrications Private Limited and Acama Appliances Private Limited and personal guarantees of Mr. Jasbir singh (Managing Director) and Mr. Daljit singh (Director).		
11	Term loan from bank (	IDFC Bank	156.00*	80.00*	196.00*	80.0	215.70	24.00	-		-	-	-	-	Exclusive charge on plant and machinery	1 Year MC	As per Repayment

S. No.	Nature of loan	Lender	As at												Nature of Securities	Interest Rate	Tenure of Repayment
			30 September 2017		31 March 2017		31 March 2016		31 March 2015		31 March 2014		31 March 2013				
			Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current			
	in Rupees)	Limited				0*									providing 0.5 x cover of Rajpura and Dehradun and exclusive charge on land and building of the plant situated at H-23, Industrial area, Selaqui, Dehradun. The term loan is also secured by personal guarantees of Mr. Jasbir singh (Chairman & CEO) and Mr. Daljit singh (Managing Director).	LR+ 1.6 %	schedule monthly installments.
12	Term loan from bank (in Rupees)	IDFC Bank Limited	611.63	37.64	-	-	-	-	-	-	-	-	-	-	Exclusive charge on movable assets of the company providing 1.25x cover as per detail below;- a) Movable assets at H-23 Dehradun Plant with written down value of Rs. 7.1 crore b) Movable assets at Ecotech Plant with written down value of Rs. 17.3 crore c) Movable assets at Pune Plant	1 Year MCLR+ 0.65%	69 monthly installments starting from 15 June 2018 to 15 March 2024.

S. No.	Nature of loan	Lender	As at												Nature of Securities	Interest Rate	Tenure of Repayment
			30 September 2017		31 March 2017		31 March 2016		31 March 2015		31 March 2014		31 March 2013				
			Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current			
															with written down value of Rs. 27.9 crore d) Movable assets at Kasna Plant with written down value of Rs. 16.5 crore e) Movable assets at Jhajjar Plant with written down value of Rs. 12.5 crore Exclusive charge on Land and Building of Plant situated at Pune Second charge on Current Assets of the Company Debt service reserve account amount equivalent to three month interest and one principal instalment Personal Gurantee of Mr. Daljit Singh (Managing Director) and Mr. Jasbir Singh (Chairman & CEO)		

S. No.	Nature of loan	Lender	As at												Nature of Securities	Interest Rate	Tenure of Repayment
			30 September 2017		31 March 2017		31 March 2016		31 March 2015		31 March 2014		31 March 2013				
			Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current			
13	Term loan from bank (in Rupees)	IndusInd Bank Limited.	-	-	649.27	-	-	-	-	-	-	-	-	-	Exclusive charge on hypothecation on moveable fixed asets at 1.) D-36,37,38 upsidc selaqui, Dehradun, 2.) D-93, midc, ranjangaon, pune, 3.) C-1, phase-II, focal point, Rajpura, 4.) C-3, upsidc industrial area,kasna,up and exclusive charge by way of mortgage of property at d-93, midc, ranjangaon, pune and second pari passu charge on curent assets of the company. The term loan is also secured by personal guarantees of Mr. Jasbir singh (Managing Director) and Mr. Daljit singh (Director).	10.40% to 10.75%	As per Repayment schedule of 28 structured quarterly installments.
14	Term Loan from Others	Tata Capital Financial Services limited	-	-	-	-	-	-	-	-	-	73.33	-	-	Subservient charge by way of hypothecation on all the current assets (both present and future) of the company and	LTLR - 6.25% p.a.	4 quarterly installments of Rs. 18.33 million each

S. No.	Nature of loan	Lender	As at												Nature of Securities	Interest Rate	Tenure of Repayment
			30 September 2017		31 March 2017		31 March 2016		31 March 2015		31 March 2014		31 March 2013				
			Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current			
															unconditional and irrevocable personal guarantee of Mr. Jasbir singh (Managing Director), Mr. Kartar singh (Director) and Mr. Daljit singh (Director).		
15	Term Loan from Others	Tata Capital Financial Services limited	53.94**	35.96**	71.92**	35.96**	78.33	26.11	28.43	3.55	-	-	-	-	Subservient charge by way of hypothecation on all the current assets (both present and future) of the company and first and exclusive charge by way of hypothecation on equipment funded by Tata Capital Financial Services Limited and unconditional and irrevocable personal guarantee of Mr. Jasbir singh (Chairman & CEO), Mr. Kartar singh (Chairman Emeritus) and Mr. Daljit singh (Managiing Director).	10.25%	6 month moratorium start from date of First Tranche disbursement , therafter payable in equal monthly installment.

S. No.	Nature of loan	Lender	As at												Nature of Securities	Interest Rate	Tenure of Repayment
			30 September 2017		31 March 2017		31 March 2016		31 March 2015		31 March 2014		31 March 2013				
			Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current			
16	Term Loan from Others	Hero Fin Corp Limited	-	-	-	-	-	-	345.00	55.00	-	-	-	-	First pari passu charge on all the present and future current assets of the company, first pari passu charge on moveable fixed assets of the company exclusive of those specifically hypothecated to other banks, first pari passu charge on plot no. C-1, phase- II, focal point, Rajpura and plot no. D-36-37- 38, selaqui Dehradun, uttaranchal in the name of the company and first pari passu charge on plot no. C-2, phase- II, focal point, Rajpura in the name of Acme Fabrications Private Limited and negative lien on plot no. C-12, phase- II, focal point, Rajpura in the name of Acama Appliances Private Limited. The corporate loan is also secured by personal guarantees of Mr. Jasbir singh	12.75% p.a.	58 monthly ballooning installments starting from May 2015 as per the repayment schedule.

S. No.	Nature of loan	Lender	As at												Nature of Securities	Interest Rate	Tenure of Repayment
			30 September 2017		31 March 2017		31 March 2016		31 March 2015		31 March 2014		31 March 2013				
			Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current			
															(Managing Director) and Mr. Daljit singh (Director)		
17	Term Loan from Others	Bajaj Finance Limited	-	-	-	-	182.30	42.33	-	-	-	-	-	-	Exclusive charge on moveable fixed assets amounting to Rs. 300 million and exclusive charge by way of equitable mortgage on property situated at C-11, focal point, Rajpura, punjab. The corporate loan is also secured by corporate guarantees of acme engineering and fabrications and personal guarantees of Mr. Jasbir singh (Managing Director) and Mr. Daljit singh (Director).	12.05% p.a.	Repayable in 52 monthly installments as per the repayment schedule in equivated annual instalments.
18	Term Loan from Others	Seimens Financial Services Limited	76.85	34.20	93.95	32.094	97.56	24.73	-	-	-	-	-	-	Exclusive charge by way of hypothecation on equipment funded by term loan and non-interest bearing refundable security deposit amounting to Rs. 16,056,111. It is also secured by	10.75% to 11% p.a.	Tranche 1 of Rs. 122.28 million is repayable in 55 monthly installments and Tranche 2 of Rs. 28.49 million is

S. No.	Nature of loan	Lender	As at												Nature of Securities	Interest Rate	Tenure of Repayment
			30 September 2017		31 March 2017		31 March 2016		31 March 2015		31 March 2014		31 March 2013				
			Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current			
															personal guarantees of Mr. Jasbir singh (Chairman & CEO) and Mr. Daljit singh (Managing Director).		repayable in 54 equal monthly instalments.
19	Term Loan from Others	Hero Fin Corp Limited	665.00	72.50	712.50	37.50	750.00	-	-	-	-	-	-	-	Exclusive charge by way of equitable mortgage on the immovable properties being land and building at plot no. A-1/1 at Industrial Area, Selaqui, Dehradun and exclusive charge by of equitable mortgage on the property situated at Village Selauqui Central Hope Town (Industrial Area), Tehsil Vikas Nagar , Pargana Pachwadonn , district Dehradun. Also secured by first and exclusive charge on plant and machinery upto Rs. 981.7 million located at H-23, Industrial Area, Selaqui, Dehradun and plot no.A-1/1& 1A at Industrial Area,	10.50% p.a.	Repayable in 4 quarterly installments of Rs 12.5 million and 20 quaterly instalments of Rs 35 million starting from July 2017.

S. No.	Nature of loan	Lender	As at												Nature of Securities	Interest Rate	Tenure of Repayment
			30 September 2017		31 March 2017		31 March 2016		31 March 2015		31 March 2014		31 March 2013				
			Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current			
															Selaqui, Dehradun. The corporate loan is also secured by personal guarantees of Mr. Jasbir singh (Chairman & CEO), Mr. Daljit singh (Managing Director) and Mr. Kartar singh (Chairman Emeritus) up to an extent of Rs.60 million.		
20	Term Loan from Others	Tata Capital Financial Services Limited	169.99**	30.01**	190.00**	10.00**	-	-	-	-	-	-	-	-	Subservient charge by way of hypothecation on all the current assets (both present and future) of the company and first and exclusive charge by way of hypothecation on plant and machinery funded by Tata Capital Financial Services Limited and unconditional and irrevocable personal guarantee of Mr. Jasbir singh (Chairman & CEO) and Mr. Daljit singh (Managing Director).	10.25% p.a	Repayable in 20 quarterly installments of 5 tranches as per the repayment schedule.

S. No.	Nature of loan	Lender	As at												Nature of Securities	Interest Rate	Tenure of Repayment
			30 September 2017		31 March 2017		31 March 2016		31 March 2015		31 March 2014		31 March 2013				
			Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current			
21	Vehicle Loans	Various banks	-	-	-	-	-	-	-	0.37	0.37	2.15	2.51	2.44	Secured against hypothecation of specific vehicles purchased out of the proceeds of those loans	10% to 12% p.a.	Equal monthly installments of approximately Rs. 0.193 million on overall basis.
22	Vehicle Loans	HDFC Bank Limited	1.26	0.32	1.42	0.30	-	-	-	-	-	-	-	-	Hypothecation of specific vehicles purchased out of the proceeds of those loans	9% to 10% p.a.	The loan is to be repaid as per the repayment schedule in equivated annual instalments.
23	Vehicle Loans from Others	Financial Institutions	3.17	1.94	2.51	1.26	2.00	0.59	2.58	0.53	-	-	-	-	Hypothecation of specific vehicles purchased out of the proceeds of those loans	9% to 10%	As per the repayment schedule in equivated annual instalments
24	Compulsory convertible debentures	Industrial Finance Corporation of India Limited.	-	-	-	-	-	-	-	-	-	-	300.00	-	In case any default in conversion of Cumpulsory Convertible Debentures (CCD's) into equity shares by the Company, the same would be repalced from the shares pledged by the	Nil	These CCD's are convertible into equity share : a.) at the option of IFCI venture on issuance

S. No.	Nature of loan	Lender	As at												Nature of Securities	Interest Rate	Tenure of Repayment
			30 September 2017		31 March 2017		31 March 2016		31 March 2015		31 March 2014		31 March 2013				
			Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current			
															promoters.		of the IFCI venture conversion notice at the applicable rate as mentioned in the the respective schedule in the agreement. b.) Compulsory convertible into equity shares in accordance of the agreement upon the earlier of the following : i. Qualified IPO The expiry of term of the Debetures.
25	Compulsory convertible	Reliance Alternative Investments	-	-	-	-	-	-	-	-	-	-	252.00	-	In case any default in conversion of Cumpulsory	Nil	These CCDs are convertible

S. No.	Nature of loan	Lender	As at												Nature of Securities	Interest Rate	Tenure of Repayment
			30 September 2017		31 March 2017		31 March 2016		31 March 2015		31 March 2014		31 March 2013				
			Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current			
	debentures	Fund													Convertible Debentures (CCD's) into equity shares by the Company, the same would be repalced from the shares pledged by the promoters.		into equity share a.) at the option of Reliance Venture on issuance of the Reliance conversion notice at the applicable rates as mentioned in the the respective schedule in the agreement. b.) Compulsory convertible into equity shares in accordance of the agreement upon the earlier of the following : i. Qualified IPO The expiry of term of

S. No.	Nature of loan	Lender	As at												Nature of Securities	Interest Rate	Tenure of Repayment
			30 September 2017		31 March 2017		31 March 2016		31 March 2015		31 March 2014		31 March 2013				
			Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current			
																	the Debetures.
26	Compulsory convertible debentures	Ascent Investment Holdings Pte. Limited.	-	500.00	500.00	-	-	-	-	-	-	-	-	-	Not applicable	8.65% p.a.	On 02 December 2017, as per agreed terms, the Company has converted the debentures into equity shares before the filing of Red Herring Prospectus and therefore, the same has been disclosed under "other current liabilities" considering its current nature.
27	Finance Lease Obligations	Connect Residuary Private Limited	2.24	32.00	13.27	26.60	39.87	24.48	64.35	22.43	79.43	19.25	-	-	Pledge of fixed deposits of Rs. 6.89 million and refundable security deposit amounting	8.68% p.a. to 9.37%	Rs.60.85 for every Rs.1000 value of machinery

S. No.	Nature of loan	Lender	As at												Nature of Securities	Interest Rate	Tenure of Repayment
			30 September 2017		31 March 2017		31 March 2016		31 March 2015		31 March 2014		31 March 2013				
			Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current			
															Rs. 18.11 million.	p.a.	in 20 quaterly installmeents.
28	Finance Lease Obligations	GE Capital India Limted	48.85	26.93	60.31	27.47	87.78	21.83	103.23	18.25	-	-	-	-	Secured by way of ownership of leased plant and machinery and personal guarantee of Mr. Jasbir singh (Chairman & CEO and Mr. Daljit singh(Managing Director).	14% to 15% p.a.	60 monthly installment from the date of respective drawdown as per repayment schedule.

Additional disclosure as required by the Regulations for loans outstanding as at 30 September 2017

* *The prepayment terms will be mutually agreed between the Company and the lender at the time of prepayment, if any.*

***As agreed with the lender, the Company has to pay 3% of amount prepaid in case of prepayment of loan.*

4 Deferred tax liabilities (net)

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Deferred tax liabilities						
Timing difference on depreciation and amortisation of fixed assets	535.57	432.16	318.79	259.34	188.72	123.01
Deferred tax assets						
Provision for doubtful debts	-	-	-	-	-	1.58
Provision for employee benefits	11.09	8.67	6.85	6.76	5.05	3.66
Provision for bonus	4.45	3.31	2.66	2.95	2.96	2.32
Rent equalisation provision	-	-	-	-	0.25	0.31
Mark to Market (MTM) and foreign exchange fluctuation items	-	-	-	0.87	4.51	2.46
Other items	-	-	0.74	0.09	0.09	0.09
Deferred tax liabilities (net)	**520.03**	**420.18**	**308.54**	**248.67**	**175.86**	**112.59**

5 Other long term liabilities

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Dues to trade payables other than micro enterprises and small enterprises	-	-	447.22	270.97	-	-
Rent equalisation reserve	-	-	-	-	0.45	0.75
Creditors for capital expenditure	-	-	-	-	11.54	-
	-	**-**	**447.22**	**270.97**	**11.99**	**0.75**

6 Long-term provisions

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Provision for gratuity [Also refer note 6(a)]	21.02	18.88	15.20	12.29	10.91	8.58
Provision for leave encashment	7.39	5.45	6.01	3.02	2.44	0.97
Provision for bonus	7.33					
	35.74	**24.33**	**21.21**	**15.31**	**13.35**	**9.55**

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6(a) Provision for employee benefits

(i) Defined benefit plan/ other long term benefit plans

a. Defined benefit plan - Gratuity

b. Other long term benefits - Leave encashment

The following table set out the status of the plan for gratuity and leave encashment as required under Accounting Standard (AS) - 15 (R) - Employee benefits and the reconciliation of opening and closing balances of the present value of the defined benefit obligation:

Particulars	As at 30 September 2017		As at 31 March 2017		As at 31 March 2016		As at 31 March 2015		As at 31 March 2014		As at 31 March 2013	
	Leave encashment	Gratuity	Leave encashment	Gratuity	Leave encashment	Gratuity	Leave encashment	Gratuity	Leave encashment	Gratuity	Leave encashment	Gratuity
Actuarial assumptions												
Discount rate	7.50%	7.50%	7.50%	7.50%	8.00%	8.00%	8.00%	8.00%	8.75%	8.75%	8.25%	8.25%
Rate of increase in compensation levels	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Rate of return of plan assets		7.50%		7.50%		8.00%		9.00%		-		
Demographic assumptions												
Mortality rate		IALM 2006-08 Ultimate		IALM 2006-08 Ultimate		IALM 2006-08 Ultimate		IALM 2006-08		IALM 2006-08 Ultimate		IALM 2006-08 Ultimate
Retirement age		60		60		60		60		60		60
Withdrawal rates		4.00%		4.00%		4.00%		4.00%		4.00%		4.00%
Change in the present value of obligation :												
Present value of obligation as at the beginning of the period/year		23.92		19.04		14.33		11.41		8.87		4.80
Interest cost		0.87		1.42		1.22		0.91		0.66		1.88
Current service cost		1.93		3.92		4.20		1.95		2.32		0.29
Benefits paid		(0.23)		(1.18)		(1.10)		(0.16)		(0.07)		(0.64)

Actuarial loss /(gain)		0.84		0.72		0.39		0.22		(0.37)		2.54
Present value of obligation as at the end of the period/year		**27.33**		**23.92**		**19.04**		**14.33**		**11.41**		**8.87**
Change in the fair value of plan assets:												
Fair value of plan assets at the beginning of the period/year		3.02		2.06		0.53		-		-		-
Expected return on plan assets		0.11		0.15		0.02		0.07		-		-
Contributions		1.08		0.92		1.86		1.31		-		-
Benefits paid		(0.14)		(0.14)		(0.35)		(0.85)		-		-
Actuarial gain		0.03		0.03		-		-		-		-
Fair value of plan assets at the end of the period/year		**4.10**		**3.02**		**2.06**		**0.53**		**-**		**-**
Reconciliation of present value of defined benefit obligation and the fair value of assets:												
Present value of funded obligation as at the end of the period/year		27.33		23.92		19.04		14.33		11.41		8.87
Fair value of plan assets as at the end of the period funded status		4.10		3.02		2.06		0.53		-		-
Unfunded/funded net liability recognized in balance sheet (inclusive of current liability as disclosed in Note 10 "Short term provisions")		**23.23**		**20.90**		**16.98**		**13.80**		**11.41**		**8.87**
Expenses recognised in the statement of profit and loss:												
Current service cost		1.93		3.92		4.20		1.95		2.32		0.29
Interest cost		0.87		1.42		1.22		0.91		0.66		1.88
Expected return on plan assets		(0.11)		(0.15)		(0.02)		(0.07)		-		-
Net actuarial loss/ (gain) recognized in the period/year		0.81		0.69		0.39		0.22		(0.37)		2.54
Total expenses recognized in		**3.50**		**5.88**		**5.79**		**3.01**		**2.61**		**4.71**

the statement of profit and loss												

Notes :

1) The discount rate is based on the prevailing market yield of Indian Government bonds as at the balance sheet date for the estimated terms of obligations.

2) The expected return is based on the expectation of the average long term rate of return on investments of the fund during the estimated terms of obligations.

3) The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

4) Plan assets comprise funds managed by the insurer i.e. Life Insurance Corporation of India ('LIC').

5) The Company makes annual contributions to the LIC of an amount advised by them for gratuity of Rajpura unit only.

The amounts for the current annual period and previous four annual periods are as follows:-

Particulars	2017-18**	2016-17	2016-15	2014-15	2013-14	2012-13
Defined benefit obligation	27.33	23.92	19.04	14.33	11.41	8.87
Plan assets	4.10	3.02	2.06	0.53	-	-
Net liability	**23.23**	**20.90**	**16.98**	**13.80**	**11.41**	**8.87**

Disclosure for current and non-current portion:

Particulars	2017-18**	2016-17	2015-16	2014-15	2013-14	2012-13
Current portion	2.21	2.01	1.78	1.51	0.51	0.29
Non-current portion	21.02	18.88	15.20	12.29	10.91	8.58
	23.23	**20.90**	**16.98**	**13.80**	**11.41**	**8.87**
Experience adjustment arising on the gratuity benefits	**0.81**	**0.69**	**0.39**	**0.22**	**(0.37)**	**2.54**

**** Represents as at and for six months ended 30 September 2017**

7 Short-term borrowings

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Working capital loans	1,297.50	222.83	479.50	750.00	250.00	235.00
Cash credits	184.95	195.80	625.03	310.41	710.65	654.91
Overdraft facilities	-	-	10.70	20.97	-	-
Buyers credit	622.28	316.77	165.45	250.76	163.58	19.17
	2,104.73	**735.40**	**1,280.68**	**1,332.14**	**1,124.23**	**909.08**

Note:

As at 30 September 2017

- *Working Capital Loans, Cash Credits and Buyers' Credit facilities (except IDFC Bank) are secured by first pari passu charge on all the present and future current assets of the Company, first pari passu charge on all the present and future unencumbered moveable fixed assets of the Company, first pari passu charge by way of mortgage of industrial properties on land and building located at Plot No. C-1, Phase-II, Focal Point, Rajpura, Punjab in the name of the Company and Plot No. C-2, Phase-II, Focal Point, Rajpura, Punjab in the name of Acme Fabrications Private Limited and Plot No. D-36-37-38, Selaqui, Dehradun, Uttaranchal in the name of the Company and negative lien on Plot No. C-12 Urban Estate Focal Point, Rajpura, Punjab in the name of Acama Appliances Private Limited. The loans are also secured by personal guarantee of Mr. Jasbir Singh (Chairman & CEO) and Mr. Daljit Singh (Managing Director) and corporate guarantees of Acme Fabrications Private Limited and Acama Appliances Private Limited.*

- *Working Capital Loan from IDFC Bank i.e. Rs. 30 crore is secured by exclusive charge on immovable property situated at A-1/1A, Selaqui, Dehradun and Working capital facility of Rs. 17.50 crore is secured by exclusive charge on plant and machinery (written down value Rs. 6 crore) of the company property situated at Rajpura and land & building of the Plant situated at H-23, Integrated Industrial Estate,Selaqui , Dehardun.The loans are also secured by personal guarantee of Mr. Jasbir Singh (Chairman & CEO) and Mr. Daljit Singh (Managing Director).*

Terms of repayment and interest rate as at 30 September 2017:

- *Working capital loans from banks amounting to Rs. 1,297.50 millions carrying interest rate varying from 8.65% p.a. to 10.05% p.a. is repayable on demand.*

- *Cash Credit from banks amounting to Rs. 184.95 millions, carrying interest rate varying from 10.05% p.a. to 12.00% p.a. is repayable on demand.*

- *Buyers' Credit from banks amounting to Rs.622.28 millions carrying interest rate varying from LIBOR+ 0.30% p.a. to 0.75% p.a. is repayable on demand.*

- *As at 31 March 2017*

  - *Working Capital Loans, Cash Credits and Buyers' Credit facilities (except IDFC Bank) are secured by first pari passu charge on all the present and future current assets of the Company, first pari passu charge on all the present and future unencumbered moveable fixed assets of the Company, first pari passu charge by way of mortgage of industrial properties including land and building located at Plot No. C-1, phase- II, Focal Point, Rajpura, Punjab in the name of the Company and Plot No. C-2, Phase- II, Focal Point, Rajpura, Punjab in the name of Acme Fabrications Private Limited and Plot No. D-36-37-38, Selaqui, Dehradun, Uttaranchal in the name of the Company and negative lien on Plot No. C-12 Urban Estate Focal Point, Rajpura, Punjab in the name of Acama Appliances Private Limited. The loans are also secured by personal guarantee of Mr. Kartar Singh (Chairman), Mr. Jasbir Singh (Managing Director), Mr. Kirpal Singh (Director) and and Mr. Daljit Singh (Director) and corporate guarantees of Acme Fabrications Private Limited and Acama Appliances Private Limited. Working Capital Loan from IDFC Bank i.e. Rs. 300 million is secured by exclusive charge on immovable property situated at A-1/1A, Selaqui, Dehradun and Rs. 175 million is secured by exclusive charge on Plant & Machinery (written down value Rs. 6 million) of the company property situated at Rajpura and land & building of the Plant situated at H-23, Integrated Industrial Estate,Selaqui , Dehardun.The loans are also secured by personal guarantee of Mr. Jasbir Singh (Managing Director) and Mr. Daljit Singh (Director).*

Terms of repayment and interest rate:

- *Working capital loans from banks amounting to Rs. 222.83 million carrying interest rate varying from 9.50% p.a. to 11.35%*

p.a. is repayable on demand.

- *Cash Credit from banks amounting to Rs. 195.80 million , carrying interest rate varying from 10.25% p.a. to 12.25% p.a. is repayable on demand.*

- *Buyers' Credit from banks amounting to Rs.316.77 million carrying interest rate varying from LIBOR+ 0.30% p.a. to 0.75% p.a. is repayable on demand.*

- *As at 31 March 2016*

    - *Working Capital Loans, Cash Credits, Buyers' Credit and over draft facilities are secured by first pari passu charge on all the present and future current assets of the Company, first pari passu charge on all the present and future unencumbered moveable fixed assets of the Company, first pari passu and exclusive charge by way of mortgage of industrial properties including land and building located at Plot No. C-1, phase- II, Focal Point, Rajpura, Punjab in the name of the Company and Plot No. C-2, phase- II, Focal Point, Rajpura, Punjab in the name of Acme Fabrications Private Limited and Plot No. D-36-37-38, Selaqui, Dehradun, Uttaranchal in the name of the Company and negative lien on Plot No. C-12 Urban Estate Focal Point, Rajpura, Punjab in the name of Acama Appliances Private Limited. The loans are also secured by personal guarantee of Mr. Kartar Singh (Chairman), Mr. Jasbir Singh (Managing Director), Mr. Kirpal Singh (Director) and and Mr. Daljit Singh (Director) and corporate guarantees of Acme Fabrications Private Limited and Acama Appliances Private Limited.*

Terms of repayment and interest rate:

- *Working capital loans from Banks amounting to Rs.479.5 million carrying interest rate varying from 10.10% to 12.00% is repayable on demand.*

- *Cash Credit from banks amounting to Rs.625.03 million carrying interest rate varying from 11.15% to 12.75% is repayable on demand.*

- *Buyers' Credit from banks amounting to Rs.165.44 million carrying interest rate varying from LIBOR+ 0.45% to 1.35% is repayable on demand.*

- *As at 31 March 2015*

    - *Working capital loans, Cash credits, Buyers credit and overdraft facilities are secured by first pari passu charge on all the present and future current assets of the Company, first pari passu charge on all the present and future unencumbered moveable fixed assets of the Company, first pari passu and exclusive charge by way of mortgage of industrial properties including land and building located at Plot No. C-1, phase- II, Focal Point, Rajpura Punjab in the name of the Company and Plot No. C-2, phase- II, Focal Point, Rajpura Punjab in the name of Acme Fabrications Private Limited and Plot No. D-36-37-38 , Selaqui Dehradun, Uttaranchal in the name of the Company and H-23, industrial area, Selaqui, Dehradun in the name of the company and A1/1A, UPSIDC industrial area, Selaqui Dehradun in the name of the company and negative lien on Plot No. C-12 Urban Estate Focal Point, Rajpura Punjab in the name of Acama Appliances Private Limited. The loans are also secured by personal Guarantee of Mr. Kartar Singh (Chairman), Mr. Jasbir Singh (Managing Director), Mr. Kirpal Singh (Director) and and Mr. Daljit Singh (Director) and Corporate guarantees of Acme Fabrications Private Limited and Acama Appliances Private Limited and are repayble on demand.*

    Terms of repayment and interest rate:

    - *Buyers credit from banks amounting to Rs 250.76 million carrying interest carrying interest varying from LIBOR+ 0.40% to 1.50% is repayable on demand.*

    - *Cash credit from banks amounting to Rs 331.38 million carrying interest carrying interest varying from 10.00% to 13.50% is repayable on demand.*

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- *As at 31 March 2014*

    - *Working capital loans, Cash credits and Buyers credit are secured by first pari passu charge on all the present and future current assets of the Company, first pari passu charge on all the present and future unencumbered moveable fixed assets of the Company, first pari passu and exclusive charge by way of mortgage of industrial properties including land and building located at Plot No. C-1, phase- II, Focal Point, Rajpura Punjab in the name of the Company and Plot No. C-2, phase- II, Focal Point, Rajpura Punjab in the name of Acme Fabrications Private Limited and Plot No. D-36-37-38 , Selaqui Dehradun, Uttaranchal in the name of the Company and H-23, industrial area, Selaqui, Dehradun in the name of the company and A1/1A, UPSIDC industrial area, Selaqui Dehradun in the name of the company and negative lien on*

Plot No. C-12 Urban Estate Focal Point, Rajpura Punjab in the name of Acama Appliances Private Limited. The loans are also secured by personal Guarantee of Mr. Kartar Singh (Chairman), Mr. Jasbir Singh (Managing Director), Mr. Kirpal Singh (Director) and and Mr. Daljit Singh (Director) and Corporate guarantees of Acme Fabrications Private Limited and Acama Appliances Private Limited.

Terms of repayment and interest rate:

- *Buyers credit from banks amounting to Rs 163.58 million carrying interest carrying interest varying from LIBOR+ 0.40% to 1.50% is repayable on demand.*

- *Cash credit from banks amounting to Rs 710.65 million carrying interest carrying interest varying from 10.00% to 13.50% is repayable on demand.*

- *As at 31 March 2013*

  - *Cash credit are secured by first pari passu charge on all the present and future current assets, first pari passu charge on all the present and future unencumbered moveable fixed assets of the borrower, first pari passu charge by way of mortgage of industrial properties including land and building located at Plot No. C-1, Phase-II, Focal Point, Rajpura Punjab in the name of the Company and Plot No. C-2, Phase-II, Focal Point, Rajpura Punjab in the name of Acme Fabrications private limited and Plot No. D-36-37-38 , Selaqui Dehradun, Uttaranchal in the name of the Company and negative lien on Plot No. C-12 Urban Estate Focal Point, Rajpura Punjab in the name of Acama Appliances Private Limited. The loans are also secured by personal Guarantee of Mr. Kartar Singh (Chairman), Mr. Jasbir Singh (Managing Director), Mr. Kirpal Singh (Director) and and Mr. Daljit Singh (Director) and Corporate guarantees of Acme Fabrications Private Limited and Acama Appliances Private Limited.*

  - *Working capital demand loan are secured by first pari passu charge on all the present and future current assets, first pari passu charge on all the present and future unencumbered moveable fixed assets of the borrower, first pari passu charge by way of mortgage of industrial properties including land and building located at Plot No. C-1, Phase-II, Focal Point, Rajpura Punjab in the name of the Company and Plot No. C- 2, Phase-II, Focal Point, Rajpura Punjab in the name of Acme fabrications private limited and Plot No. D-36-37-38 , Selaqui Dehradun, Uttaranchal in the name of the Company and negative lien on Plot No. C- 12 Urban Estate Focal Point, Rajpura Punjab in the name of Acama Appiances private limited, exclusive charge by way of Equitable Mortgage on Land & Building of the Company situated at A-1/1-A,UPSIDC Industrial Area, Selaqui, Dehradun having minimum valuation of INR 120 Million. The loans are also secured by personal Guarantee of Mr. Kartar Singh (Chairman), Mr. Jasbir Singh (Managing Director), Mr. Kirpal Singh (Director) and Mr. Daljit Singh (Director) and Corporate guarantees of Acme Fabrications Private Limited and Acama Appliances Private Limited.*

  - *Buyers credit are secured by first pari passu charge on all the present and future current assets, first pari passu charge on all the present and future unencumbered moveable fixed assets of the borrower, first pari passu charge by way of mortgage of industrial properties including land and building located at Plot No. C-1, Phase-II, Focal Point, Rajpura Punjab in the name of the Company and Plot No. C-2, Phase-II, Focal Point, Rajpura Punjab in the name of Acme Fabrications private limited and Plot No. D-36-37-38 , Selaqui Dehradun, Uttaranchal in the name of the Company and negative lien on Plot No. C-12 Urban Estate Focal Point, Rajpura Punjab in the name of Acama Appliances private limited. The loans are also secured by personal Guarantee of Mr. Kartar Singh (Chairman), Mr. Jasbir Singh (Managing Director), Mr. Kirpal Singh (Director) and Mr. Daljit Singh (Director) and Corporate guarantees of Acme Fabrications Private Limited and Acama Appliances Private Limited.*

8 Trade payables

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Due to micro enterprises and small enterprises [refer note (a) below]	128.91	257.15	165.17	113.26	3.29	2.18
Dues to related party [refer note 31]	62.16	251.24	217.83	169.74	139.73	15.75
Dues to trade payables other than Micro Enterprises and Small Enterprises	1,543.49	3,601.65	2,347.62	1,871.77	1,639.05	2,013.98
	1,734.56	**4,110.04**	**2,730.62**	**2,154.77**	**1,782.07**	**2,031.91**

a. Dues to micro and small enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED),2006

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act ,2006 (MSMED Act, 2006) and based on the information available with the company, the following are the details:

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Principal amount remaining unpaid	122.13	251.89	162.97	112.64	3.29	2.18
Interest accrued and due thereon remaining unpaid	1.52	3.06	1.57	0.63	-	-
Interest paid by the company in terms of service 16 of MSMED Act 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the year	-	-	-	-	-	-
Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year), but without adding the interest specified under MSMED Act ,2006.	-	-	-	-	-	-
Interest accrued and remaining unpaid as at the end of the year	6.78	5.26	2.20	0.63	-	-
Further interest remaining due and payable even in the succeeding years ,until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act,2006.	-	-	-	-	-	-

9 Other current liabilities

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Current maturities of long-term borrowings:						
Term loan (also refer note 3)						
-from banks	117.64	80.00	153.81	471.38	485.97	163.83
-from others	172.68	115.56	93.17	58.55	73.33	-

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
8.65% Compulsory convertible debentures of Rs 50,000,000 each [refer note a]	500.00	-	-	-	-	-
Vehicle loan (also refer note 3)						
-from banks	0.32	0.30	-	0.37	2.15	2.44
-from others	1.94	1.26	0.59	0.53	-	-
Finance lease obligation (also refer note 3 and note 34)	58.93	54.07	46.32	40.68	19.25	-
Advance from customers	2.00	0.99	0.12	20.48	26.88	13.99
Creditors for capital expenditure	21.77	50.16	40.15	38.46	92.81	78.65
Acceptances for bill discounted	187.12	601.40	1,053.66	809.19	746.34	596.94
Statutory dues	10.81	65.16	62.63	41.31	37.96	40.68
Rent equalisation provision	-	-	-	-	0.29	0.18
Interest accrued but not due	46.24	19.40	14.63	13.33	12.38	10.81
Expenses payable [include payable to related parties(refer note 31)]	33.88	22.99	21.20	14.83	15.84	17.87
Employee related payables [include payable to related parties (refer note 31)]	35.27	34.23	33.49	26.33	24.13	18.50
Book overdraft	-	-	-	-	-	58.96
Forward payable (including mark to market losses) [net of forward receivable]	-	0.12	0.23	0.82	15.85	2.73
	1,188.60	**1,045.64**	**1,520.00**	**1,536.26**	**1,553.18**	**1,005.58**

a On 02 December 2017, as per agreed terms, the Company has converted the debentures into equity shares before the filing of Red Herring Prospectus and therefore, the same has been disclosed under "other current liabilities" considering its current nature.

10 Short-term provisions

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Provision for gratuity [also refer note 6 (a)]	2.21	2.01	1.78	1.51	0.51	0.29
Provision for wealth tax	-	-	-	0.32	0.32	0.14
Provision for leave encashment	3.66	3.24	0.27	2.72	2.30	2.17
Provision for bonus	9.12	9.19	8.71	8.92	8.69	6.82
Provision for income tax [net of prepaid taxes]	25.52	12.87	-	27.60	31.52	13.86
	40.51	**27.31**	**10.76**	**41.07**	**43.34**	**23.28**

11. Property, plant and equipment

Details of the Company's property, plant and equipment and their carrying amounts are as follows:

Particulars	Land	Buildings	Leasehold improvements	Plant and machinery (owned assets)	Plant and machinery (leasehold assets)	Furniture and fixtures	Office equipments	Vehicles	Computers	Total
Gross block										
As at 1 April 2012	95.97	240.27	-	1,554.82	-	8.55	9.22	27.67	11.60	**1,948.10**
Acquired pursuant to business purchase arrangement (refer note 37)	-	-	-	17.26	-	0.29	0.14	0.02	0.01	**17.72**
Other additions	168.79	130.64	-	465.56	-	2.77	4.59	9.52	3.66	**785.53**
Sales /adjustments during the year	37.48	-	-	12.45	-	-	-	2.14	-	**52.07**
As at 31 March 2013	227.28	370.91	-	2,025.19	-	11.61	13.95	35.07	15.27	**2,699.28**
Additions	107.22	149.15	5.65	231.08	118.12	11.34	5.94	0.89	3.04	**632.43**
Sales /adjustments during the year	-	-	-	36.67	-	-	-	3.00	-	**39.67**
As at 31 March 2014	334.50	520.06	5.65	2,219.60	118.12	22.95	19.89	32.96	18.31	**3,292.04**
Additions	35.41	29.39	-	741.97	-	2.09	2.86	5.32	2.99	**820.03**
Sales /adjustments during the year	-	-	-	14.60	-	-	-	6.16	-	**20.76**
As at 31 March 2015	369.91	549.45	5.65	2,946.97	118.12	25.04	22.75	32.12	21.30	**4,091.31**
Additions	5.30	119.91	-	665.03	153.62	2.53	3.59	3.01	2.11	**955.10**
Sales /adjustments during the year	-	-	-	14.01	1.04	-	0.02	1.25	0.03	**16.35**
As at 31 March 2016	375.21	669.36	5.65	3,597.99	270.70	27.57	26.32	33.88	23.38	**5,030.06**
Additions	1.84	88.63	-	523.89	-	3.36	4.73	5.14	3.41	**631.00**
Sales /adjustments during the year	0.40	-	-	4.72	-	-	-	2.75	-	**7.87**
As at 31 March 2017	376.65	757.99	5.65	4,117.16	270.70	30.93	31.05	36.27	26.79	**5,653.19**
Additions	0.05	45.17	-	61.21	-	0.57	4.34	3.38	2.40	**117.11**

Particulars	Land	Buildings	Leasehold improvements	Plant and machinery (owned assets)	Plant and machinery (leasehold assets)	Furniture and fixtures	Office equipments	Vehicles	Computers	Total
Sales /adjustments during six months	-	-	-	7.24	-	-	-	0.68	-	**7.92**
As at 30 September 2017	376.70	803.16	5.65	4,171.14	270.70	31.50	35.39	38.97	29.19	**5,762.41**

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11 Property, plant and equipment

Details of the Company's property, plant and equipment and their carrying amounts are as follows:

Particulars	Land	Buildings	Leasehold improvements	Plant and machinery (owned assets)	Plant and machinery (leasehold assets)	Furniture and fixtures	Office equipments	Vehicles	Computers	Total
Depreciation/amortisation										
As at 1 April 2012	-	13.36	-	382.28	-	0.80	1.17	6.24	5.38	**409.23**
Charge for the year	-	7.83	-	99.74	-	0.78	1.07	2.74	1.51	**113.67**
Sales /adjustments during the year	-	-	-	0.71	-	-	-	0.21	-	**0.92**
As at 31 March 2013	-	21.19	-	481.31	-	1.58	2.24	8.77	6.89	**521.98**
Charge for the year	-	13.07	0.28	119.41	1.90	1.08	2.24	3.28	2.24	**143.50**
Sales /adjustments during the year	-	-	-	3.42	-	-	-	1.58	-	**5.00**
As at 31 March 2014	-	34.26	0.28	597.30	1.90	2.66	4.48	10.47	9.13	**660.48**
Charge for the year	-	17.70	-	140.40	5.46	2.86	5.93	3.21	5.31	**180.87**
Adjustment from reserves (refer note below)	-	0.21	-	0.45	-	-	0.17	-	1.22	**2.05**
Sales /adjustments during the year	-	-	-	5.48	-	-	-	4.57	-	**10.05**
As at 31 March 2015	-	52.17	0.28	732.67	7.36	5.52	10.58	9.11	15.66	**833.35**
Charge for the year	-	18.54	0.68	181.18	8.38	3.07	4.82	3.18	4.04	**223.89**
Impairment loss	-	-	-	0.75	-	-	-	-	-	**0.75**
Sales /adjustments during the year	-	0.81	(0.68)	4.62	(1.58)	0.19	(0.01)	0.91	0.12	**4.38**
As at 31 March 2016	-	69.90	1.64	909.98	17.32	8.40	15.41	11.38	19.58	**1,053.61**
Charge for the year	-	21.64	0.68	222.98	17.16	2.88	4.43	3.15	2.57	**275.49**
Sales /adjustments during the year	-	-	-	2.54	-	-	-	0.88	-	**3.42**
As at 31 March 2017	-	91.54	2.32	1,130.42	34.48	11.28	19.84	13.65	22.15	**1,325.68**
Charge for six months	-	12.17	0.34	115.86	17.16	1.62	2.20	1.73	1.41	**152.48**
Sales /adjustments during six months	-	-	-	3.28	-	-	-	-	-	**3.28**
As at 30 September 2017	-	103.71	2.66	1,242.99	51.64	12.91	22.03	15.38	23.56	**1,474.87**

Particulars	Land	Buildings	Leasehold improvements	Plant and machinery (owned assets)	Plant and machinery (leasehold assets)	Furniture and fixtures	Office equipments	Vehicles	Computers	Total
Net block at 31 March 2012	95.97	226.91	-	1,172.54	-	7.75	8.05	21.43	6.22	**1,538.87**
Net block at 31 March 2013	227.28	349.72	-	1,543.88	-	10.03	11.71	26.30	8.38	**2,177.29**
Net block at 31 March 2014	334.50	485.80	5.37	1,622.30	116.22	20.29	15.41	22.49	9.18	**2,631.56**
Net block at 31 March 2015	369.91	497.28	5.37	2,214.30	110.76	19.52	12.17	23.01	5.64	**3,257.96**
Net block at 31 March 2016	375.21	599.46	4.01	2,688.01	253.38	19.17	10.91	22.50	3.80	**3,976.45**
Net block at 31 March 2017	376.65	666.45	3.33	2,986.74	236.22	19.65	11.21	22.62	4.64	**4,327.51**
Net block at 30 September 2017	376.70	699.45	2.99	2,928.15	219.07	18.59	13.36	23.60	5.63	**4,287.54**

Refer note below:

a. Pursuant to the enactment of schedule II to the Companies Act, 2013 w.e.f 1 April 2014, the management has changed the useful lives of the assets to compute depreciation to conform with its requirements. Further as provided under schedule II, the carrying amount of the assets whose reassessed remaining useful life is Nil as at 1 April 2014 has been adjusted from the retained earnings amounting to Rs. 1.38 millions (net of tax).

b. For property, plant and equipment pledged as security, refer note 3 (a).

c. For borrowings costs capitalised during the respective years, refer note 26.

12 Intangible assets

Details of the Company's intangible assets and their carrying amounts are as follows:

Particulars	Softwares	Goodwill	Product development	Total
Gross block				
As at 1 April 2012	5.31	-	-	**5.31**
Additions	4.60	2.96	129.19	**136.75**
Sales /adjustments during the year	-	-	-	**-**
As at 31 March 2013	9.91	2.96	129.19	**142.06**
Additions	2.17	-	209.39	**211.56**
Sales /adjustments during the year	-	-	0.16	**0.16**
As at 31 March 2014	12.08	2.96	338.42	**353.46**
Additions	5.99	-	40.10	**46.09**
Sales /adjustments during the year	-	-	1.39	**1.39**
As at 31 March 2015	18.07	2.96	377.13	**398.16**
Additions	1.62	-	157.82	**159.44**
Sales /adjustments during the year	-	-	1.75	**1.75**
As at 31 March 2016	19.69	2.96	533.20	**555.85**
Additions	4.56	-	216.71	**221.27**
Sales /adjustments during the year	-	-	2.87	**2.87**
As at 31 March 2017	24.25	2.96	747.04	**774.25**
Additions	0.25	-	-	**0.25**
Sales /adjustments during six months	-	-	-	**-**
As at 30 September 2017	24.50	2.96	747.04	**774.51**
Depreciation/amortisation				
As at 31 March 2012	0.55	-	-	**0.55**
Charge for the year	1.03	0.59	3.65	**5.27**
Sales /adjustments during the year	-	-	-	**-**
As at 31 March 2013	1.58	0.59	3.65	**5.82**
Charge for the year	1.73	0.59	21.28	**23.60**
Sales /adjustments during the year	-	-	-	**-**
As at 31 March 2014	3.31	1.18	24.93	**29.42**
Charge for the year	2.30	0.59	48.39	**51.28**
Sales /adjustments during the year	-	-	1.08	**1.08**
As at 31 March 2015	5.61	1.77	72.24	**79.62**
Charge for the year	2.68	0.30	53.45	**56.43**
Impairment loss	-	-	11.22	**11.22**
Sales /adjustments during the year	(0.01)	-	0.45	**0.44**
As at 31 March 2016	8.30	2.07	136.46	**146.83**
Charge for the year	2.96	0.30	80.92	**84.18**
Sales /adjustments during the year	-	-	2.87	**2.87**
As at 31 March 2017	11.26	2.37	214.51	**228.14**
Charge for six months	1.84	0.15	53.52	**55.51**
Sales /adjustments during six months				**-**
As at 30 September 2017	13.10	2.52	268.03	**283.65**
Net block at 31 March 2012	4.76	-	-	**4.76**
Net block at 31 March 2013	8.33	2.37	125.54	**136.24**
Net block at 31 March 2014	8.77	1.78	313.49	**324.04**
Net block at 31 March 2015	12.46	1.19	304.89	**318.54**
Net block at 31 March 2016	11.39	0.89	396.74	**409.02**
Net block at 31 March 2017	12.99	0.59	532.53	**546.11**
Net block at 30 September 2017	11.40	0.44	479.02	**490.86**

13 Non-current investments

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Long-term trade investment in subsidiary (unquoted)	503.03	503.03	503.03	503.03	417.53	417.53
	503.03	**503.03**	**503.03**	**503.03**	**417.53**	**417.53**
Number of shares (Rs.10 each fully paid up) in PICL (India) Private Limited	3,642,000	3,642,000	3,642,000	3,642,000	3,027,595	3,027,595
Aggregate amount of unquoted investments	503.03	503.03	503.03	503.03	417.53	417.53

14 Long-term loans and advances (unsecured considered good, unless otherwise stated)

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Capital advances to related parties*	-	-	-	4.26	21.97	24.10
Capital advances to others	127.75	67.60	62.03	52.61	6.92	32.24
Security deposits*	90.40	88.25	83.86	66.06	121.25	89.98
Minimum Alternate Tax (MAT) credit entitlement [refer note (a) below]	406.92	328.40	240.24	161.70	127.60	9.46
Balance with statutory and government authorities	-	-	-	-	0.44	-
Prepaid income taxes [net of provisions]	6.71	6.71	6.71	-	-	-
Prepaid expenses	9.74	42.19	19.19	17.45	1.86	-
Loans and advances to employees	-	-	-	-	-	1.04
	641.52	**533.15**	**412.03**	**302.08**	**280.04**	**156.82**

** Refer note 31*

a. Minimum alternate tax (MAT) credit entitlement

Balance at beginning of period	328.40	240.24	185.00	139.62	84.24	33.50
Add: MAT credit entitlement recognised during the year	78.52	88.16	55.24	45.38	55.38	50.74
Balance at end of period	406.92	328.40	240.24	185.00	139.62	84.24
Less: current portion	-	-	-	(23.30)	(12.02)	(74.78)
Non current portion (as presented above)	406.92	328.40	240.24	161.70	127.60	9.46

15 Other non-current assets

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Non-current bank balances (refer note 18)	4.10	30.92	18.60	24.57	43.12	78.00
Interest accrued but not due on fixed deposits	0.45	2.71	0.82	1.44	5.44	10.15
Forward receivable (net of forward payable)	-	-	-	-	3.53	10.45

	4.55	**33.63**	**19.42**	**26.01**	**52.09**	**98.60**

16 **Inventories** (valued at lower of cost and net realisable value, unless otherwise stated)

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Raw material	1,886.66	1,804.78	1,761.72	1,343.92	1,219.76	1,116.68
Raw material in transit	114.66	52.73	15.46	121.65	152.26	108.02
Work-in-progress	14.30	113.65	14.70	35.78	20.88	17.94
Finished goods	325.45	420.96	226.86	161.65	125.98	128.09
Stores, spares and other consumables	12.34	17.85	21.19	21.70	12.13	15.38
Packing materials	47.40	25.92	24.86	48.79	53.48	35.45
Scrap (valued at net realisable value)	10.31	21.53	19.58	19.61	7.45	21.98
	2,411.12	**2,457.42**	**2,084.37**	**1,753.10**	**1,591.95**	**1,443.54**

a. **Details of work in progress**

Air conditioner parts	11.06	100.43	6.41	12.42	16.65	17.94
Referigerator parts	1.92	9.05	4.87	5.56	-	-
Tools	-	-	-	9.02	-	-
Others	1.32	4.17	3.42	8.78	4.23	-
	14.30	113.65	14.70	35.78	20.88	17.94

b. **Details of finished goods**

Air conditioner parts	213.07	303.37	158.14	81.42	39.20	56.52
Air conditioners	89.69	97.09	28.90	42.07	52.01	39.37
Others	22.69	20.50	39.82	38.16	34.77	32.20
	325.45	420.96	226.86	161.65	125.98	128.09

17 **Trade receivables**

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Debts outstanding for a period exceeding six months from the date they are due for payment						
Unsecured, considered good (also refer note 31)	6.35	9.37	6.70	14.45	38.95	22.16
unsecured, considered doubtful	-	-	-	-	-	4.03
	6.35	9.37	6.70	14.45	38.95	26.19
Less: Allowances for bad and doubtful debts	-	-	-	-	-	4.03
	6.35	9.37	6.70	14.45	38.95	22.16
Other debts						
Unsecured, considered good (also refer note 31)	1,636.93	2,922.38	2,325.60	2,069.73	1,372.65	1,571.26
Unsecured, Considered doubtful	-	-	-	-	-	0.63
	1,636.93	2,922.38	2,325.60	2,069.73	1,372.65	1,571.89
Less: Allowances for bad and doubtful debts		-	-	-	-	0.63
	1,636.93	2,922.38	2,325.60	2,069.73	1,372.65	1,571.26

	1,643.28	**2,931.75**	**2,332.30**	**2,084.18**	**1,411.60**	**1,593.42**

18 Cash and bank balances

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Cash and cash equivalents:						
Cash in hand	2.67	1.36	0.69	0.52	1.16	1.72
Balances with banks						
- in current and cash credit accounts	54.77	84.23	21.52	14.66	66.71	59.79
- cheques in hand	-	9.36	0.45	3.15	0.11	-
	57.44	94.95	22.66	18.33	67.98	61.51
Other bank balances: *						
- escrow accounts	-	-	-	-	85.50	85.50
- deposit accounts (with original maturity upto three months)	52.72	63.17	32.56	57.02	242.53	14.12
- deposit accounts (with original maturity more than three months, but less than twelve months)	156.89	171.29	107.36	210.09	96.97	205.87
- deposit accounts (with original maturity more than twelve months)	4.10	30.92	18.60	24.57	43.12	78.00
Less : Amounts disclosed as other non-current assets (refer note 15)	(4.10)	(30.92)	(18.60)	(24.57)	(43.12)	(78.00)
	209.62	234.46	139.92	267.11	425.00	305.49
	267.06	**329.41**	**162.58**	**285.44**	**492.98**	**367.00**
*** Cash and bank balances which are under restriction:**						
Fixed deposits with banks held as margin money for letter of credits, bank guarantees, working capital facilities and buyers credit	151.00	138.15	87.03	106.86	54.16	127.26
Fixed deposits with banks held as margin money for External Commercial Borrowings (ECB)	-	-	-	157.85	305.76	35.60
Fixed deposits with banks held as margin money for term loan	44.88	39.60	32.24	14.49	10.66	135.00
Balance held in "Rakesh Deewan Amber Escrow Account" pursuant to share purchase agreement	-	-	-	-	85.50	85.50
Fixed deposits lodged with banks for issue of guarantees in favour of sale tax authorities	0.44	0.44	0.41	0.15	0.15	0.14
Fixed deposits with banks held as margin money for assets taken on lease	8.59	8.59	8.30	6.89	6.89	-
Fixed deposits with banks held till security perfection		-	5.91	5.44	5.00	-
	204.91	186.78	133.89	291.68	468.12	383.50
Cash and bank balances which are not under restriction	8.81	78.60	24.63	-	-	-

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19 Short-term loans and advances (Unsecured, considered good, unless otherwise stated)

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Advances to related parties		-	1.31	2.99	4.45	1.76
Advances to suppliers	105.20	11.55	36.07	81.31	47.43	67.63
Loans and advances to employees	8.73	6.73	4.68	7.04	9.12	2.85
Security deposits						
-to related parties	-	38.50	38.50	38.50	-	-
-to others	67.11	28.17	27.36	25.47	1.90	0.67
Prepaid expenses	12.62	22.32	13.45	16.65	19.83	3.87
Balances with statutory and government authorities	117.69	132.57	137.69	119.36	98.51	54.88
Advance interest on invoice financing with banks	2.04	6.95	11.19	10.33	9.74	3.78
Minimum Alternate Tax (MAT) credit entitlement [also refer note 14 (a)]	-	-	-	23.30	12.02	74.78
Advance tax (net of provision for tax)	-	-	-	-	-	5.49
Other recoverables	49.25	39.41	5.76	2.78	2.60	0.18
	362.64	**286.20**	**276.01**	**327.73**	**205.60**	**215.89**

20 Other current assets

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Interest accrued but not due on fixed deposits	6.46	4.95	4.12	13.55	16.70	22.40
Forward receivable (net of forward payable)	-	-	-	4.10	14.11	8.36
Other assets*	31.87					
	38.33	**4.95**	**4.12**	**17.65**	**30.81**	**30.76**

*includes share issue expenses (to the extent not written off adjusted)(refer note 40)

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Particulars	For six months ended 30 September 2017	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
21 Revenue from operations						
Sale of products (manufactured goods)	9,055.20	16,126.14	10,073.84	11,025.82	8,548.34	8,349.49
Other operating revenues						
-Scrap sales	74.57	119.42	92.39	104.36	78.02	73.32
-Testing charges	-	-	8.58	-	-	-

-Budgetory support income under GST regime	15.04	-	-	-	-	-
-Job work charges	5.02	3.52	3.21	3.29	1.91	5.12
	9,149.83	16,249.08	10,178.02	11,133.47	8,628.27	8,427.93
Less : Excise duty	269.02	704.31	397.28	321.24	245.22	216.39
Revenue from operations (net)	**8,880.81**	**15,544.77**	**9,780.74**	**10,812.23**	**8,383.05**	**8,211.54**

Details of manufactured products sold (excluding other operating revenues and excise duty)

Air conditioners and related components	7,680.90	13,749.53	8,122.41	7,952.48	6,055.80	5,611.63
Refrigerators and related components	251.12	365.76	325.87	404.44	403.64	444.09
Washing machines related components	104.91	139.57	127.64	143.12	86.40	10.99
Others	749.25	1,166.97	1,100.64	2,204.54	1,757.27	2,066.39
	8,786.18	15,421.83	9,676.56	10,704.58	8,303.11	8,133.10

22 Other income

Other income	32.80	72.05	23.63	62.31	64.99	51.14
Net restated profit before tax	367.94	412.57	264.09	351.54	252.33	260.42
% age of other income w.r.t net profit before tax	8.91%	17.46%	8.95%	17.72%	25.76%	19.64%

Break up of "Other Income"
(Not related to business)

Recurring incomes						
Lease rent (refer note 34)	1.80	3.60	3.60	3.60	3.62	0.60
Interest income on deposits with banks	7.01	14.44	16.98	26.21	38.32	29.73
Non recurring incomes						
Insurance claims	1.07	0.31	0.03	1.17	-	-
Profit on disposal of fixed assets (net)	0.93	3.35	-	4.13	5.23	14.86
Interest income on mutual funds	-	-	-	-	-	5.02
Subsidy received	-	-	-	-	1.30	-
Liabilities no longer required written back	-	-	0.06	4.09	15.32	-
Foreign exchange fluctuation (net)	20.81	45.97	-	-	-	-
Sales tax refund	-	0.16	-	2.03	-	-
Bad debts recovered	-	2.18	-	-	-	-
Miscellaneous income	1.18	2.04	2.96	6.05	1.20	0.93
Profit on mark on market (MTM) of derivative contracts	-	-	-	15.03	-	-
	32.80	**72.05**	**23.63**	**62.31**	**64.99**	**51.14**

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23 Cost of materials consumed

Opening stock						
Raw material	1,804.78	1,761.72	1,343.92	1,219.76	1,116.68	810.92
Stores, spares and other consumables	17.85	21.19	21.70	12.13	15.38	8.65
Packing material	25.92	24.86	48.79	53.48	35.45	8.95
Less : Credits under Goods and Service Tax Act, 2017 (refer note 39)	(17.96)					
Add: Purchases made during the year	7,424.76	13,443.84	8,269.45	9,152.22	7,069.68	7,334.07
Add: Adjustment						
Adjustment pursuant to business purchase arrangement (refer note 37)		-	-	-	-	0.90
	9,255.35	15,251.61	9,683.86	10,437.59	8,237.19	8,163.49
Less: Closing stock						
Raw material	1,886.66	1,804.78	1,761.72	1,343.92	1,219.76	1,116.68
Stores, spares and other consumables	12.34	17.85	21.19	21.70	12.13	15.38
Packing material	47.40	25.92	24.86	48.79	53.48	35.45
	1,946.40	1,848.55	1,807.77	1,414.41	1,285.37	1,167.51
	7,308.95	**13,403.06**	**7,876.09**	**9,023.18**	**6,951.82**	**6,995.98**

a. Details of raw material and components

Air conditioner parts and accessories	6,170.53	12,074.86	6,666.97	6,929.52	5,340.16	4,978.23
Others	1,138.42	1,328.20	1,209.12	2,093.66	1,611.66	2,017.75
	7,308.95	13,403.06	7,876.09	9,023.18	6,951.82	6,995.98

24 Changes in inventories of finished goods and work-in-progress

Opening stock						
Work-in-progress	113.65	14.70	35.78	20.88	17.94	114.28
Finished goods	420.96	226.86	161.65	125.98	128.09	111.54
Scrap	21.53	19.58	19.61	7.45	21.98	0.07
Closing stock						
Work-in-progress	14.30	113.65	14.70	35.78	20.88	17.94
Finished goods	325.45	420.96	226.86	161.65	125.98	128.09
Scrap	10.31	21.53	19.58	19.61	7.45	21.98
Impact of excise duty on opening/closing stock	25.11	(8.14)	(7.57)	(3.29)	2.72	(8.83)
	180.97	**(286.86)**	**(36.53)**	**(59.44)**	**10.98**	**66.71**

25 Employee benefits expense

Salary, wages and bonus	179.29	349.63	288.24	270.68	228.88	160.18
Contribution to provident and other funds	10.41	18.55	17.72	13.83	13.78	11.62
Staff welfare expenses	3.96	12.47	8.24	7.22	6.79	5.11
	193.66	**380.65**	**314.20**	**291.73**	**249.45**	**176.91**

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26 Finance costs

Interest on						
- Term loans (refer note below)	130.97	210.43	202.95	168.15	111.25	62.17
- Others	111.05	339.33	331.60	258.15	219.88	133.33
Other borrowing costs	8.23	7.91	13.45	23.34	17.35	17.67
	250.25	557.67	548.00	449.64	348.48	213.17
Less: Borrowing costs capitalised	7.46	17.65	66.39	71.33	66.32	25.70
	242.79	**540.02**	**481.61**	**378.31**	**282.16**	**187.47**

Note :

During six months ended 30 September 2017, the Company has charged off unamortised borrowing cost of Rs. 21,96 millions in the statement of profit and loss. The said unamortized borrowing costs relates to term loan from IndusInd Bank which has been replaced with another loan taken from IDFC Bank. Term loan from IndusInd Bank were taken at 10.40% p.a. - 10.75% p.a which have been replaced with IDFC Bank during the period at reduced rate at 9.25% p.a. As a result, the Company should be able to improve its financial position, cash flows and return on net worth.

27 Depreciation and amortisation expense

Depreciation and amortisation (also, refer note 11)	152.48	275.49	223.89	180.87	143.50	113.67
Amortisation (also, refer note 12)	55.51	84.18	56.43	51.28	23.60	5.27
	207.99	**359.67**	**280.32**	**232.15**	**167.10**	**118.94**

28 Other expenses

Power, fuel and water charges	96.58	195.46	147.24	170.01	133.07	110.17
Contractual labour charges	60.48	114.05	85.94	85.07	52.72	50.14
Loading and unloading charges	69.25	118.98	77.88	88.12	66.51	40.15
Freight inward and octroi charges	31.94	79.29	59.97	77.36	54.01	60.88
Freight outward	40.38	54.23	33.53	34.40	33.30	26.60
Loss on disposal of fixed assets (net)	-	-	0.74	-	-	-
Provision for impairment of property, plant and equipment and intangible assets (refer note 11 and 12)	-	-	11.97	-	-	-
Loss on Mark to Market (MTM) of derivative contracts	-	-	-	-	13.12	2.73
Foreign exchange fluctuation (net)	-	-	13.14	26.64	38.18	15.57
Legal and professional fees [refer note (a) below]	9.94	64.45	35.89	20.58	13.07	31.11
Workshop expenses	3.44	6.73	4.70	4.66	9.55	6.39
Travelling and conveyance	17.45	33.02	31.98	28.42	20.89	18.79
Repairs and maintenance	-					
-plant and machinery	17.05	24.03	15.26	12.08	11.38	10.36
-buildings	3.40	5.42	5.21	4.25	3.84	1.59

-others	4.89	7.68	6.07	5.70	4.78	3.33
Insurance	1.27	5.04	4.72	4.05	3.94	3.54
Rent	-					
-plant and machinery	0.49	2.31	1.13	0.94	0.56	1.28
-buildings	19.66	30.26	30.17	29.46	26.04	17.54
Rates and taxes	1.54	1.12	2.01	2.70	2.44	2.95
Bank charges	1.18	1.99	1.74	2.20	1.50	0.81
Job work charges	3.79	7.62	7.80	10.22	0.59	5.31
Communication expenses	2.81	7.42	7.21	7.71	6.00	4.81
Donation	-	0.39	0.41	0.29	0.44	0.30
Provision for doubtful debts	-	-	-	-	-	4.66
Vehicle running expenses	1.25	4.05	3.03	4.28	3.14	3.01
Corporate social responsibility expenditure (refer note 36)	2.16	1.02	0.45	-	-	-
Printing and stationary	1.55	3.96	3.84	2.57	2.54	2.16
Business promotion expenses	0.99	1.02	0.91	1.17	2.05	5.42
Advances and other balance written off	-	1.98	4.50	2.51	-	-
Festival expenses	-	2.96	2.69	1.95	1.99	3.69
Bad debts	-	5.25	0.49	7.18	8.71	-
Miscellaneous expenses	19.82	27.98	23.97	22.55	19.83	22.96
	411.31	**807.71**	**624.59**	**657.07**	**534.20**	**456.25**

a) Legal and professional includes auditors' remuneration:

Audit fee	2.30	2.25	2.60	2.30	1.90	1.90
Other certifcations	3.00					
Reimbursement of expenses	0.25	0.09	0.06	0.20	0.28	0.26
	5.55	2.34	2.66	2.50	2.18	2.16

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	Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
29	**Estimated amount of contracts remaining to be executed on**						
	capital account and not provided for (net of advances)	86.49	23.33	25.12	135.14	172.90	26.41
30	**Contingent liability not provided for exists in respect of:**						
a)	Service tax (FY 2010-11, FY 2012-13 and FY 2013 -14)*	1.33	1.28	1.28	-	-	-
	Service tax (Show cause notice received for FY 2010-11)	-	-	-	-	3.56	3.56
b)	Sales tax (FY 2008-09, FY 2009-10, FY 2010-11, FY 2012 -13 and FY 2015-16)**	19.71	15.28	15.28	1.62	4.50	2.73
c)	Income-tax (AY 2010-11)***	2.85	2.85	5.39	5.97	5.97	5.97
d)	Octroi tax	1.56	1.56	1.56	1.56	1.56	1.56
e)	Excise duty (FY 2011-12 and 2015-16)****	5.75	5.75	5.83	-	-	-
f)	Claims against the Company not acknowledged as debts						
	On account of claims by vendors	1.24	1.24	1.24	1.17	1.11	1.04
	On account of claims by employees	0.16	0.16	0.16	0.25	0.23	0.22
g)	Guarantees						
	Corporate guarantees issued in favor of PICL (India) Private Limited	525.00	525.00	730.00	580.00	490.50	340.50
	Outstanding loans of PICL (India) Private Limited against the corporate guarantees issued by the Company	411.66	228.20	391.30	304.30	272.40	210.60
h)	Bonus ******	0.16	0.16	0.16	-	-	-

* *Includes amount paid under protest (Rs in millions)* *1.33* - - - - -

* *The Company received show cause from Deputy Comissioner of Central Excise against which a reply dated 24 April 2017 has been filed.*

** *Includes amount paid under protest (Rs in millions)* *0.20* *0.20* *0.20* *0.26* *0.44* *0.44*

*** *Includes amount paid under protest (Rs in millions). The amount appearing above is after netting of the amount already provided for in the books of account* *3.78* *3.78* *3.78* *3.50* *3.50* *3.50*

**** *Includes amount paid under protest (Rs. in million)* *2.91* *2.91*

***** *The Payment of Bonus (Amendment) Act, 2015 dated 31 December 2015 (which was made effective from 01 April 2014) revised the thresholds for coverage of employee eligible for Bonus and also enhanced the ceiling limits for computation of bonus. However, taking cognizance of the stay granted by various High Courts, the Company has not recognised any differential amount of bonus*

for the period 01 April 2014 to 31 March 2015 and accordingly has recognised the expense as per the amended provisions w.e.f. 1 April 2015 and onwards.

The Company has a finance lease obligation with Connect Residuary Private Limited (the "lessor") amounting to Rs. 34.24 millions which has been fully prepaid by the Company and therefore, quarterly payments for the installments are not being made to the lessor. However pending payment acceptance from the lessor for prepayment, the Company has recognized the prepaid amount under "other current asset". The management of the Company is in discussion with lessor for getting 'no objection certificate' (NOC) and they believe that the same shall be materialized very soon and therefore, the Company has not considered the non-payments of quarterly installments to the lessor as default.

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31 Related party disclosures

A. Relationship with related parties

I.	**Subsidiary companies**	PICL (India) Private Limited (w.e.f 10 November 2012)
II.	**Entities over which significant influence is exercised by the company /key management personnel (either individually or with others)**	Amrit Aircon System Private Limited Amber Infracon Energy India Private Limited (till 12 January 2016) Amber Organic Farming Private Limited (w.e.f. 22 July 2012) Amber Aviation (India) Private Limited (w.e.f. 5 October 2016) Acme Engineering and Fabrications Acme Fabrications Private Limited (till 25 August 2017) Acama Appliances Private Limited (till 31 March 2014)
III.	**Key management personnel (KMP) and relatives**	**Relatives ***
	a. Mr. Kartar Singh (Chairman Emeritus) (director till 25 August 2017)	Mr. Jasbir Singh (son) Mr. Daljit Singh (son) Mr. Kirpal Singh (brother)
	b. Mr. Jasbir Singh (Chairman & CEO)	Mr. Kartar Singh (father), Mr. Daljit Singh (brother)
	c. Mr. Daljit Singh (Managing Director)	Mr. Kartar Singh (father) Mr. Jasbir Singh (brother) Ms. Sukhmani Lakhat (spouse)
	d. Ms. Sukhmani Lakhat (Director till 12 January 2017)	Mr. Daljit Singh (husband)
	e Mr. Kirpal Singh (Director till 12 January 2017)	Mr Kartar Singh (brother)

* With respect to the key management personnel, disclosure has been given for those relatives with whom the Company has made transactions during the year.

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31 Related Party Disclosure (Continued)

S No.	For the year ended	Transactions made during the year	Subsidiaries	Entities over which significant influence is exercised	Key management personnel
1		**Rent paid**			
	2017-18**	Mr. Jasbir Singh	-	-	2.28
	2017-18**	Mr. Daljit Singh	-	-	0.86
	2017-18**	Acme Fabrications Private Limited	-	1.14	-
	2016-17	Acme Fabrications Private Limited	-	2.73	-
	2016-17	Mr. Jasbir Singh	-	-	4.56
	2016-17	Mr. Daljit Singh	-	-	1.71
	2015-16	Acme Fabrications Private Limited	-	2.73	-
	2015-16	Mr. Jasbir Singh	-	-	4.56
	2015-16	Mr. Daljit Singh	-	-	1.71

S No.	For the year ended	Transactions made during the year	Subsidiaries	Entities over which significant influence is exercised	Key management personnel
	2014-15	Acme Fabrications Private Limited	-	2.34	-
	2014-15	Mr. Jasbir Singh	-	-	4.56
	2014-15	Mr. Daljit Singh	-	-	1.71
	2013-14	Mr. Jasbir Singh	-	-	2.28
	2013-14	Mr. Daljit Singh	-	-	1.30
	2013-14	Acme Fabrications Private Limited	-	1.43	-
	2013-14	Amrit Aircon System Private Limited	-	0.11	-
	2013-14	Acama Appliances Private Limited	-	1.34	-
	2012-13	Acama Appliances Private Limited	-	1.04	-
	2012-13	Amrit Aircon system Private Limited	-	0.78	-
	2012-13	Acme Fabrications Private Limited	-	1.20	-
2		**Sale of goods**			
	2017-18**	PICL (India) Private Limited	3.18	-	-
	2016-17	PICL (India) Private Limited	0.03	-	-
	2015-16	PICL (India) Private Limited	21.59	-	-
	2014-15	PICL (India) Private Limited	13.48	-	-
	2013-14	PICL (India) Private Limited	3.06	-	-
	2013-14	Amber Infracon Energy India Private Limited	-	1.14	-
3		**Purchase of raw material**			
	2017-18**	PICL (India) Private Limited	175.11	-	-
	2016-17	PICL (India) Private Limited	359.25	-	-
	2016-17	Amrit Aircon System Private Limited	-	0.79	-
	2015-16	PICL (India) Private Limited	241.72	-	-
	2014-15	PICL (India) Private Limited	272.68	-	-
	2013-14	PICL (India) Private Limited	179.39	-	-
	2012-13	PICL (India) Private Limited	87.20	-	-
4		**Property, plant and equipment purchased**			
	2016-17	PICL (India) Private Limited	0.04	-	-
	2015-16	Amrit Aircon System Private Limited	-	2.86	-
	2015-16	PICL (India) Private	0.55	-	-

S No.	For the year ended	Transactions made during the year	Subsidiaries	Entities over which significant influence is exercised	Key management personnel
		Limited			
	2014-15	PICL (India) Private Limited	11.22	-	-
	2013-14	PICL (India) Private Limited	11.49	-	-
	2013-14	Amrit Aircon System Private Limited	-	17.14	-
	2012-13	PICL (India) Private Limited	0.07	-	-
	2012-13	Acme Fabrications Private Limited	-	1.20	-
5		**Consideration for business purchase arrangement (refer note 37)**			
	2012-13	Acme Fabrications Private Limited	-	25.30	-
6		**Net assets acquired**			
	2012-13	Acme Fabrications Private Limited	-	22.32	-
7		**Property, plant and equipment sold**			
	2015-16	PICL (India) Private Limited	4.00	-	-
8		**Rent received**			
	2017-18**	PICL (India) Private Limited	1.80	-	-
	2016-17	PICL (India) Private Limited	3.60	-	-
	2015-16	PICL (India) Private Limited	3.60	-	-
	2014-15	PICL (India) Private Limited	3.60	-	-
	2013-14	PICL (India) Private Limited	3.60	-	-
	2012-13	PICL (India) Private Limited	0.60	-	-
9		**Expenses incurred on behalf of Company**			
	2016-17	PICL (India) Private Limited	0.02	-	-
	2015-16	PICL (India) Private Limited	0.14	-	-
	2014-15	PICL (India) Private Limited	3.12	-	-
	2013-14	PICL (India) Private Limited	0.04	-	-
	2013-14	Amber Infracon Energy India Private Limited	-	0.13	-
	2013-14	Acama Appliances Private Limited	-	0.58	-
	2013-14	Amrit Aircon System Private Limited	-	0.34	-

S No.	For the year ended	Transactions made during the year	Subsidiaries	Entities over which significant influence is exercised	Key management personnel
	2013-14	Acme Fabrications Private Limited	-	0.66	-
	2012-13	PICL (India) Private Limited	0.04	-	-
	2012-13	Amber Organic Farming Private Limited	0.05	0.01	-
	2012-13	Amber Aviation (India) Private Limited	0.02	0.05	-
	2012-13	Amber Infracon Energy India Private Limited	-	0.07	-
	2012-13	Acama Appliances Private Limited	-	0.92	-
	2012-13	Amrit Aircon system Private Limited	-	0.02	-
	2012-13	Acme Fabrications Private Limited	-	2.23	-
10		**Interest income**			
	2013-14	Amber Aviation (India) Private Limited	-	0.01	-
	2013-14	Amber Infracon Energy (India) Private Limited(ecotech)	-	0.00	-
	2012-13	Amber Organic Farming Private Limited	-	0.16	-
	2012-13	Amber Aviation (India) Private Limited	0.26	-	-
11		**Expenses incurred by the Company on behalf of other parties**			
	2016-17	PICL (India) Private Limited	0.41	-	-
	2014-15	PICL (India) Private Limited	0.17	-	-
12		**Payments made**			
	2015-16	PICL (India) Private Limited	182.32	-	-
	2015-16	Amrit Aircon System Private Limited	-	0.98	-
	2015-16	Acme Fabrications Private Limited	-	1.25	-
	2014-15	PICL (India) Private Limited	272.42	-	-
	2014-15	Amrit Aircon System Private Limited	-	0.06	-
	2014-15	Acme Fabrications Private Limited	-	1.92	-
	2013-14	PICL (India) Private Limited	103.38	-	-
	2013-14	Acme Fabrications Private Limited	3.17	-	-
	2012-13	PICL (India) Private Limited	83.12	-	-
13		**Payments received**			

S No.	For the year ended	Transactions made during the year	Subsidiaries	Entities over which significant influence is exercised	Key management personnel
	2015-16	Amrit Aircon System Private Limited	-	0.13	-
	2015-16	PICL (India) Private Limited	12.36	-	-
	2014-15	PICL (India) Private Limited	8.64	-	-
	2013-14	PICL (India) Private Limited	1.83	-	-
14		**Advance received**			
	2014-15	PICL (India) Private Limited	20.00	-	-
15		**Advance to employees**			
	2012-13	Mr. Jasbir Singh	-	-	0.15
		Advance given			
16	2012-13	Acme Fabrications Private Limited	-	77.25	-
17		**SHIS license purchased**			
	2014-15	PICL (India) Private Limited	4.79	-	-
18		**Capital advance**			
	2013-14	Amber Infracon Energy India Private Limited	-	15.00	-
	2012-13	Amber Infracon Energy India Private Limited	-	7.22	-
19		**Interest expense**			
	2016-17	PICL (India) Private Limited	4.94	-	-
20		**Remuneration paid**			
	2017-18**	Mr. Kartar Singh	-	-	0.58
	2017-18**	Mr. Jasbir Singh	-	-	6.48
	2017-18**	Mr. Daljit Singh	-	-	5.76
	2017-18**	Ms. Sukhmani Lakhat	-	-	0.20
	2017-18**	Mr. Kirpal Singh	-	-	0.05
	2016-17	Mr. Kartar Singh	-	-	1.20
	2016-17	Mr. Jasbir Singh	-	-	12.96
	2016-17	Mr. Daljit Singh	-	-	11.52
	2016-17	Ms. Sukhmani Lakhat (remuneration till date of resignation)	-	-	0.94
	2016-17	Mr. Kirpal Singh (remuneration till date of resignation)	-	-	0.23
	2015-16	Mr. Kartar Singh	-	-	1.20
	2015-16	Mr. Jasbir Singh	-	-	12.96
	2015-16	Mr. Daljit Singh	-	-	11.52
	2015-16	Ms. Sukhmani Lakhat	-	-	1.20
	2015-16	Mr. Kirpal Singh	-	-	0.30
	2014-15	Mr. Kartar Singh	-	-	1.20
	2014-15	Mr. Jasbir Singh	-	-	10.80
	2014-15	Mr. Daljit Singh	-	-	9.60

S No.	For the year ended	Transactions made during the year	Subsidiaries	Entities over which significant influence is exercised	Key management personnel
	2014-15	Ms. Sukhmani Lakhat	-	-	1.20
	2014-15	Mr. Kirpal Singh	-	-	0.30
	2013-14	Mr Kartar Singh	-	-	1.20
	2013-14	Mr Jasbir Singh	-	-	10.80
	2013-14	Mr Daljit Singh	-	-	9.60
	2013-14	Ms Sukhmani Lakhat	-	-	1.20
	2013-14	Mr Kirpal Singh	-	-	0.30
	2012-13	Mr. Kartar Singh	-	-	1.20
	2012-13	Mr. Jasbir Singh	-	-	10.80
	2012-13	Mr. Daljit Singh	-	-	9.60
	2012-13	Ms. Sukhmani Lakhat	-	-	1.20
	2012-13	Mr. Kirpal Singh	-	-	0.30
21		**Repayment of advance given**			
	2012-13	Amber Organic Farming Private Limited	-	2.97	-
	2012-13	Amber Aviation (India) Private Limited	-	10.20	-
	2012-13	Amrit Aircon System Private Limited	-	83.50	-
	2012-13	Acme Fabrications Private Limited	-	31.16	-
22		**Personal guarantees taken**			
	2017-18**	Mr. Jasbir Singh	-	-	650.00
	2017-18**	Mr. Daljit Singh	-	-	650.00
	2016-17	Mr. Jasbir Singh	-	-	2,743.49
	2016-17	Mr. Daljit Singh	-	-	2,743.49
	2015-16	Mr. Kartar Singh	-	-	60.00
	2015-16	Mr. Jasbir Singh	-	-	2,745.05
	2015-16	Mr. Daljit Singh	-	-	2,745.05
	2014-15	Mr. Kartar Singh	-	-	
	2014-15	Mr. Jasbir Singh	-	-	731.47
	2014-15	Mr. Daljit Singh	-	-	870.00
	2014-15	Mr. Kirpal Singh	-	-	
	2013-14	Mr. Kartar Singh	-	-	548.81
	2013-14	Mr. Jasbir Singh	-	-	886.13
	2013-14	Mr. Daljit Singh	-	-	862.90
	2013-14	Mr. Kirpal Singh	-	-	13.28
23		**Corporate guarantee taken**			
	2016-17	Acme Fabrications Private Limited	-	1,150.00	-
	2015-16	Acme Fabrications Private Limited	-	1,121.00	-
	2015-16	Acme Engineering and Fabrications	-	250.00	-
	2013-14	Acme Fabrications Private Limited	-	69.18	-
	2013-14	Acme Engineering and Fabrications	-	69.18	-

S No.	For the year ended	Transactions made during the year	Subsidiaries	Entities over which significant influence is exercised	Key management personnel
24		**Corporate guarantees given**			
	2017-18**	PICL (India) Private Limited	150.00	-	-
	2016-17	PICL (India) Private Limited	-	-	-
	2015-16	PICL (India) Private Limited	150.00	-	-

** *Represents as at and for six months ended 30 September 2017*

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31 Related Party Disclosure (Continued)

S No.	As at	Balances at year end	Subsidiaries	Entities over which significant influence is exercised	Key management personnel
1		**Corporate guarantee taken ***			
	2017-18**	Acme Fabrications Private Limited	-	2,615.00	-
	2016-17	Acme Fabrications Private Limited	-	2,780.00	-
	2015-16	PICL (India) Private Limited	80.00	-	-
	2015-16	Acme Fabrications Private Limited	-	2,636.00	-
	2015-16	Acme Engineering and Fabrications	-	250.00	-
	2014-15	PICL (India) Private Limited	80.00	-	-
	2013-14	PICL (India) Private Limited	80.00	-	-
	2012-13	PICL (India) Private Limited	80.00	-	-
2		**Corporate guarantee given**			
	2017-18**	PICL (India) Private Limited	525.00	-	-
	2016-17	PICL (India) Private Limited	525.00	-	-
	2015-16	PICL (India) Private Limited	730.00	-	-
	2014-15	PICL (India) Private Limited	580.00	-	-
	2013-14	PICL (India) Private Limited	490.50	-	-
	2012-13	PICL (India) Private Limited	340.50	-	-
3		**Trade payables**			
	2017-18**	PICL (India) Private Limited	61.80	-	-
	2017-18**	Amrit Aircon System Private Limited	-	0.40	-
	2016-17	PICL (India) Private Limited	250.44	-	-
	2016-17	Amrit Aircon System Private Limited	-	0.79	-
	2015-16	PICL (India) Private Limited	217.83	-	-
	2014-15	PICL (India) Private Limited	170.36	-	-
	2013-14	PICL (India) Private Limited	139.73	-	-
	2012-13	PICL (India) Private Limited	13.48	-	-
4		**Expenses payable (disclosed under other current liabilities)**			
	2017-18**	Acme Fabrications Private Limited	-	1.45	-
	2017-18**	Jasbir singh	-	-	0.23
	2017-18**	Daljit Singh	-	-	2.53
	2016-17	Acme Fabrications Private Limited	-	0.75	-
	2014-15	Amrit Aircon System Private Limited	-	0.85	-
	2013-14	Acama Appliances Private Limited	-	1.94	-
	2013-14	Amrit Aircon System Private Limited	-	0.90	-
	2013-14	Amber Infracon Energy India Private Limited	-	0.07	-
	2012-13	Acama Appliances Private Limited	-	0.12	-
	2012-13	Amrit Aircon System Private	-	1.14	-

S No.	As at	Balances at year end	Subsidiaries	Entities over which significant influence is exercised	Key management personnel
		Limited			
	2012-13	Amber Infracon Energy India Private Limited	-	0.25	-
5		**Rent receivable (disclosed under short term loans and advances)**			
	2013-14	PICL (India) Private Limited	-	2.17	-
6		**Trade receivables**			
	2013-14	Amber Infracon Energy India Private Limited	-	6.84	-
	2012-13	Amber Infracon Energy India Private Limited	-	5.77	-
7		**Advance received (disclosed under other current liabilities)**			
	2014-15	PICL (India) Private Limited	20.00	-	-
8		**Advances to related parties (disclosed under short term loans and advances)**			
	2015-16	Acme Fabrications Private Limited	-	1.31	-
	2013-14	Amber Aviation (India) Private Limited	-	0.07	-
	2013-14	Acme Fabrications Private Limited	-	0.91	-
9		**Other recoverables (disclosed under short term loans and advances)**			
	2014-15	PICL (India) Private Limited	2.78	-	-
10		**Amount receivable (disclosed under short term loans and advances)**			
	2014-15	Acme Fabrications Private Limited	-	2.89	-
	2013-14	Acme Fabrications Private Limited	-	3.31	-
	2013-14	Amber Aviation (India) Private Limited	-	0.08	-
	2013-14	Amber Infracon Energy (India) Private Limited	-	0.01	-
	2013-14	Acama Appliances Private Limited	-	1.05	-
11		**Advances to employees**			
	2013-14	Mr. Jasbir Singh	-	-	0.15
12		**Security deposits (disclosed under short term loans and advances)**			
	2016-17	Acme Fabrications Private Limited	-	38.50	-

S No.	As at	Balances at year end	Subsidiaries	Entities over which significant influence is exercised	Key management personnel
	2015-16	Acme Fabrications Private Limited	-	38.50	-
	2014-15	Acme Fabrications Private Limited	-	38.50	-
	2013-14	Acama Appliances Private Limited	-	25.00	-
	2013-14	Acme Fabrications Private Limited	-	38.50	-
	2012-13	Acama Appliances Private Limited	-	25.00	-
	2012-13	Acme Fabrications Private Limited	-	38.50	-
13		**Security deposits (disclosed under long term loans and advances)**			
	2017-18**	Mr. Jasbir Singh	-	-	7.98
	2017-18**	Mr. Daljit Singh	-	-	7.98
	2016-17	Mr. Jasbir Singh	-	-	7.98
	2016-17	Mr. Daljit Singh	-	-	7.98
	2015-16	Mr. Jasbir Singh	-	-	7.98
	2015-16	Mr. Daljit Singh	-	-	7.98
	2014-15	Mr. Jasbir Singh	-	-	7.98
	2014-15	Mr. Daljit Singh	-	-	7.98
	2013-14	Mr. Jasbir Singh	-	-	7.98
	2013-14	Mr. Daljit Singh	-	-	7.98
14		**Capital advances (disclosed under long term loans and advances)**			
	2014-15	Amrit Aircon System Private Limited	-	2.86	-
	2013-14	Amber Infracon Energy India Private Limited	-	19.11	-
	2013-14	Amrit Aircon System Private Limited	-	2.86	-
	2012-13	Amber Infracon Energy India Private Limited	-	4.10	-
	2012-13	Amrit Aircon System Private Limited	-	20.00	-
15		**Remuneration payable (disclosed under other current liabilities)**			
	2017-18**	Mr. Daljit Singh	-	-	2.24
	2017-18**	Mr. Jasbir Singh	-	-	0.65
	2016-17	Mr. Kirpal Singh	-	-	0.03
	2016-17	Mr. Kartar Singh	-	-	0.08
	2016-17	Mr. Jasbir Singh	-	-	0.53
	2016-17	Mr. Daljit Singh	-	-	0.46
	2015-16	Mr. Kirpal Singh	-	-	0.12
	2015-16	Mr. Daljit Singh	-	-	1.89
	2015-16	Mr. Kartar Singh	-	-	0.36
	2015-16	Ms. Sukhmani Lakhat	-	-	0.44
	2015-16	Mr. Jasbir Singh	-	-	0.64
	2014-15	Mr. Kirpal Singh	-	-	0.12
	2014-15	Mr. Kartar Singh	-	-	0.40

S No.	As at	Balances at year end	Subsidiaries	Entities over which significant influence is exercised	Key management personnel
	2014-15	Ms. Sukhmani Lakhat	-	-	0.40
	2014-15	Mr. Jasbir Singh	-	-	1.78
	2013-14	Mr Daljit Singh	-	-	0.55
	2013-14	Mr Jasbir Singh	-	-	0.30
	2012-13	Mr. Kartar Singh	-	-	0.08
	2012-13	Mr. Sukhmani Lakhat	-	-	0.08
	2012-13	Mr. Sanjay Arora	-	-	0.29
	2012-13	Mr. Kirpal Singh	-	-	0.02
16		**Personal guarantees taken ***			
	2017-18**	Mr. Kartar Singh	-	-	210.00
	2017-18**	Mr. Jasbir Singh	-	-	7,934.63
	2017-18**	Mr. Daljit Singh	-	-	7,934.63
	2016-17	Mr. Kartar Singh	-	-	375.00
	2016-17	Mr. Jasbir Singh	-	-	8,334.63
	2016-17	Mr. Daljit Singh	-	-	8,334.63
	2016-17	Mr. Kirpal Singh	-	-	165.00
	2015-16	Mr. Kartar Singh	-	-	2,485.00
	2015-16	Mr. Jasbir Singh	-	-	7,068.02
	2015-16	Mr. Daljit Singh	-	-	6,888.02
	2015-16	Mr. Kirpal Singh	-	-	665.00
	2014-15	Mr. Kartar Singh	-	-	2,687.34
	2014-15	Mr. Jasbir Singh	-	-	5,798.81
	2014-15	Mr. Daljit Singh	-	-	5,468.81
	2014-15	Mr. Kirpal Singh	-	-	727.34
	2013-14	Mr. Kartar Singh	-	-	2,217.06
	2013-14	Mr. Jasbir Singh	-	-	3,126.90
	2013-14	Mr. Daljit Singh	-	-	2,806.73
	2013-14	Mr. Kirpal Singh	-	-	867.64
	2012-13	Mr. Kartar Singh	-	-	1,668.25
	2012-13	Mr. Jasbir Singh	-	-	2,240.77
	2012-13	Mr. Daljit Singh	-	-	1,943.83
	2012-13	Mr. Kirpal Singh	-	-	854.36

** *Represents as at and for six months ended 30 September 2017*

***** ***As at 30 September 2017***

The above disclosed balances of corporate guarantees and personal guarantees taken include original sanctioned limits of working capital borrowings and term loans by the continuing banks. However, at the reporting date, the outstanding balance of working capital borrowings and the term loans in respect of which corporate guarantees stands at Rs. 1730.84 millions of Acme Fabrications Private Limited and personal guarantees have been taken stands at Rs. 149.90 millions of Mr. Kartar Singh, Rs.4,959.51 million of Mr. Jasbir Singh, and Rs. 4,959.51 million of Mr. Daljit Singh.

***** ***As at 31 March 2017***

The above disclosed balances of corporate guarantees and personal guarantees taken include original sanctioned limits of working capital borrowings and term loans by the continuing banks. However, at the reporting date, the outstanding balance of working capital borrowings and the term loans in respect of which corporate guarantees and personal guarantees have been taken stands at Rs. 1,524.60 millions of Acme Fabrications Private Limited,

Rs. 169.51 millions of Mr. Kartar Singh, Rs.4,941.82 millions of Mr. Jasbir Singh, Rs. 4,941.82 millions of Mr. Daljit Singh and Rs. 1.60 millions of Mr. Kirpal Singh.

***** ***As at 31 March 2016***

The above disclosed balances of corporate guarantees and personal guarantees taken include original sanctioned limits of working capital borrowings and term loans by the continuing banks. However, at the reporting date, the outstanding balance of working capital borrowings and the term loans in respect of which corporate guarantees and personal guarantees have been taken stands at Rs. 37.32 millions of PICL (India) Private Limited, Rs. 1,699.77 millions of Acme Fabrications Private

Limited, Rs. 224.63 millions of Acme Engineering and Fabrications, Rs. 1,608.15 millions of Mr. Kartar Singh, Rs. 4,790.38 millions of Mr. Jasbir Singh, Rs. 4,714.17 millions of Mr. Daljit Singh and Rs. 372.66 millions of Mr. Kirpal Singh.

***** ***As at 31 March 2015***

The above disclosed balances of corporate guarantees and personal guarantees taken include original sanctioned limits of working capital borrowings and term loans by the continuing banks. However, at the reporting date, the outstanding balance of working capital borrowings and the term loans in respect of which corporate guarantees and personal guarantees have been taken stands at Rs. 53.33 millions of PICL (India) Private Limited, Rs. 2,180.8 millions of Mr. Kartar Singh, Rs. 4,369.77 millions of Mr. Jasbir Singh, Rs. 4,122.97 millions of Mr. Daljit Singh and Rs. 549.27 millions of Mr. Kirpal Singh.

***** ***As at 31 March 2014***

The above disclosed balances of corporate guarantees and personal guarantees taken include original sanctioned limits of working capital borrowings and term loans by the continuing banks. However, at the reporting date, the outstanding balance of working capital borrowings and the term loans in respect of which corporate guarantees and personal guarantees have been taken stands at Rs. 69.32 millions of PICL (India) Private Limited, 2,102.02 millions of Acme Fabrications Private Limited, Rs. 2,102.02 millions of Acama Appliances private Limited, Rs. 2,127.06 millions of Mr. Kartar Singh, Rs.3,126.89 millions of Mr. Jasbir Singh, Rs. 2,806.73 millions of Mr. Daljit Singh and Rs. 867.64 millions of Mr. Kirpal Singh.

***** ***As at 31 March 2013***

The above disclosed balances of corporate guarantees and personal guarantees taken include original sanctioned limits of working capital borrowings and term loans by the continuing banks. However, at the reporting date, the outstanding balance of working capital borrowings and the term loans in respect of which corporate guarantees and personal guarantees have been taken stands at Rs. 80 millions of PICL (India) Private Limited, Rs. 1,858.01 millions sof Acme Fabrications Private Limited, Rs. 1,858.01 millions of Acme Appliances Private Limited, Rs. 1,668.25 millions of Mr. Kartar Singh, Rs.2,240.77 millions of Mr. Jasbir Singh, Rs. 1,942.83 millions of Mr. Daljit Singh and Rs. 854.36 millions of Mr. Kirpal Singh.

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32 The information required by paragraph 5 of general instructions for preparation of the statement of profit and loss as per revised schedule III of Companies Act, 2013:

a. Value of imported and indigenous raw materials and components and stores and spares consumed

Particulars	For six months ended 30 September 2017		For the year ended 31 March 2017		For the year ended 31 March 2016		For the year ended 31 March 2015		For the year ended 31 March 2014		For the year ended 31 March 2013	
	Amount	Percentage	Amount	Percentage	Amount	Percentage	Amount	Percentage	Amount	Percentage	Amount	Percentage
Raw material and components												
Imported	1,753.15	23.99%	2,597.30	19.38%	1,238.31	15.72%	1,319.97	14.63%	858.98	12.36%	580.03	8.29%
Indigenous	5,555.80	76.01%	10,805.76	80.62%	6,637.78	84.28%	7,703.21	85.37%	6,092.84	87.64%	6,415.95	91.71%
	7,308.95	**100.00%**	**13,403.06**	**100.00%**	**7,876.09**	**100.00%**	**9,023.18**	**100.00%**	**6,951.82**	**100.00%**	**6,995.98**	**100.00%**

b. Value of imports on CIF basis

a) Capital goods	6.89	217.21	140.51	175.41	123.19	125.03
b) Raw material and components	2,107.98	1,116.44	1,399.36	1,004.74	738.23	520.06

c. Expenditure in foreign currency (on accrual basis)

a) Travelling	0.23	0.90	0.58	0.71	0.71	1.48
b) Interest	-	-	4.01	17.57	17.57	26.59
c) Business promotion	-	-	-	-	-	1.10

d. Earnings in foreign exchange

FOB value of exports	19.33	38.61	47.69	46.47	-	-

33 Earnings per share

Particulars	For six months ended 30 September 2017		For the year ended 31 March 2017		For the year ended 31 March 2016		For the year ended 31 March 2015		For the year ended 31 March 2014		For the year ended 31 March 2013	
Net profit attributable to equity shareholders		268.08		300.93		204.24		252.76		189.10		185.45
Adjustment for:												
Interest on compulsory convertible debentures (Net of tax)		14.14		6.47		-		-		-		-

Adjusted profit		282.22		307.40		204.24		252.76		189.10		185.45
Number of weighted average equity shares (Nominal value of Rs 10 each)												
-Basic		238,09,825		217,95,151		217,02,788		217,02,788		199,49,496		168,92,626
-Diluted		259,16,855		222,51,193		217,02,788		217,02,788		199,49,496		203,07,864
Earnings per share-after exceptional items (if any) and tax												
Basic*		11.26		13.81		9.41		11.65		9.48		10.98
Diluted *		10.89		13.81		9.41		11.65		9.48		9.13

* *The figures of basic and diluted earning per share for six months ended 30 September 2017 are not annualised.*

34 Leases

Operating leases

Particulars	For six months ended 30 September 2017	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
The Company has leased some of its premises to a third party under a lease agreement that qualifies as an operating lease. Rental income from the same amounts is disclosed :	1.80	3.60	3.60	3.60	3.62	0.60
The Company is a lessee under various cancellable operating leases. Rental expense from the same amounts is disclosed :	20.15	32.57	31.30	30.40	26.60	18.82

Finance leases

The Company has taken certain assets on finance lease basis. The legal title to such assets vests with the lessors. The total minimum lease payments, elements of unearned interest included in such payments and present value of lease payments are as follows:

Particulars	For six months ended 30 September 2017	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
Total minimum lease payments	127.50	152.86	218.84	274.32	120.22	-
Less: Future interest included in above	17.48	25.21	44.88	66.07	21.54	-

Particulars	For six months ended 30 September 2017	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
Present value of minimum lease payments	110.02	127.64	173.96	208.25	98.68	-

The maturity profile of the finance lease obligation is as follows:

	For six months ended 30 September 2017		For the year ended 31 March 2017		For the year ended 31 March 2016		For the year ended 31 March 2015		For the year ended 31 March 2014		For the year ended 31 March 2013	
Year ending after balance sheet date:	**Minimum lease payment**	**Present value**	**Minimum lease payment**	**Present value**	**Minimum lease payment**	**Present value**	**Minimum lease payment**	**Present value**	**Minimum lease payment**	**Present value**	**Minimum lease payment**	**Present value**
-not later than one year	68.29	58.93	65.86	54.07	65.98	46.32	64.15	40.68	27.39	19.25	-	-
-later than one year but not later than five years	59.21	51.10	87.00	73.57	152.86	127.65	210.17	167.58	92.83	79.43	-	-
-later than five years	-	-	-	-	-	-	-	-	-	-	-	-

35 Hedged and unhedged foreign currency exposure

I Hedged foreign currency exposure as at year end

Nature of hedge instrument	Description of hedge	As at 30 September 2017		As at 31 March 2017		As at 31 March 2016		As at 31 March 2015		As at 31 March 2014		As at 31 March 2013	
		Amount in foreign currency (USD)	Amount	Amount in foreign currency (USD)	Amount	Amount in foreign currency (USD)	Amount	Amount in foreign currency (USD)	Amount	Amount in foreign currency (USD)	Amount	Amount in foreign currency (USD)	Amount
Contract 1: Cross-currency rate swap													
USD/INR currency option	To take protection against appreciation in Indian Rupees against USD payable in respect of external commercial borrowings with 4.4% p.a. of fixed rate of interest	-	-	-	-	-	-	2,50,000	11.49 (at contracted rate) 15.58 (at closing rate)	12,50,000	57.44 (at contracted rate) 75.07 (at closing rate)	22,50,000	103.39 (at contracted rate) 122.20 (at closing rate)
Contract 2: Interest rate swap													
USD/INR interest rate swap	3 months LIBOR + 250 bps interest rate liability swapped with 4.1% p.a fixed rate of interest.	-	-	-	-	-	-	750,000*	46.75*	1,750,000*	105.10*	2,750,000*	149.35*
Contract 3: Forward contract													
Forward contract	To take protection against appreciation in Indian Rupees against USD payable in respect of imports against buyers	-	-	2,31,477	15.01	9,52,889	63.06	-	-	18,00,190	108.10 (at closing rate)	-	-

	credit												
Forward contract	To take protection against appreciation in Indian Rupees against USD payable in respect of imports against letter of credit	-	-	5,44,721	35.33	2,17,623	14.40	-	-	14,43,287	86.68	29,62,634	160.90 (at contracted rate)
Contract 4: Option Contract													
Foreign currency option contract	To take protection against appreciation in Indian Rupees against USD payable in respect of external commercial borrowings with 4% p.a. of fixed rate of interest	-	-	-	-	-	-	25,00,000	155.84	50,00,000	300.27	-	-

* *These represents the principal amount of loan outstanding for disclosure purpose. However, the Company has only hedged its interest liability on such loans and hence, the amounts are again disclosed in note 37 (II).*

II Unhedged foreign currency exposure as at year end

Liabilities	Currency	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Trade payables	USD	324.20	768.96	524.01	217.34	101.30	159.30
Letter of credit	USD	159.64	644.11	416.91	285.21	295.28	-
Buyer's credit	USD	622.28	301.76	102.39	250.76	67.79	19.13
Trade receivables	USD	4.31	-	-	-	-	-

SCB ECB Loan	USD	-	-	-	46.75	105.10	149.35
DBS ECB loan	USD	-	-	-	-	-	271.55

36 Corporate social responsibility

In accordance with the provisions of section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time the Company was required to spent certain amounts of on Corporate social responsibility (CSR) activities. Details are disclosed below:

S.no	Particulars	For the six months ended 30 September 2017	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
i)	Amount required to be spent*	6.85	5.84	5.61	5.03	-	-
ii)	Actual amount spent						
	Expenditure on vocational training						
	Amount paid in cash	2.16	1.02	-	-	-	-
	Amount yet to be paid in cash	-	-	-	-	-	-
	Construction of lavatories						
	Amount paid in cash	-	-	0.45	-	-	-
	Amount yet to be paid in cash	-	-	-	-	-	-
	Amount spent for sanitation work						
	Amount paid in cash	1.00	-	-	-	-	-
	Amount yet to be paid in cash	-	-	-	-	-	-

* *The figure reported for the six months ended 30 September 2017 pertains to Financial year 2017-18.*

37 During the year ended 31 March 2013, the Company acquired automobile business of Acme Fabrications Private Limited, a company engaged in maufacturing of automotive parts and components

The following table summarises the book values of the assets and liabilities assumed at the date of acquisition viz 10 July 2012

Particulars	Amount
Property, plant and equipment	17.72
Cash and bank balances	1.82
Inventory	0.90
Trade receivables	7.98
Long term loans and advances	0.81
Long term borrowings	-0.22
Trade payables	-6.67
Net assets acquired	**22.34**
Less: Considerations	**25.30**
Goodwill	**2.96**

38 Revenue from operations presented is inclusive of excise duty for the period from 1 April 2012 to 30 June 2017. Afterwards, being Goods and Serivce Tax (GST) phase, the same is presented net of GST as it being destination based tax.

39 As per transitional provisions for GST, the Company has avalied benfits of input tax credits avalible under GST for units which were tax exempted under earlier laws on stocks lying with the Company as on 30 June 2017. Required adjustments aggregating to Rs. 17.96 millions have been made in the cost of raw material consumed for the period against purchases made during the last year which were lying with the Company in stocks as on 30 June 2017 too.

40 The Company has incurred share issue expenses amounting to Rs. 28.48 millions being presented under "other current assets" during the six months ended 30 Sepetmber 2017 in connection with proposed offering of equity shares. As per the existing regulations in force and the Offer Arrangement entered between the selling shareholders and the Company, the former will reimburse to the Company, their propotionate share of expenses. The Company will adjust its share of expenses against share issue premium proceeds in accordance with the laws and regulations in force and the balance shall be recovered from selling shareholders.

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41 Segment revenues, results and capital employed*

S.No	Particulars	30 September 2017	31 March 2017	31 March 2016	31 March 2015	31 March 2014	31 March 2013
1	**Segment revenues**						
	a) Consumer durable products	10,538.43	18,851.14	11,916.42	13,425.40	10,015.21	8,921.77
	b) Others	30.71	26.25	80.68	45.01	47.15	564.67
	Less: Inter segment revenue	(1,688.33)	(3,332.62)	(2,216.36)	(2,658.17)	(1,679.31)	(1,274.90)
	Revenue from operations	**8,880.81**	**15,544.77**	**9,780.74**	**10,812.23**	**8,383.05**	**8,211.54**
2	**Segment results (Profit before tax and interest from each segment)**						
	a) Consumer durable products	600.96	931.86	723.84	679.77	488.13	366.99
	b) Others	2.76	2.37	1.25	4.07	4.43	46.37
	Total	**603.72**	**934.23**	**725.09**	**683.84**	**492.56**	**413.36**
	Less: Finance Costs	242.79	540.02	481.61	378.31	282.16	187.47
	Less: Other un-allocable expenditure net of un-allocable income	(7.01)	(18.36)	(20.61)	(46.01)	(41.94)	(35.34)
	Total profit before tax	**367.94**	**412.57**	**264.09**	**351.54**	**252.34**	**261.23**
3	**Capital employed**						
	(Segment assets - segment liabilities)						
	a) Consumer durable products	7,160.53	5,722.47	4,718.78	4,926.20	3,163.48	1,466.04
	b) Others	-	-	-	-	-	-
	c) Unallocated	1,124.56	1,023.28	993.09	746.36	1,776.50	2,392.96
	Total	**8,285.10**	**6,745.75**	**5,711.87**	**5,672.56**	**4,939.98**	**3,859.00**

* *For the disclosure requirements regarding segment reporting, the Company has followed requirements of Scehdule VIII of Securities Exchange of India (Issue of Capital and Dsiclosure Requirements) Regulations, 2009.*

42 The management of the Company has approved Amber Enterprises India Limited - Employee Stock Option Plan 2017 (the "Plan") pursuant to a special resolution passed by the shareholders at the extra-ordinary general meeting held on 26 September 2017. As per the plan, a maximum number of 518,300 options can be granted to eligible employees, in one or more tranches, from time to time, exercisable in aggregate not more than 518,300 equity shares of face value Rs. 10/- each fully paid up and on such terms and conditions as may be determined by the Nomination and Remuneration Committee as per the provisions of the Plan and relevant relegulations of Securities Exchange Board of India. As at 30 September 2017, the options are yet to be granted by the Company.

43 43 Subsequent to 30 September 2017, the Company has entered into a Share Purchase Agreement for purchase of 1,320,613 equity shares (approx. 70% stake) of IL JIN Electronics (India) Private Limited for a consideration of Rs 544.25 million, which, on fulfilment of certain conditions precent, has been paid on 28 December 2017. IL JIN Electronics (India) Private Limited is engaged in the business of manufacturing, assembling and dealing in electronic assembled printed circuit boards for home appliances and automobile products. Further, subject to certain other conditions, the Company may consider acquiring the balance 30% stake in IL JIN Electronics (India) Private Limited in future.

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Amber Enterprises India Limited
(formerly known as Amber Enterprises (India) Private Limited)

Annexure VI: Statement of Adjustments to Audited Standalone Financial Statements
(All amounts in Rupees millions, unless stated otherwise)

Summarized below are the restatement adjustments made to the audited financial statements for the financial year ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 and their impact on the profit / (loss) of the Company:

Particulars	Notes	For six months ended 30 September 2017	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
Net profit after tax as per the audited standalone financial statements (A)		268.08	308.63	173.91	240.21	197.69	204.25
Restatement Adjustments							
(i) Impact of audit qualifications	(i)						
On account of mark to market losses on derivative contracts		-	-	-	(15.03)	13.12	2.73
On account of foreign exchange fluctuation losses on foreign currency monetary items		-	-	-	(1.82)	(4.48)	2.14
(ii) Other adjustments							
Impact of recognition of adjustments in respective financial years arising on account of prior period expenses and taxes	(ii) (a)	-	-	2.53	4.15	5.36	2.21
Reversal of prior period expenses (net) in audited financial statements	(ii) (a)	-	(2.53)	(10.59)	(2.78)	(2.24)	(20.16)
Prior period taxes	(ii) (b)	-	-	(21.30)	0.66	-	8.60
Minimum Alternate Tax (MAT) credit entitlement for earlier years		-	9.46	-	-	-	-
(iii) Tax impact on the above adjustments							
Deferred tax (asset)/liability recognized (other than impacts already considered in prior period taxes)		-	0.78	(1.02)	2.25	(3.15)	23.25
Total impact of adjustments (B)		-	7.71	(30.37)	(12.57)	8.59	18.80
Net profit after tax as per restated financial statements (A-B)		**268.08**	**300.93**	**204.24**	**252.76**	**189.10**	**185.45**

Notes to above adjustments:-

(i) Adjustments to audit qualifications

For the financial years ended 31 March 2015, 31 March 2014 and 31 March 2013, the Company had not recognized mark to market losses on the derivative contracts taken in the form of interest rate swaps, currency options and forward currency contracts entered into by the Company to hedge its unrecognized firm commitments and not recognized foreign exchange fluctuation loss on foreign currecny monetary items which was not accordance with the guidance note issued by Institute of Chartered Accountants of India (ICAI) and Accounting Standard 11 "The Effects of Changes in Exchange Rates".

However, the necessary adjustments in the Restated Standalone Financial Information has been made in regards to the same in the respective years.

***(ii)** Other adjustments*

(a) Reversal of prior period expenses in audited financial statements

In the financial statements for the financial years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 certain prior period items were discovered in reporting periods as a result of errors and omissions in the preparation of financial statements of the respective years. For the purpose of Restated Standalone Financial Information, the said prior period items have been appropriately adjusted in the respective financial year to which they relate.

Particulars of prior period items adjusted to respective period

Nature of the transactions	***Discovered during the financial year ended***	***Relates to financial year ended***				***For the periods prior to financial year ended 2012-13****
		2015-16	***2014-15***	***2013-14***	***2012-13***	
Legal and professional fees	*2016-17*	*2.53*	*-*	*-*	*-*	*-*
Employee benefit expenses	*2015-16*	*-*	*(0.92)*	*-*	*-*	*-*
Loss on MTM of derivative contracts		*-*	*0.82*	*-*	*-*	*-*
Foreign exchange fluctuation losses		*-*	*1.79*	*-*	*-*	*-*
Depreciation		*-*	*5.07*	*3.83*	*-*	*-*
Lease rent	*2014-15*	*-*	*-*	*1.10*	*-*	*-*
Employee benefit expenses		*-*	*-*	*-*	*-*	*1.25*
Excess cenvat credit claimed in earlier years		*-*	*-*	*0.42*	*-*	*-*
Interest expense	*2013-14*	*-*	*-*	*-*	*0.03*	*-*
Foreign Exchange Fluctutaion		*-*	*-*	*-*	*0.36*	*-*
Excess cenvat credit claimed in earlier years		*-*	*-*	*-*	*1.85*	*-*
Interest expense	*2012-13*	*-*	*-*	*-*	*-*	*10.39*
Reversal of profit on inter unit sales of tools		*-*	*-*	*-*	*-*	*9.97*
Rent equalisation expense		*-*	*-*	*-*	*-*	*0.85*
Employee benefit expenses		*-*	*-*	*-*	*-*	*(1.05)*

** adjusted with brought forward surplus in the statement of profit and loss account*

(b) Prior period taxes

In the financial statements for the financial years ended 31 March 2016, 31 March 2015 and 31 March 2013 certain deferred tax adjustments were made in reporting periods in relation to previous periods as a result of errors and omissions in the preparation of financial statements of one or more prior periods. For the purpose of Restated Standalone Financial Information, the said adjustments have been appropriately adjusted in the respective financial year to which they relate.

(c) The tax rate applicable for the respective years has been used to calculate the deferred tax impact on other material adjustments.

(iii) *Material regroupings*

Appropriate adjustments have been made in the Restated Standalone Financial Information, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the requirements of the Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (as amended) and as per the audited financials of the Company for six monnths ended 30 September, 2017 prepared in accordance with the Schedule II of the Companies Act, 2013.

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(iv) *Surplus in restated standalone statement of profit and loss account as on 01 April 2012*

	As at 31 March 2012
Balance as at 31 March 2012 as per audited financial statements	*588.08*
(i) Impact of audit qualifications	
a) On account of mark to market losses on derivative contracts	*-*
b) On account of foreign exchange fluctuation losses on foreign currency monetary items	*5.95*
(ii) Restatement adjusted to give effect to profits for the periods prior to financial years ended 2012-13	
Reversal of prior period expenses (net) in audited financial statements	*21.41*
Prior period taxes	*(8.60)*
Impact of recognition of adjustments in respective financial years arising on account of prior period expenses and taxes	*-*
Minimum Alternate Tax (MAT) credit entitlement for earlier years	*(9.46)*
(iii) Tax impact on the above adjustments	
Deferred tax (asset)/liability recognized (other than impacts already considered in prior period taxes)	*(1.44)*
Total impact of adjustments	*7.86*
Opening balance as at 01 April 2012 as restated	*580.22*

v) Modifications in the auditor's report and statements/comments included in the Annexure's to the Audit Report on the Audited Financial Statements of the Company for six months ended 30 September 2017 and the years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 which do not required any corrective adjustments in the Restated Standalone Financial Information are as follows

i. Financial Year ended 31 March 2017

i.a In respect of classification between specified bank notes and other denomination notes

The Company has made requisite disclosures in notes to the audited financial statements regarding holdings as well as dealings in specified bank notes during the period from 08 November 2016 to 30 December 2016. However, as stated in notes to the audited financial statements (an extract of which is given below), the Company was unable to appropraitely classify between specified bank notes and other denomination notes of "permitted receipts/ non permitted receipts" and "permitted payments/ non permitted payments"

Extract of the details of Specified Bank Notes (SBN) held and transacted during the period from 8 November 2016 to 30 December 2016 from the audited financial statements for the year ended 31 March 2017:

	SBNs	***Other denomination notes***	***Total***
Closing cash in hand as on 8 November 2016	***1.82***	***0.99***	***2.81***
(+) Permitted receipts	*-*	*1.93*	***1.93***
(-) Permitted payments	*-*	*2.37*	***2.37***
(-) Amount deposited in banks	*1.82*	*-*	***1.82***
Closing cash in hand as on 30 December 2016	***-***	***0.55***	***0.55***

* *For the purpose of this note, the term Specified Bank Notes (SBN), shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated 8 November 2016.*

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Auditor's comments on matters to be reported under Companies (Auditor's Report) Order, as amended time to time;-

i.b Clause (vii) (a)

Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

i.c Clause (vii)(b)

The dues outstanding in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

Statement of Disputed Dues

Name of the statute	Nature of Due	Forum where dispute is pending	Period to which the amount relates	Amount paid under protest	Amount
Punjab Municipal Act, 1911	Octroi	Hon'ble High Court of Punjab & Haryana	From 13 May 2006 to 31 August 2006	-	1.56
Uttar Pradesh Value Added Tax Act, 2008	Sales tax	Additional Commissioner (Appeal), Noida	FY 2008-09	-	1.41
Himachal Pradesh General Sales Tax Act, 1968	Sales tax	Court of Himachal Pradesh Tax Tribunal	FY 2009-10	0.20	1.50
Uttar Pradesh Value Added Tax Act, 2008	Sales tax	Deputy Commissioner, Noida	FY 2015-16	-	13.82
Income-tax Act, 1961	Income tax	Commissioner Income Tax (Appeals), Patiala	AY 2010-11	3.78	3.78
Central Excise Act,1944	Excise Duty	Assistant Commissioner Central Excise, Noida	FY 2013-14 and 2014- 15	2.91	5.75

** FY- Financial Year; AY- Assessment Year*

ii. Financial Year ended 31 March 2016

Auditor's comments on matters to be reported under Companies (Auditor's Report) Order, as ammended time to time;-

ii.a Clause (vii) (a)

Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

ii.b Clause (vii)(b)

The dues outstanding in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

Statement of Disputed Dues

Name of the statute	Nature of Due	Forum where dispute is pending	Period to which the amount relates	Amount paid under protest	Amount
Punjab Municipal Act, 1911	Octroi tax	Hon'ble High Court of Punjab & Haryana	From 13 May 2006 to 31 August 2006	-	1.56
Himachal Pradesh General Sales Tax, 1968	Sales tax	Court of Himachal Pradesh Tax Tribunal	FY 2008-09	0.20	1.50
Uttar Pradesh Value	Sales tax	Additional Commissioner	FY 2008-09	-	1.41

Name of the statute	Nature of Due	Forum where dispute is pending	Period to which the amount relates	Amount paid under protest	Amount
Added Tax Act, 2008		(Appeal), Noida			
Uttar Pradesh Value Added Tax Act, 2008	Sales tax	Deputy Commissioner, Noida	FY 2015-16	-	13.82
Income-tax Act, 1961	Income tax	Income Tax Appelate Tribunal , Chandigarh	AY 2009-10	-	0.60
Income-tax Act, 1961	Income tax	Commissioner Income Tax (Appeals), Patiala	AY 2010-11	3.78	3.78
Income-tax Act, 1961	Income tax	Commissioner Income Tax (Appeals), Dehradun	AY 2013-14 and AY 2014-15	-	2.54

** FY- Financial Year; AY- Assessment Year*

iii. Financial Year ended 31 March 2015

Auditor's comments on matters to be reported under Companies (Auditor's Report) Order, as ammended time to time;-

iii.a. Clause (ii) (c)

The Company is maintaining proper records of inventory, except that the records with respect to issue of materials for normal production and for research and development should be segregated. No material discrepancies between physical inventory and book records were noticed on physical verification

iii.b Clause (vii) (a)

Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

iii.c Clause (vii)(b)

The dues outstanding in respect of income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess on account of any dispute, are as follows:

Statement of Disputed Dues

Name of the statute	Nature of Due	Forum where dispute is pending	Period to which the amount relates	Amount paid under protest	Amount
Punjab Municipal Act, 1911	Octroi tax	Hon'ble High Court of Punjab & Haryana	From 13 May 2006 to 31 August 2006	-	1.56
Himachal Pradesh General Sales Tax, 1968	Sales tax	Court of Himachal Pradesh Tax Tribunal	FY 2008-09	0.20	1.50
Uttar Pradesh Value Added Tax Act, 2008	Sales tax	Additional Commissioner (Appeal), Noida	FY 2008-09	-	1.41
Uttar Pradesh Value Added Tax Act, 2008	Sales tax	Additional Commissioner (Appeal), Noida	FY 2009-10	0.06	0.16
Income-tax Act, 1961	Income tax	Income Tax Appelate Tribunal , Chandigarh	AY 2009-10	-	0.60
Income-tax Act, 1961	Income tax	Commissioner Income Tax (Appeals), Patiala	AY 2010-11	3.50	6.90

** FY- Financial Year; AY- Assessment Year*

iv.d Clause (xvii)

According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year, except for an instance of misappropriation of funds as detailed in note 42 to the financial statements,

wherein a party impersonating as an authorized vendor of the Company, fraudulently misled the Company to transfer USD 29,327 (equivalent to Rs 1.8 million) to its bank account. The Company has filed a first information report with the police department in this reference and has recorded entire amount as expense in the statement of profit and loss.

iv. Financial Year ended 31 March 2014

Auditor's comments on matters to be reported under Companies (Auditor's Report) Order, as ammended time to time;-

iv.a Clause (ii) c

The Company is maintaining proper records of inventory, however, records relating to consumption of material for research and development purposes should be further segregated and separately maintained.

No material discrepancies between physical inventory and book records were noticed on physical verification

iv.b Clause (ix) (a)

Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

iv.c Clause (ix)(b)

The dues outstanding in respect of income-tax, sales-tax, wealth tax, service tax, custom duty, excise duty, cess on account of any dispute are as follows:

Statement of Disputed Dues

Name of the statute	Nature of Due	Forum where dispute is pending	Period to which the amount relates	Amount paid under protest	Amount
Punjab Municipal Act, 1911	Octroi tax	Hon'ble High Court of Punjab & Haryana	From 13 May 2006 to 31 August 2006	-	1.56
Uttar Pradesh Value Added Tax Act, 2008	Sales tax	Additional Commissioner (Appeal), Noida	FY 2008-09	-	1.41
Uttar Pradesh Value Added Tax Act, 2008	Sales tax	Court of Tribunal (Commercial Tax), Noida	FY 2008-09	0.23	0.33
Uttar Pradesh Value Added Tax Act, 2008	Sales tax	Additional Commissioner (Appeal), Noida	FY 2009-10	0.21	0.31
Punjab Value Added Tax Act, 2005	Sales tax	The Deputy Excise & Taxation Commissioner (Appeal)	FY 2009-10	-	1.76
Uttar Pradesh Value Added Tax Act, 2008	Sales tax	Court of Tribunal (Commercial Tax), Noida	FY 2010-11	-	1.39
Income Tax Act, 1961	Income tax	Income Tax Appelate Tribunal , Chandigarh	AY 2009-10	-	0.60
Income Tax Act, 1961	Income tax	Commissioner Income Tax (Appeals), Patiala	AY 2010-11	3.50	6.90

** FY- Financial Year; AY- Assessment Year*

iv.d Clause (xvii)

In our opinion and based on an overall examination of the balance sheet of the Company, we report that the funds amounting to Rs. 48.51 million raised on short-term basis in the form of short-term borrowings and excess of current liabilities over current assets have been used for long term investment including fixed asset, non-current investment, long term loans and advances and other non-current assets.

v. Financial Year ended 31 March 2013

Auditor's comments on matters to be reported under Companies (Auditor's Report) Order, as ammended time to time;-

v.a. Clause (vii)

The Company has an internal audit system, the scope and coverage of which, in our opinion, requires to be further enhanced to be commensurate with its size and the nature of its business.

v.b Clause (ix) (a)

Undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, custom duty, excise duty, cess have generally been regularly deposited with some delays, with the appropriate authorities, which have not been significant. Further, no undisputed amounts payable in respect thereof were outstanding at the year- end for a period of more than six months from the date they became payable.

v.c Clause (ix)(b)

The dues outstanding in respect of sales-tax, income-tax, custom duty, wealth tax, excise duty, cess on account of any dispute, are as follows:

Statement of Disputed Dues

Name of the statute	Nature of Due	Forum where dispute is pending	Period to which the amount relates	Amount paid under protest	Amount
Punjab Municipal Act, 1911	Octroi tax	Hon'ble High Court of Punjab & Haryana	From 13 May 2006 to 31 August 2006	-	1.56
Uttar Pradesh Value Added Tax Act, 2008	Sales tax	Additional Commissioner (Appeal), Noida	FY 2008-09	-	1.41
Uttar Pradesh Value Added Tax Act, 2008	Sales tax	Joint Commissioner (Appeal), Noida	FY 2008-09	0.23	0.33
Uttar Pradesh Value Added Tax Act, 2008	Sales tax	Additional Commissioner (Appeal), Noida	FY 2009-10	0.21	0.31
Uttar Pradesh Value Added Tax Act, 2008	Sales tax	Member of Commercial Tax, Noida	FY 2010-11	-	1.39
Income-tax Act, 1961	Income tax	Income Tax Appelate Tribunal , Chandigarh	AY 2009-10	-	0.60
Income-tax Act, 1961	Income tax	Commissioner Income Tax (Appeals), Patiala	AY 2010-11	3.50	6.90

** FY- Financial Year; AY- Assessment Year*

v.d Clause (xvii)

In our opinion and based on an overall examination of the balance sheet of the Company, we report that the Company has utilized funds raised on short term basis through short term loans and other current liabilities aggregating to Rs. 134.91 million for various long term purposes.

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Amber Enterprises India Limited
(formerly known as Amber Enterprises (India) Private Limited)

Annexure VII: Restated Standalone Statement of Accounting Ratios
(All amounts in Rupees millions, unless stated otherwise)

	Particulars	30 September 2017	31 March 2017	31 March 2016	31 March 2015	31 March 2014	31 March 2013
A	Net worth	3,539.92	3,268.01	2,523.09	2,318.85	2,060.50	1,319.40
B	Net profit after tax, as restated	268.08	300.93	204.24	252.76	189.10	185.45
	Adjustments for interest on compulsory convertible debentures (net of tax)	14.14	6.47	-	-	-	-
C	Adjusted profit	282.22	307.40	204.24	252.76	189.10	185.45
	Weighted average number of equity shares outstanding during the year						
D	For basic earnings per share	238,09,825	217,95,151	217,02,788	217,02,788	199,49,496	168,92,626
E	For diluted earnings per share	259,16,855	222,51,193	217,02,788	217,02,788	199,49,496	203,07,864
F	Number of shares outstanding at the end of the year	238,09,825	238,09,825	217,02,788	217,02,788	217,02,788	178,88,885
G	Restated basic earnings per share (Rs.) **(B/D) ***	11.26	13.81	9.41	11.65	9.48	10.98
H	Restated diluted earnings per share (Rs.) **(C/D)***	10.89	13.81	9.41	11.65	9.48	9.13
I	Return on net worth (%) **(B/A)***	7.57%	9.21%	8.09%	10.90%	9.18%	14.06%
J	Net assets value per share of ₹10 each **(A/F)**	148.67	137.25	116.26	106.85	94.94	73.76
K	Face value (Rs)	10.00	10.00	10.00	10.00	10.00	10.00

* *The figures of basic, diluted earning per share and Return on Net Worth for six months ended 30 September 2017 are not annualised.*

Notes:

1. The ratio has been computed as below:

Basic earnings per share (Rs) = Net profit after tax, as restated / Weighted average number of equity shares outstanding during the period/year

Diluted earnings per share (Rs) = Net profit after tax, as restated / Weighted average number of potential equity shares outstanding during the period/year

Return on net worth (%) = Net profit after tax, as restated

Net worth as restated as at period/year end

Net asset value per share (Rs) = Net worth, as restated

Number of equity shares outstanding as at period/yearend

2. Earning per shares (EPS) calculation is in accordance with the notified Accounting Standard 20 'Earnings per share' specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).

3. The amounts disclosed above are based on the Restated Standalone Financial Information of the Company.

4. 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 weighing factor. The time weighing factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

5. Networth means the aggregate value of the paid up share capital of the Company and all reserves created out of profits and securities premium account as per Restated Standalone Statement of Assets and Liabilities of the Company.

Amber Enterprises India Limited
(formerly known as Amber Enterprises (India) Private Limited)

Annexure VIII: Restated Standalone Statement of Capitalisation
(All amounts in Rupees millions, unless stated otherwise)

Particulars	Pre – Issue (as at 30 September 2017)	Post - Issue*
Borrowings:		
Short-term borrowings	2,104.73	-
Long-term borrowings **(A)**	2,640.44	-
Total debt (B)	**4,745.17**	-
Shareholders' fund (Net worth)		
Share capital	238.10	-
Reserves and surplus	3,301.82	-
Total shareholders' fund (Net worth) (C)	**3,539.92**	-
Long-term borrowings/shareholders' fund (Net worth) ratio (A/C)	0.75	-
Total borrowings/shareholders' fund (Net worth) ratio (B/C)	1.34	-

Notes:

1. *Short-term borrowings and current maturities of long term borrowings are debts which are due for repayment within 12 months from 30 September 2017.*

2. *Long-term borrowings is considered as borrowings other than short-term borrowings and includes current maturities of long term borrowings.*

3. *The amounts disclosed above are based on the Restated Standalone Financial Information of the Company.*

* *These amounts (as adjusted for issue) are not determinable at this stage pending the completion of the book building process and hence have not been furnished.*

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Amber Enterprises India Limited
(formerly known as Amber Enterprises (India) Private Limited)

Annexure IX: Restated Standalone Statement of Dividend
(All amounts in Rupees millions, unless stated otherwise)

Particulars	For six months ended 30 September 2017	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
Equity shares						
Number of shares	238,09,825	238,09,825	217,02,788	217,02,788	217,02,788	178,88,885
Face value (Rs.)	10	10	10	10	10	10
Amount	238.10	238.10	217.03	217.03	217.03	178.89
Final dividend						
Rate of dividend (%)	-	-	-	-	-	-
Dividend per share (Rs.)	-	-	-	-	-	-
Amount of dividend (Rs.)	-	-	-	-	-	-
Corporate dividend tax (Rs.)	-	-	-	-	-	-
Interim dividend						
Rate of dividend (%)	-	23.10%	-	-	-	40.00%
Dividend per share (Rs.)	-	2.31	-	-	-	4.00
Amount of dividend (Rs. in millions)	-	50.13	-	-	-	57.30
Corporate dividend tax (Rs. in millions)	-	10.21	-	-	-	9.39

i) Interim dividend during the financial year ended 31 March 2017 has been paid on the number of shares existing as on the date of declaration of interim dividend i.e. 11 January 2017. 2,107,037 number of shares were issued after the declaration of dividend during the financial year ended 31 March 2017.

ii) Interim dividend during the financial year ended 31 March 2013 has been paid on the number of shares existing as on the date of declaration of interim dividend i.e. 25 July 2017. 3,565,045 number of shares were issued after the declaration of dividend during the financial year ended 31 March 2013.

Amber Enterprises India Limited
(formerly known as Amber Enterprises (India) Private Limited)

Annexure X: Restated Statement of Tax Shelter
(All amounts in Rupees millions, unless stated otherwise)

Particulars		For six months ended 30 September 2017	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
Profit before tax, as restated	A	367.94	412.57	264.09	351.54	252.33	260.42
Weighted average tax rate (%)	B	30.90%	30.90%	30.90%	33.99%	33.99%	32.45%
Tax expense at weighted average rates	C=A*B	113.69	127.48	81.60	119.49	85.77	84.49
Adjustments:-							
For permanent differences							
Income exempt from tax		-	-	-	-	32.65	-
Penal nature expenses		-	6.13	2.61	1.11	2.95	0.13
Capital nature expenses as per Income-tax Act, 1961		-	0.45	-	-	-	2.14
Corporate Social Responsibility (CSR) expenses and donations		2.16	1.42	0.86	0.29	0.44	0.30
Loss on sale of fixed assets		(0.93)	-	0.74	(4.13)	(5.23)	(15.60)
Bad debts written off		-	-	-	-	(4.65)	4.65
Total	D	1.23	8.00	4.21	(2.73)	26.16	(8.38)
For temporary differences							
(Add)							
Employee benefit expenses (net)		6.70	6.81	2.58	5.80	6.01	13.93
Impairment loss		-	-	11.97	-	-	-
Interest on finance lease		5.94	19.25	24.18	11.40	-	-
(Less)							
Difference in depreciation as per Companies Act and depreciation as per Income-Tax Act, 1961		(298.84)	(319.09)	(282.02)	(175.84)	(199.94)	(227.99)
Finance lease rentals		(36.22)	(67.04)	(67.04)	(55.20)	(0.18)	0.93
Impacts due to restatement adjustments		-	(3.16)	(8.06)	(16.11)	(11.76)	(13.08)
Total	E	(322.41)	(363.23)	(318.39)	(229.95)	(205.87)	(233.81)
Deductions (savings)							
(U/s 80IC of Income Tax Act, 1961)		49.21	58.07	29.49	44.48	84.23	24.86
Total	F	49.21	58.07	29.49	44.48	84.23	24.86
Net adjustments	G=D+E-F	(370.39)	(413.30)	(343.67)	(277.15)	(263.94)	(267.04)
Tax expense/(saving) thereon	H=G*B	(114.45)	(127.71)	(106.19)	(94.20)	(89.71)	(86.64)
Taxable restated income	I=A+G	(2.45)	(0.73)	(79.58)	74.38	(11.61)	(6.62)
Total tax liability	J=I*B	-	-	-	25.28	-	-
(restricted to "Nil", in case of negative taxable income)							
Book profits under Minimum Alternate Tax (MAT)	K	367.94	413.11	258.84	337.10	264.21	258.24
MAT [including applicable surcharge and education cess]	L	21.34%	21.34%	21.34%	20.96%	20.96%	20.01%
MAT liability on book profits	M=K*L	78.52	88.16	55.24	70.66	55.38	51.67
Tax liability	Higher of	78.52	88.16	55.24	70.66	55.38	51.67

	J & M						

Notes :

1. The permanent/ timing differences for the years ended 31 March 2017, 2016, 2015, 2014 and 2013 have been computed based on the acknowledged copies of Income-tax returns of the respective years

2. The permanent/ timing differences for six month ended 30 September 2017 has been derived on the basis of provisional computation of total income prepared by the Company in line with the final return of income filed for the assessment year 2017-18 and are subject to any change that may be considered at the time of filing of final return of the income for the assessment year 2018-19.

3. Statutory tax rate includes applicable surcharge, education cess and higher education cess of the year concerned.

CAPITALISATION STATEMENT (POST OFFER)

Restated Consolidated Statement of Capitalisation

(*all amounts in ₹ million, unless stated otherwise*)

Particulars	Post - Offer (As at September 30, 2017, as adjusted for the Offer)
Borrowings:	
Short-term borrowings	**[●]**
Long-term borrowings **(A)**	**[●]**
Total debt (B)	**[●]**
Shareholders' fund (Net worth)	
Share capital	**[●]**
Reserves and surplus	**[●]**
Total shareholders' fund (Net worth) (C)	**[●]**
Long-term borrowings/shareholders' fund (Net worth) ratio (A/C)	**[●]**
Total borrowings/shareholders' fund (Net worth) ratio (B/C)	**[●]**

Notes:

1. *Short-term borrowings and current maturities of long term borrowings are debts which are due for repayment within 12 months from September 31, 2017.*
2. *Long-term borrowings is considered as borrowings other than short-term borrowings and includes current maturities of long term borrowings.*
3. *The amounts disclosed above are based on the Restated Consolidated Financial Statements.*

Restated Standalone Statement of Capitalisation

(*all amounts in ₹ million, unless stated otherwise*)

Particulars	Post – Offer (As at September 30, 2017, as adjusted for the Offer)
Borrowings:	
Short-term borrowings	**[●]**
Long-term borrowings **(A)**	**[●]**
Total debt (B)	**[●]**
Shareholders' fund (Net worth)	
Share capital	**[●]**
Reserves and surplus	**[●]**
Total shareholders' fund (Net worth) (C)	**[●]**
Long-term borrowings/shareholders' fund (Net worth) ratio (A/C)	**[●]**
Total borrowings/shareholders' fund (Net worth) ratio (B/C)	**[●]**

Notes:

1. *Short-term borrowings and current maturities of long term borrowings are debts which are due for repayment within 12 months from September 30, 2017.*
2. *Long-term borrowings is considered as borrowings other than short-term borrowings and includes current maturities of long term borrowings.*
3. *The amounts disclosed above are based on the Restated Standalone Financial Statement.*

FINANCIAL INDEBTEDNESS

Our Company and Subsidiaries avail loans in the ordinary course of business for the purposes of purchasing equipment, capital expenditure, working capital and other business requirements. Our Company also provides guarantees in relation to loans availed by our Subsidiaries as and when required. Our Company has obtained the necessary consents required under the relevant loan documentation for undertaking activities, such as change in our board of directors, change in our capital structure, change in our shareholding pattern and change in our constitution.

Our Company has, pursuant to an EGM held on September 20, 2017, authorised our Board to borrow sums of money for the purpose of our company with or without security, which together with the monies borrowed by our Company (apart from the temporary loans obtained or to be obtained from our Company's bankers in the ordinary course of business) shall not exceed the amount of ₹ 5,000 million at any point of time.

Set forth below is a brief summary of our consolidated borrowings as of November 30, 2017:

(***in ₹ million***)

Category of borrowing	Sanction Amount	Outstanding	
		Fund based	Non-fund based
Long Term (A)	3,045.53	2,560.61	Nil
Short Term (B)	6,880.00	2,354.73	881.33
Total	**9,925.53**	**4,915.34**	**881.33**

Principal terms of the borrowings availed by us:

(a) ***Interest:*** In terms of the term loans and fund based working capital facilities availed by us the interest rate is typically linked to the base rate of the lender and ranges from 8.35% to 15% per annum. Typically, the non-fund based working capital facilities are availed in consideration of a commission, which depends on the nature of the non-fund based facility.

(b) ***Tenure:*** The tenure of the term loans availed by us from four to seven years and tenor of working capital facilities is typically one year, with an option of renewal every year and the term of other loan facilities vailed by us ranges from 90 days to one year.

(c) ***Prepayment Penalty*****:** Some of the facilities availed by our Company carry a pre-payment penalty of up to 4% on the pre-paid amount.

(d) ***Penal Interest***: The terms of facilities availed by our Company prescribe penalties for delayed payment or default in the repayment obligations of our Company, delay in creation of the stipulated security or certain specified obligations, which typically ranges from 1% to 3% of the outstanding amount.

(e) ***Security:*** In terms of our borrowings where security needs to be created, such securities typically includes:

1. Create a first *pari passu* and exclusive charges, as applicable, on the Company's entire movable fixed assets both present and future;
2. Create a first *pari passu* charge on all current assets and unencumbered movable fixed assets of the Company, both existing and future;
3. Create a mortgage over the immoveable properties owned or leased by the Company and its Subsidiaries;
4. Corporate guarantees of the Company for the loans availed by our Subsidiaries;
5. Hypothecation of equipment against which the relevant loan facility has been availed;
6. Corporate guarantee of M/s Acama Appliances Private Limited and M/s Acme Fabrications Private Limited in their capacity as owner of properties to the extent of value of the mortgaged property; and
7. Personal guarantee from Jasbir Singh, Daljit Singh, Kartar Singh and Kirpal Singh;

This is an indicative list and there may be additional requirements for creation of security under the various borrowing arrangements entered into by us.

(f) ***Re-payment:*** The working capital facilities are typically repayable on demand. The repayment period for term loans will be in periodic instalments.

(g) ***Events of Default:*** Borrowing arrangements entered into by our Company contain standard events of default, including:

(a) Substantial change in the constitution or management of the Company without previous written consent of the relevant bank or the management ceasing to enjoy the confidence of the relevant bank;

(b) Occurrence of any circumstance or event which would or is likely to prejudicially or adversely affect in any manner the capacity of the Company to repay the relevant loan or any part thereof;

(c) Entry of the Company into liquidation for purposes of amalgamation or reconstruction without the prior written approval of the relevant bank;

(d) Non-payment of instalment/interest within the stipulated time;

(e) Utilisation of a loan for purposes other than the sanctioned purpose;

(f) Appointment of a receiver in respect of the whole or any part of the property or assets of the Company;

(g) Creation of further security interest over assets secured in favour of a bank without the prior written consent of such bank;

(h) The Company ceasing or threatening to cease to carry on its business;

(i) Cross defaults;

(j) Representation, warranty, undertaking or declarations by the Company or the relevant guarantors proves to be incorrect, incomplete or untrue; and

(k) Breach of any covenant, undertaking or conditions set out in the facility documents.

(h) **Borrowing arrangement entered into by our own Company contain restrictive covenants such as:**

(a) Permit any change in its constitution or management or change in the Borrower's capital structure including proposed equity and debt patterns;

(b) Any change in the constitution of the Company will be subject to our consent;

(c) Any change of control of the Borrower; and

(d) Make or attempt to make without the previous consent of the Bank in writing, any alterations of its Memorandum or Articles of Association.

This is an indicative list and there may be additional terms that may amount to an event of default under the various borrowing arrangements entered into by us.

Additionally, our Company is required to ensure the aforementioned events of default and other events of default, as specified under the corporate guarantees provided by our Company are not triggered.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations should be read in conjunction with our Restated Consolidated Financial Statements beginning on page 199 of this Red Herring Prospectus, prepared in accordance with the Companies Act, Indian GAAP and the SEBI Regulations, including the schedules, annexures and notes thereto and the reports thereon, included in the section "Restated Consolidated Financial Statements" beginning on page 199. Unless otherwise stated, financial information used in this section is derived from the Restated Consolidated Financial Statements.

Indian GAAP differs in certain material respects from Ind AS, U.S. GAAP and IFRS. We have not attempted to quantify the impact of Ind AS, U.S. GAAP or IFRS on the financial data included in this Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to Ind AS, U.S. GAAP or IFRS. Accordingly, the degree to which the Restated Financial Statements included in this Red Herring Prospectus will provide meaningful is entirely dependent on the reader's level of familiarity with Indian accounting practices presently applicable to the Company.

This discussion contains certain forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in the sections "Forward Looking Statements" and "Risk Factors" on pages 15 and 16, respectively.

Certain information included in this section has been extracted from the F&S Report which has been commissioned by our Company. For risks in relation to commissioned reports, see "Risk Factors – We are not able to guarantee the accuracy of third party information included in this Red Herring Prospectus including from the industry report commissioned by us." on page 31.

In this section, unless the context otherwise requires, a reference to "we", "us" "our", "the Group" or "the Company" is a reference to our Company on a consolidated basis.

Overview

We are a market leader in the RAC OEM/ODM industry in India with a market share of 55.4% in terms of volume in Fiscal 2017 *(Source: F&S Report)*. We are a one-stop solutions provider for the major brands in the RAC industry and currently serve eight out of the 10 top RAC brands in India *(Source: F&S Report)*.

We have a diversified product portfolio as set out below:

- **RACs**: We design and manufacture complete RACs including window air conditioners ("**WACs**") and indoor units ("**IDUs**") and outdoor units ("**ODUs**") of split air conditioners ("**SACs**") with specifications ranging from 0.75 ton to 2 ton, across energy ratings and types of refrigerant. We also design and manufacture Inverter RACs on ranging from 1 ton to 2 ton.

- **RAC Components**: We manufacture critical and reliability functional components of RACs such as heat exchangers, motors, inverter and non-inverter printed circuit boards and multi-flow condensers. We manufacture other RAC components such as sheet metal components, copper tubing and injection molding components.

- **Other Components**: We manufacture components for other consumer durables and automobiles such as case liners for refrigerator, plastic extrusion sheets and printed circuit boards for consumer durables and automobile industry, sheet metal components for microwave, washing machine tub assemblies and for automobiles and metal ceiling industries.

Our key customers include leading RAC brands such as Daikin, Hitachi, LG, Panasonic, Voltas and Whirlpool. Our customers command around 75% share in the Indian RAC market in Fiscal 2017 *(Source: F&S Report)*. We have built strong and long-standing relationships with our customers by aligning our offerings with their business needs. We provide them with a range of additive manufacturing solutions at their doorsteps by supplying them components and RACs through OEM/ODM models. In recognition of our efficient services and products, we have received several awards from our customers such as 'Best of Best Performance Award' from LG for 2015 and 2016 and 'Leadership Business Innovation Award' from Panasonic for 2015-2016.

We are focused on consistently upgrading the technology used in our products as well as the processes used in manufacturing them through our research and development ("**R&D**") efforts. We have a dedicated R&D centre located at our Rajpura facility. R&D centre is equipped with a psychometric lab which is accredited by National Accreditation Board for Testing and Calibration Laboratories ("**NABL**") with ISO/IEC 17025:2005 certification and facilities for 3D modelling, quality and product testing and a dedicated team. Through our R&D and innovation capabilities, backed by an in-house tool room, we have

successfully designed and developed a portfolio of wide ranging RACs and components. We have the ability to manufacture most of our products from the concept and design stage till the final delivery thereby covering the entire manufacturing value chain.

From a single factory in Rajpura, Punjab, that commenced operations in 1994, we have today grown to 11 manufacturing facilities across seven locations in India. Our manufacturing facilities have a high degree of backward integration and are strategically located in proximity to our customers' facilities. All our manufacturing facilities, except Kala Amb (which is currently non-operational) confirm to ISO 9001:2008 or ISO 9001:2015 quality management systems certification. Further, our UP Unit I has ISO 14001:2004 and OHSAS 18001:2007 certifications for manufacturing of extruded and thermoformed plastic components. Our Rajpura unit has OHSAS 18001:2007 certification for manufacturing of sheet metal components for automotive industry, air conditioners kits and for design and development of air conditioners. In addition to our organic growth, we have also grown inorganically through the acquisition and successful integration of PICL. PICL's OHSAS 18001:2007 and ISO 14001:2004 for design, manufacture and marketing of fractional horse power motors for domestic appliances and general applications.

Our Promoters, Jasbir Singh and Daljit Singh, are experienced in the RAC and components manufacturing sector and our key management persons include experts from the industry with wide experience. For further details, see *"Our Management"* on page 175. As on November 30, 2017, we had around 1,152 full-time employees. Our Company has also seen three rounds of private capital infusion (IFCI Venture Capital Funds Limited, Reliance Alternative Investments Fund – Private Equity Scheme I through Fairwinds Trustees Services Private Limited and ADV Opportunities Fund I, L.P. through their investment entity Ascent). For further details, see *"History and Other Corporate Matters"* on page 164.

Significant Factors Affecting Our Results of Operations and Financial Condition

We believe that the following factors have significantly affected our results of operations and financial condition during the period under review, and may continue to affect our results of operations and financial condition in the future.

Maintaining our customer relationships

Almost all of our revenue from operations arises from sales of our products to our customers, with a small proportion arising from scrap sales, job work charges, budgetary support income and export incentives. Our customer base includes leading international and domestic RAC brands, and while a large portion of our revenues are not dependent on any single customer, 75.10% and 74.77% of our revenue from operations was contributed by our top five customers in the six month period ended September 30, 2017 and Fiscal 2017, respectively.

As our key customers typically have specific requirements and long product approval cycles, we believe that our continued relationships with these customers plays a significant role in determining our continued success and results of operations. We believe that we have gained confidence by initially supplying certain components to these customers, and then moving to reliability functional components and eventually to completely assembled RACs. Our relationships with these customers have thus been gradually strengthened by proving our reliability and quality through initially fulfilling their components requirement and eventually becoming a one stop solution provider to them.

The demand for our products from our customers has a significant impact on our results of operations and financial condition and our sales are particularly affected by the inventory and sales levels of our key customers. In the event that we lose one or more of our key customers or if the amount of business we receive from them is reduced for any reason or they commence production in India, our cash flows and results of operations may be affected. Our contracts and supply arrangements with key customers also contain certain standards and performance obligations and our failure to meet such specifications could result in a reduction of business from them, termination of contracts or additional costs and penalties, all of which may adversely impact our results of operations and financial condition.

Market conditions affecting the industry

The Indian RAC market has been witnessing robust growth trend in the past 5 years due to existing low penetration. In the next 5 years, the market is expected to witness double digit growth reinforced by the surge in rural consumption, shorter replacement cycles, energy-efficient RACs and availability of multiple brands at various price points. Further, changing weather conditions and increased affordability in Tier II/III cities will also drive increased demand. Future demand for RAC is expected to be driven by better features and energy efficiency as two of the key buying criteria in Indian market.

Key growth drivers of the Indian RAC market are expected to include *(Source: F&S Report)*:

- rising trend of lifestyle changes among India's younger population leading to an early adoption of white goods;
- improved availability of finance;

- global warming leading to extreme and adverse weather conditions; and
- upgradation and privatization of power utilities, leading to improved power availability.

The large domestic demand has seen major global RAC brands focusing on India as a manufacturing base aided by supportive Government programs especially the 'Make in India' program. The RAC market volumes are expected to grow at a CAGR of 12.8% from Fiscal 2017 to Fiscal 2022. *(Source: F&S Report)*

Our ability to take advantage of this market opportunity, as well as our key customers' growth in the Indian market, will determine our future growth and success and our continued results of operations and financial condition.

Management of inventories and input costs

Our financial condition and results of operations are significantly impacted by the availability and cost of our key raw materials and inputs, particularly aluminium, copper, steel and resin, as this constitutes our largest expense. Our cost of materials consumed, including stores and spares and packing material, constituted 81.17%, 84.79%, 79.19% and 82.41% of our total revenue for the six month period ended September 30, 2017 and Fiscals 2017, 2016 and 2015 respectively.

Continued macroeconomic growth and urbanisation in India

The growth of disposable income and the consumer segment in India is dependent on the growth of the overall Indian economy. As the Indian economy grows, living standards, per capita income and purchasing power improve, it is expected that domestic consumption will increase. In addition, more consumers will have sufficient disposable income to be able to purchase more of the products which we manufacture for our customers and existing customers will be able to spend more on our higher end range of products, both of which potentially increase the size of our market and demand for our products.

We believe that economic growth, increasing urbanization, sustained availability of electricity, higher disposable incomes and lower running costs of RACs in India will continue to drive our revenue growth. Conversely, slower economic growth may lead to slower growth or even decline in our revenue. During periods of economic uncertainty, particularly where the disposable income of consumers is affected, consumers may choose other cheaper alternatives. Any such event may adversely affect our results of operations and financial condition.

Changes in technology

We operate in an industry which is characterised by technological changes. Our ability to stay abreast of such changes, ensure that our R&D efforts provide commercially viable and marketable solutions to our customers and ensure that our manufacturing facilities are capable of producing technologically advanced products plays a significant role in determining the attractiveness of our offering to customers. The capital expenditure involved in operating an advanced R&D facility as well as ensuring that the plant and machinery at our manufacturing facilities is up to date impacts our financial condition.

Our future success will depend substantially on our ability to respond to new technologies or changes in customer preferences and specifications, as well as our customers' ability to predict and develop new products that meet the end consumers' requirements and needs.

Competition

We primarily face competition in our RAC business from other manufacturers who supply products to RAC brands on an OEM/ODM basis. We may further face a reduction in the supply for our products in the event that any major RAC brands that we currently supply to decide to manufacture any or all of their products in-house. We also face competition from imports of RACs from other low-cost countries such as China.

In the components space, we face competition from manufacturers of components for RACs as well as other consumer durables.

Significant Accounting Policies

Our critical accounting estimates are those that we believe are the most important to the portrayal of our financial condition and results of operations and that require our management's most difficult, subjective or complex judgments. In many cases, the accounting treatment of a particular transaction is specifically dedicated by applicable accounting policies with no need for the application of our judgment. In certain circumstances, however, the preparation of financial statements in conformity with applicable accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. We base our estimates on historical experience and on various other assumptions that our management believes are reasonable under the circumstances. However, critical accounting estimates are reflective of significant judgments and uncertainties and are sufficiently sensitive to

result in materially different results under different assumptions and conditions. We believe that our critical accounting estimates are those described below.

Use of estimates

In preparing the Restated Consolidated Financial Statements in conformity with Indian GAAP, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to us and the revenue can be reliably measured.

i) Revenue from operations

a) Revenue from sale of goods is recognized when significant risks and rewards of ownership are transferred to the buyer and there do not exist significant uncertainty regarding the amount of the consideration that will be derived from the sale of goods. It is stated inclusive of excise duty and net of trade discounts, sales returns, price differences, sales tax and Goods and Services Tax, wherever applicable.

b) Revenue in respect of tool development and job charges is recognized as per the terms of the contract with the customers.

ii) Other income

a) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

b) Revenue in respect of insurance claims is recognized when no significant uncertainty exists with regard to the amount to be realized and the ultimate collection thereof.

c) Income in respect of assets given on operating lease is recognised on straight line basis over the lease term.

d) Dividend Income is recognized when right to receive is established.

e) Status Holder Incentive Scheme ("SHIS") is recognised in the Restated Consolidated Summary Statement of Profit and Loss when the right to receive the benefits as per the terms of the scheme is established on recognising export sales.

Employee benefits

i) Short term employee benefits

All employee benefits payable/available within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages, bonus, etc. are recognized in Restated Consolidated Summary Statement of Profit and Loss in the period in which the employee renders the related service.

ii) Post-employment benefits

a) Defined contribution plan

Provident fund: The Company makes contribution to provident fund in accordance with Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The plan is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee.

b) Defined benefit plan

Gratuity: Gratuity is a post-employment defined benefit plan. The liability recognized in the Restated Consolidated Summary Statement of Assets and Liabilities in respect of gratuity is the present value of the defined benefit obligation at the balance sheet date together with adjustments for past service costs not yet

recognised and actuarial gains or losses. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method.

c) Other long-term liability

Leave encashment: Provision for leave encashment when determined to be a long term benefit is made on the basis of actuarial valuation using projected unit credit method as at the end of the year. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the Restated Consolidated Summary Statement of Profit and Loss in the year in which such gains or losses arise. Provision related to short term leave encashment of workers is recognised on full cost basis. Full cost basis, measures the liability of all the accumulated leaves outstanding as of the balance sheet date as a product of basic salary of the employees.

d) Actuarial gains/losses

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the Restated Consolidated Summary Statement of Profit and Loss in the year in which such gains or losses arise.

Fixed assets

i) Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of assets comprises its purchase price net of any trade discount and rebate, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any direct attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed asset upto the date the asset is ready for its intended use.

Borrowing costs directly attributable to acquisition or construction of property, plant and equipment which necessarily take a substantial period of time to get ready for their intended use are capitalized.

When an asset is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit or loss, if any, is reflected in the Restated Consolidated Summary Statement of Profit and Loss. Project under commissioning and other assets under erection/installation are shown under capital work in progress and are carried at cost, comprising of direct cost and related incidental expenses.

ii) Intangible assets

Intangible assets include goodwill, development cost, patent & trademark and software licenses.

Goodwill is recognised as the excess of business consideration paid over the share of net assets acquired and liabilities assumed in case of business purchase arrangement.

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised as an expense when it is incurred.

Expenditure on development activities, where research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalised if the product or process is technically and commercially feasible and the Group has sufficient resources to complete development. The expenditure capitalised includes the cost of materials, direct personnel cost and an appropriate proportion of overheads. Other development expenditure is recognised in the income statement as an expense.

Software licenses providing future enduring economic benefits are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any.

Intangible assets are stated at cost less accumulated amortization and impairment losses (if any).

Depreciation and amortization expense

i) Property, plant and equipment

Prior to April 1, 2014, depreciation on property, plant and equipment except lease hold improvements has been provided on straight lines method as per the rates prescribed under Schedule XIV to the erstwhile Companies Act,

1956. With effect from 1 April 2014, depreciation on property, plant and equipment is provided on straight line method based on life prescribed as per Schedule II of the Companies Act, 2013.

Block of asset	Useful life as per Companies Act, 2013 (in years)
Building	30-60
Plant and machinery	15
Computer	3
Furniture and fixture	10
Office equipment	5
Vehicles	8 – 10

Leasehold land, under perpetual leases, is not amortised and leasehold improvements are depreciated over the duration of lease or useful life whichever is shorter.

Depreciation on improvements carried out on buildings taken on lease (included under buildings) is provided over the period of the lease or useful life of the assets, whichever is lower.

ii) Intangibles

a) Goodwill, other than the one generated on consolidation is amortised over a period of five years.

b) Expenditure on development activities is amortised over a period of seven years.

c) Computer softwares are amortised over a period of six years.

Research and development

Revenue expenditure on research is charged under the respective heads of accounts in the year in which it is incurred.

Expenditure on development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalized, if the cost can be reliably measured, the product or process is technically and commercially feasible and the company has sufficient resources to complete the development and to use and sell the asset. The expenditure capitalized includes cost of material, direct labour and an appropriate proportion of overheads that are directly attributable to preparing the assets for its intended use. Other development expenditure is recognized in the Restated Consolidated Summary Statement of Profit and Loss as an expense as incurred.

Items of property, plant and equipment used for research and development are depreciated in accordance with the Company's policy on fixed assets as stated above.

Inventories

Inventories are valued at cost and net realizable value, whichever is lower. The cost in respect of the various items of inventory is computed as under:

- Raw material cost includes direct expenses and is determined on the basis of First-in-First-Out method.
- Stores and spares, consumables and packing materials cost includes direct expenses and is determined on the basis of first in first out method.
- Work-in-process is valued at raw material cost plus conversion costs depending upon the stage of completion.
- Finished goods cost includes raw material cost plus conversion costs, packing cost and other overheads incurred to bring the goods to their present location and condition. Excise duty in respect of goods manufactured by us is accounted for at the time of removal of goods from factory for sale and/or captive consumption and provision for excise duty is made for finished goods lying in the factory at year end.
- Scrap/obsolete stock is valued at net realisable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost to effect the sale.

Provision for obsolescence and slow moving inventory is made based on management's best estimates of net realizable value of such inventories.

Government grants and subsidies

Government grants available to the Group is recognised only when there is reasonable assurance that the Group will comply with the conditions attached to them and where such benefits have been earned by the Company and it is reasonably certain that the ultimate collection will be made.

Where the assistance from the government is in the nature of promoter's contribution, it is credited to capital reserve.

Where the grant or subsidy relates to revenue item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate.

Where the grant or subsidy relates to an asset, it is treated as deferred income which is recognised in the Restated Consolidated Summary Statement of Profit and Loss on a systematic and rational basis over the useful life of assets. Such allocation to income is usually made over the periods and in proportions in which depreciation on related assets is charged.

Borrowing costs

Borrowing cost include interest and amortisation of ancillary cost incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Restated Consolidate Summary Statement of Profit and Loss over the tenure of the loan. Borrowing cost, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets.

Leases

i) Operating leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Restated Consolidated Summary Statement of Profit and Loss on a straight-line basis over the lease term.

ii) Finance leases

Assets acquired on lease where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalized at the inception of the lease at the lower of fair value or the present value of minimum lease payments and a liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period. The resultant interest cost is charged to the Restated Consolidated Summary Statement of Profit and Loss on accrual basis.

Impairment of assets

The Group assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Restated Consolidated Summary Statement of Profit and Loss. If at the reporting date, there is an indication that a previously assessed impairment loss no longer exists then the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

Foreign currency transactions

i) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii) Conversion

Foreign currency monetary items are reported using the closing rate. 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; and 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.

iii) Exchange differences

Exchange differences arising on the settlement of monetary items or on restatement of the Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise except to the extent permitted by the transitional provision contained in Companies (Accounting Standards) Amendments Rules, 2009 in respect of long term foreign currency monetary items, in which case the cost of assets are adjusted by the translation differences and amortised over the remaining useful life of the related assets.

Accounting for taxes on income

Tax expense comprises current tax and deferred income tax.

Current tax is determined as the amount of tax payable in respect of taxable income for the year, computed in terms with the provision for Income Tax Act, 1961 and rules made thereunder.

Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are reviewed at each balance sheet date and recognized/derecognized only to the extent that there is reasonable/virtual certainty, depending on the nature of the timing differences, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Minimum Alternate tax ('MAT') 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. In the year in which MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in "Guidance note on accounting for credit available in respect of minimum alternative tax under the Income-Tax Act, 1961" issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue and share split.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

Contingent liabilities and provisions

The Group makes a provision when there is a present obligation as a result of a past event where the outflow of economic resources is probable and a reliable estimate of the amount of the obligation can be made.

A disclosure is made for a contingent liability when there is a

i) Possible obligation, the existence of which will be confirmed by the occurrence/non-occurrence of one or more uncertain events, not fully with in the control of the Group;

ii) Present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation;

iii) Present obligation, where a reliable estimate cannot be made.

iv) Provisions are not discounted to present value and are determined based on best estimate required to settle the obligation on the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Where there is a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are not recognized in the Restated Consolidated Summary Statement of Profit and Loss. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

Derivative instruments

The exchange differences arising on forward contracts other than those entered into to hedge the foreign currency risk of firm commitments or highly probable forecast transactions are recognised in the year in which they arise based on the difference between i) foreign currency amount of the contract translated at the exchange rate on the reporting date and ii) the same foreign currency amount translated at the later of the date of inception of the forward exchange contract or the last reporting date.

The premium or discount arising at the inception of the forward contracts other than those entered into to hedge the foreign currency risk of firm commitments or highly probable forecast transactions is amortised as expense or income over the life of the contract.

Any profit or loss arising on cancellation or renewal of forward exchange contracts is recognised as income or expense for the year.

As per the Institute of Chartered Accountants of India Announcement, accounting for derivative contracts, other than those covered under Accounting Standard-11, "The Effects of Changes in Foreign Exchange Rates", are marked to market on individual portfolio basis, and the net loss after considering the offsetting effect on the underlying hedge item is charged to the Restated Consolidated Summary Statement of Profit and Loss. Considering the principles of prudence as enumerated in Accounting Standard-1, "Disclosure of Accounting Policies", net gains arising on account of marked to market of derivative contracts are ignored.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and cash in hand and short term investments with an original maturity of three months or less.

Segment accounting

Segments are identified in line with Accounting Standard 17 - 'Segment Reporting' ('AS 17').The accounting policies adopted for segment reporting are in line with those of the Group with the following additional policies for segment reporting:

i) Inter segment revenues have been accounted for based on the transaction price agreed to between segments at estimated cost of the transferor segment.

ii) Revenues and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

iii) Revenues and expenses, which relate to the group as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated corporate expenses". Unallocated corporate expense also includes taxes and finance charges and other unallocable corporate expenses.

iv) Assets and liabilities, which relate to the group as a whole and are not allocable to segments on a reasonable basis, are shown as unallocated corporate assets and liabilities respectively.

v) The Group's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Group operate.

Principal Components of Income and Expenditure

Income

Revenue from operations

Revenue from operations comprises income from manufacturing and supply of RACs and its components as well as components for other white goods, the automobile industry and other industries. Revenue from operations accounted for 99.64%, 99.52%, 99.72% and 99.50% of our total revenue for the six month period ended September 30, 2017 and Fiscals 2017, 2016 and 2015, respectively.

Other income

Other income primarily includes interest income on fixed deposits, profit/ loss on disposal of asset, gain/loss on foreign exchange fluctuation, rental income and other miscellaneous income. Other income accounted for 0.36%, 0.48%, 0.28% and 0.50% of our total revenue for the six month period ended September 30, 2017 and Fiscals 2017, 2016 and 2015, respectively.

Expenditure

Our expenditure includes (i) cost of materials consumed; (ii) changes in inventories of finished goods and work in progress; (iii) employee benefits expense; (iv) finance costs; (v) depreciation and amortisation expenses; and (vi) other expenses.

Cost of materials consumed

Cost of materials consumed represents the cost of the raw materials consumed in our manufacturing operations. Our cost of materials consumed, including stores and spares and packing material, constituted 81.17%, 84.79%, 79.19% and 82.41% of our total revenue for the six month period ended September 30, 2017 and Fiscals 2017, 2016 and 2015 respectively.

Changes in inventories of finished goods and work in progress

Changes in inventories of finished goods and work in progress represent the difference between the opening and closing stock of finished goods and work in progress relating to our manufacturing business.

Employee benefit expenses

Employee benefit expenses include salaries and wages, contribution to provident and other statutory funds, and staff welfare expenses relating to our employees.

Finance costs

Finance costs primarily comprise interest expenses and other borrowing cost in relation to our outstanding indebtedness.

Depreciation and amortisation

Depreciation and amortisation comprises depreciation of tangible and intangible assets, including our building, plants and machinery, furniture, office equipment, vehicles, software, trademarks etc.

Other expenses

Other expenses primarily comprise of utility expenses, contract labour charges, loading and unloading charges and inward and outward freight charges.

Results of Operations

The following table sets forth certain information with respect to our results of operations for the periods indicated:

Particulars	**Six month period ended September 30, 2017**		**Fiscal**					
			2017		**2016**		**2015**	
	(₹ In million)	**Percentage of total revenue**	**(₹ In million)**	**Percentage of total revenue**	**(₹ In million)**	**Percentage of total revenue**	**(₹ In million)**	**Percentage of total revenue**
Income								
Revenue from Operations	9.381.63	99.64	16,443.98	99.52	10,890.26	99.72	12,302.65	99.50
Other income	33.87	0.36	78.57	0.48	30.89	0.28	62.02	0.50
Total Revenue	**9,415.50**	**100.00**	**16,522.55**	**100.00**	**10,921.15**	**100.00**	**12,364.67**	**100.00**
Expenses								
Cost of materials consumed	7,642.28	81.17	14,009.26	84.79	8,649.00	79.19	10,190.27	82.41
Changes in inventories of finished goods and work-in-progress	181.91	1.93	(271.30)	(1.64)	(63.98)	(0.59)	(56.42)	(0.46)
Employee benefits expense	221.09	2.35	437.78	2.65	365.33	3.35	335.33	2.71
Finance costs	266.94	2.84	583.40	3.53	532.46	4.88	427.92	3.46
Depreciation and amortisation expense	228.82	2.43	397.00	2.40	308.63	2.83	255.65	2.07
Other expenses	498.94	5.30	982.43	5.95	802.60	7.35	807.91	6.53
Total Expenses	**9,039.98**	**96.01**	**16,138.57**	**97.68**	**10,594.04**	**97.00**	**11,960.66**	**96.73**
Profit before tax	**375.52**	**3.99**	**383.98**	**2.32**	**327.11**	**3.00**	**404.01**	**3.27**
Tax expense								

Particulars	Six month period ended September 30, 2017		Fiscal					
			2017		2016		2015	
	(₹ In million)	Percentage of total revenue	(₹ In million)	Percentage of total revenue	(₹ In million)	Percentage of total revenue	(₹ In million)	Percentage of total revenue
Current tax	79.74	0.85	88.16	0.53	79.63	0.73	87.92	0.71
Deferred tax	102.38	1.09	104.99	0.64	61.68	0.56	65.00	0.53
Minimum Alternate Tax (MAT) credit entitlement	(79.74)	(0.85)	(88.16)	(0.53)	(55.24)	(0.51)	(36.64)	(0.30)
Profit after tax before minority interest	273.14	2.90	278.99	1.69	241.04	2.21	287.73	2.33
Profit attributable to minority shareholders	-		-		-		-	
Net profit for the year	**273.14**	**2.90**	**278.99**	**1.69**	**241.04**	**2.21**	**287.73**	**2.33**

Six month period ended September 30, 2017

Revenues

Our total revenue for the six month period ended September 30, 2017 amounted to ₹ 9,415.50 million. This was largely attributable to the increase in sales that we saw during the first half of the financial year, primarily due to sales of IDU, ODU and RAC and non – RAC components during this period.

Revenue from operations (net)

Our revenue from operations amounted to ₹ 9,381.63 million for the six month period ended September 30, 2017. This was primarily due to the increase in sales that we saw during the first half of the financial year, primarily due to sales of IDU, ODU and RAC and non-RAC components during this period.

Other income

Our other income amounted to ₹ 33.87 million for the six month period ended September 30, 2017, primarily due to gains from an increase in foreign exchange fluctuation (net) during this period in line with changes in currency exchange rates during this period.

Expenses

Cost of materials consumed

Our cost of materials consumed amounted to ₹ 7,642.28 million for the six month period ended September 30, 2017. This was in line with our operations during this period.

Change in inventories of finished goods and work in progress

Our changes in inventories of finished goods and work in progress amounted to ₹ 181.91 million in the six month period ended September 30, 2017, primarily due to a decrease in our closing stock of finished goods and work in progress in line with our sales volumes during this period.

Employee benefits expense

Our employee benefits expense amounted to ₹ 221.09 million for the six month period ended September 30, 2017. This corresponds to our head count during this period coupled with annual increments.

Finance Costs

Our finance costs amounted to ₹ 266.94 million for the six month period ended September 30, 2017, in line with our business during this period.

Depreciation and amortisation expense

Our depreciation and amortization expense amounted to ₹ 228.82 million for the six month period ended September 30, 2017, corresponding to an increase in the fixed assets base of the Company resulting primarily from addition of tools at our Raipur facility, addition in the building at our Dehradun, Jhajjar and Raipura facilities and modification of assembly lines at our Dehradun and Jhajjar facilities.

Other expenses

Our other expenses amounted to ₹ 498.94 million for the six month period ended September 30, 2017, primarily corresponding to (i) power, fuel and water charges; (ii) contractual labour charges as we increased our headcount of contract labour charges; (iii) loading and unloading charges; and (iv) freight inward and outward charges, corresponding to our sales during this period.

Net tax expense

Our net tax expense amounted to ₹ 102.38 million for the six month period ended September 30, 2017.

Net profit for the year

As a result of the foregoing reasons and factors, our net profit amounted to ₹ 273.14 million for the six month period ended September 30, 2017.

Fiscal 2017 compared to Fiscal 2016

Revenues

Our total revenue increased by ₹ 5,601.40 million, or 51.29%, to ₹ 16,522.55 million in Fiscal 2017 from ₹ 10,921.15 million in Fiscal 2016, primarily due to an increase in our revenues from operations arising out of significantly higher sales of air conditioners and related components arising from the addition of new customers and new products to our portfolio during this period, which was partially offset by decreases in sales of certain of our other products.

Revenue from operations (net)

Our revenue from operations (net) increased by ₹ 5,553.72 million, or 51.00%, to ₹ 16,443.98 million in Fiscal 2017 from ₹ 10,890.26 million in Fiscal 2016, primarily due to a significant increase in our sales of air conditioners and related components to ₹ 13,749.53 million from ₹ 8,122.41 million during this period, arising primarily from (i) the addition of Daikin and Hitachi as our customers during Fiscal 2016, the full year impact of which was seen in Fiscal 2017; (ii) the introduction of new products to our portfolio, including new IDU models and the launch of our Inverter RACs; (iii) an increase in our share of business with certain customers; and (iv) commodity price increases in relation to certain of our products during this period. This was partially offset by a decrease in sales of some of our other products, including electric motors, which were impacted by a slowdown of exports to the Middle East due to political and economic conditions in the region.

Other income

Our other income increased by ₹ 47.68 million, or 154.35%, to ₹ 78.57 million in Fiscal 2017 from ₹ 30.89 million in Fiscal 2016, primarily due to gains from an increase in foreign exchange fluctuation (net) during this period in line with changes in currency exchange rates during this period.

Expenses

Cost of materials consumed

Our cost of materials consumed increased by ₹ 5,360.26 million, or 61.98%, to ₹ 14,009.26 million in Fiscal 2017 from ₹ 8,649.00 million in Fiscal 2016, corresponding to the growth in sales of AC and related components and primarily arising from an increase in costs incurred on air conditioner parts and accessories to ₹ 12,074.86 million from ₹ 6,666.97 million during this period.

Changes in inventories of finished goods and work in progress

Our changes in inventories of finished goods and work in progress amounted to ₹ 271.30 million in Fiscal 2017, compared to ₹ 63.98 million in Fiscal 2016, primarily due to an increase in our closing stock of finished goods and work in progress in line with growth in our sales volumes during this period.

Employee benefits expense

Our employee benefits expense increased by ₹ 72.45 million, or 19.83%, to ₹ 437.78 million in Fiscal 2017 from ₹ 365.33 million in Fiscal 2016, primarily due to annual increments and an increase in headcount during this period, corresponding to the growth in our business.

Finance costs

Our finance costs increased by ₹ 50.94 million, or 9.57%, to ₹ 583.40 million in Fiscal 2017 from ₹ 532.46 million in Fiscal 2016, in line with the growth in our business during this period.

Depreciation and amortisation expenses

Our depreciation and amortisation expenses increased by ₹ 88.37 million, or 28.63%, to ₹ 397.00 million in Fiscal 2017 from ₹ 308.63 million in Fiscal 2016, due to an increase in the fixed assets base of the Company resulting primarily from purchases of presses and tools in Rajpura and Dehradun, addition of powder coating shop in Dehradun and addition of an inverter line and a heat exchanger line in our Dehradun facility.

Other expenses

Our other expenses increased by ₹ 179.83 million, or 22.41%, to ₹ 982.43 million in Fiscal 2017 from ₹ 802.60 million in Fiscal 2016, primarily due to increases in (i) power, fuel and water charges arising from increases in utility rates at certain of our facilities; (ii) contractual labour charges as we increased our headcount of contract labour at certain manufacturing facilities to meet the increased demand for our products, coupled with an increase in applicable minimum wages, during this period; (iii) loading and unloading charges; and (iv) freight inward and outward charges, corresponding to the growth of our sales during this period.

Net tax expense

Our net tax expense increased by ₹ 18.92 million, or 21.98%, to ₹ 104.99 million in Fiscal 2017 from ₹ 86.07 million in Fiscal 2016, primarily due to an increase in deferred tax during this period.

Net profit for the year

As a result of the foregoing reasons and factors, our net profit for the year increased by ₹ 37.95 million, or 15.74%, to ₹ 278.99 million in Fiscal 2017 from ₹ 241.04 million in Fiscal 2016.

Fiscal 2016 compared to Fiscal 2015

Revenues

Our total revenue decreased by ₹ 1443.52 million, or 11.67%, to ₹ 10,921.15 million in Fiscal 2016 from ₹ 12,364.67 million in Fiscal 2015, primarily as we closed certain less profitable businesses for certain customers during this period, coupled with a decline in raw material prices during this period.

Revenue from operations

Our revenue from operations decreased by ₹ 1,412.39 million, or 11.48%, to ₹ 10,890.26 million in Fiscal 2016 from ₹ 12,302.65 million in Fiscal 2015, primarily as we closed certain less profitable businesses for certain customers relating to luminaries, microwaves and WACs during this period, coupled with a decline in prices of our key raw materials.

Other income

Our other income decreased by ₹ 31.13 million, or 50.19%, to ₹ 30.89 million in Fiscal 2016 from ₹ 62.02 million in Fiscal 2015, primarily due to decreases in (i) interest income on deposit with banks; (ii) miscellaneous income; (iii) profit on disposal of fixed assets (net); (iv) and (v) sales tax refund for earlier years, which was partially offset by liabilities no longer required to be written back during this period.

Expenses

Cost of materials consumed

Our cost of materials consumed decreased by ₹ 1,541.27 million, or 15.12%, to ₹ 8,649.00 million in Fiscal 2016 from ₹ 10,190.27 million in Fiscal 2015, corresponding to decline in prices of our key raw materials and the closure of certain of our less profitable businesses during this period.

Changes in inventories of finished goods and work in progress

Our changes in inventories of finished goods and work in progress amounted to ₹ 63.98 million in Fiscal 2016, compared to ₹ 56.42 million in Fiscal 2015, primarily due to an increase in our closing stock of finished goods arising from seasonality of our business.

Employee benefit expenses

Our employee benefit expenses increased by ₹ 30.00 million, or 8.95%, to ₹ 365.33 million in Fiscal 2016 from ₹ 335.33 million in Fiscal 2015, primarily due to primarily due to annual increments.

Finance costs

Our finance costs increased by ₹ 104.54 million, or 24.43%, to ₹ 532.46 million in Fiscal 2016 from ₹ 427.92 million in Fiscal 2015, primarily due to an increase in our interest costs on term loans and other loans during this period arising from the full year impact in Fiscal 2016 of debt incurred towards the end of Fiscal 2015,

Depreciation and amortisation expenses

Our depreciation and amortisation expenses increased by ₹ 52.98 million, or 20.72%, to ₹ 308.63 million in Fiscal 2016 from ₹ 255.65 million in Fiscal 2015, primarily due to increase in the fixed assets base of the Company, arising largely from addition of heat exchanger line at our Dehradun facility, addition of assembly line at Jhajjar facility, and expansion of Pune facility, as well as development of tools during this period.

Other expenses

Our other expenses decreased by ₹ 5.31 million, or 0.66%, to ₹ 802.60 million in Fiscal 2016 from ₹ 807.91 million in Fiscal 2015, primarily due to decreases in (i) contractual labour charges; (ii) power, fuel and water charges; (ii) loading and unloading charges; and (iii) freight inward and outward charges during this period, corresponding to the closure of certain of our less profitable businesses during this period.

Net tax expense

Our net tax expense decreased by ₹ 30.21 million, or 25.98%, to ₹ 86.07 million in Fiscal 2016 from ₹ 116.28 million in Fiscal 2015, primarily arising from declines in our current tax and deferred tax liabilities during this period and a MAT credit entitlement for previous years that accrued in Fiscal 2016.

Net profit for the year

As a result of the foregoing, our net profit for the year decreased by ₹ 46.69 million, or 16.23%, to ₹ 241.04 million in Fiscal 2016 from ₹ 287.73 million in Fiscal 2015.

Liquidity and Capital Resources

Historically, we have maintained liquidity for our business operations primarily from the cash generated from operations, bank borrowings and issuance of shareholder equity. As of March 31, 2017, we had cash and bank balances available for use in our operations of ₹ 347.19 million, and as of September 30, 2017, we had cash and bank balances available for use in our operations of ₹ 286.27 million. Based on our current level of expenditures, we believe that our current working capital, together with cash flows from operating activities and the proceeds from the offer contemplated herein, will be adequate to meet our anticipated cash requirements for capital expenditure and working capital for the next 12 months.

Cash flows

(₹ in million)

Particulars	Six month period ended September 30, 2017	Fiscal		
		2017	2016	2015
Net cash generated from /(utilised in) operating activities	(923.04)	985.08	1,521.93	808.54
Net cash utilised in investing activities	(329.21)	(896.51)	(839.27)	(865.44)
Net cash generated from/(utilised in) financing activities	1,215.87	(12.35)	(678.60)	7.68
Net increase/(Decrease) in cash and cash equivalents	(36.38)	76.22	4.06	(49.22)

Operating Activities

Net cash [used in] operating activities amounted to ₹ 923.04 million for the six month period ended September 30, 2017, primarily consisting of an operating profit of ₹ 841.78 million before working capital changes. The working capital adjustments primarily consisted of decreases in trade payables of ₹ 2,510.16 million and in other current liabilities of ₹ 460.91 million; and an increase in short term loans and advances of ₹ 109.94 million, which were partially offset by a decrease in trade receivables of ₹ 1,355.57 million. This is in line with the seasonality of our business and our credit cycle during the first half of the financial year.

Net cash generated from operating activities was ₹ 985.08 million in Fiscal Year 2017, primarily consisting of an operating profit of ₹ 1,307.59 million before working capital changes. The working capital adjustments primarily consisted of increases in trade payables of ₹ 1,676.07 million, primarily corresponding to our growth in business during this period as well as favourable credit terms with our suppliers due to volume increases; and decrease in short term loans and advances of ₹ 32.00 million, which were partially offset by increases in (i) inventories of ₹ 418.93 million; and (ii) trade receivables of ₹ 630.67 million primarily corresponding to our growth in business during this period; and decrease in (i) other current liabilities of ₹ 425.42 million; and (ii) other long term liabilities of ₹ 447.22 million.

Net cash generated from operating activities was ₹ 1,521.93 million in Fiscal Year 2016, primarily consisting of an operating profit of ₹ 1,197.47 million before working capital changes. The working capital adjustments primarily consisted of increases in (i) trade payables of ₹ 446.34 million; (ii) other current liabilities of ₹ 271.48 million; and (iii) other long term liabilities of ₹ 176.25 million, which were partially offset by increases in (i) inventories of ₹ 363.39 million; and (ii) trade receivables of ₹ 115.81 million.

Net cash generated from operating activities was ₹ 808.54 million in Fiscal Year 2015, primarily consisting of an operating profit of ₹ 1,056.51 million before working capital changes. The working capital adjustments primarily consisted of increases in (i) trade payables of ₹ 411.92 million; (ii) other current liabilities of ₹ 39.89 million; and (iii) other long term liabilities of ₹ 270.52 million, which were partially offset by increases in (i) inventories of ₹ 152.40 million; and (ii) trade receivables of ₹ 683.54 million.

Investing Activities

Net cash utilised in investing activities was ₹ 329.21 million for the six month period ended September 30, 2017, primarily due to payment made for purchase of fixed assets (including capital advances and creditors for capital expenditure and capital work-in-progress) of ₹ 394.49 million arising primarily from addition of tools at our Raipur facility, addition in the building at our Dehradun, Jhajjar and Raipura facilities and modification of assembly lines at our Dehradun and Jhajjar facilities.

Net cash utilised in investing activities was ₹ 896.51 million in Fiscal Year 2017, primarily due to payment made for purchase of fixed assets (including capital advance and capital work-in-progress) of ₹ 819.91 million arising primarily from costs relating to capacity expansion, R&D, development of tools and modernisation of our manufacturing facilities, which was partially offset by proceeds from sale of fixed assets of ₹ 7.84 million and interest received on deposits with banks of ₹ 15.27 million.

Net cash utilised in investing activities was ₹ 839.27 million in Fiscal Year 2016, primarily due to payment made for purchase of fixed assets (including capital advance and capital work-in-progress) of ₹ 1,011.95 million arising primarily from costs relating to capacity expansion, R&D, development of tools and modernisation of our manufacturing facilities, which was partially offset by movement in restricted cash of ₹ 109.53 million, movement in non-current fixed deposits of ₹ 21.54 million, proceeds from sale of fixed assets of ₹ 13.64 million and interest received on deposits with banks of ₹ 27.97 million.

Net cash utilised in investing activities was ₹ 865.44 million in Fiscal Year 2015, primarily due to payment made for purchase of fixed assets (including capital advance and capital work-in-progress) of ₹ 997.00 million arising primarily from costs relating to capacity expansion, R&D, development of tools and modernisation of our manufacturing facilities, and purchase of equity shares of subsidiaries of ₹ 85.50 million, which was partially offset by movement in restricted cash of ₹ 172.02 million, proceeds from sale of fixed assets of ₹ 8.81 million and interest received on deposits with banks of ₹ 36.23 million.

Financing Activities

Net cash generated from financing activities was ₹ 1,215.87 million for the six month period ended September 30, 2017, primarily due to a net increase in short term borrowings of ₹ 1,520.69 million and proceeds from long term borrowings of ₹ 686.29 million, which were partially offset by repayment of long term borrowings of ₹ 756.40 million and finance cost paid of ₹ 234.71 million. This is in line with the seasonality of our business and our credit cycle during the first half of the financial year.

Net cash utilised in financing activities was ₹ 12.35 million in Fiscal Year 2017, primarily due to decrease in utilisation of short term borrowings of ₹ 718.19 million, finance costs paid of ₹ 579.26 million during this period, and repayment of long term

borrowings of ₹ 118.49 million, which were partially offset by proceeds from issue of share capital of ₹ 500.00 million, proceeds from issue of CCDs of ₹ 500.00 million, and proceeds from long term borrowings of ₹ 463.93 million.

Net cash utilised in financing activities was ₹ 678.60 million in Fiscal Year 2016, primarily due to repayment of long term borrowings of ₹ 1,640.85 million and finance cost paid of ₹ 599.44 million, which was partially offset by proceeds from long term borrowings of ₹ 1,506.11 million.

Net cash generated from financing activities was ₹ 7.68 million in Fiscal Year 2015, primarily due to repayment of long term borrowings of ₹ 800.63 million and finance cost paid of ₹ 497.06 million, which was partially offset by proceeds from long term borrowings of ₹ 1,105.59 million.

Historical and Planned Capital Expenditure

We have consistently made investments in our fixed assets in recent years in line with our strategy of product expansion, new customer additions and to provide a one stop solution to our customers at their doorstep. In the six month period ended September 30, 2017 and Fiscals 2017, 2016 and 2015, respectively, we have added tangible fixed assets of ₹ 152.19 million, ₹ 713.07 million, ₹ 980.39 million and ₹ 860.92 million, respectively, primarily consisting of costs relating to capacity expansion, R&D, development of tools and modernisation of our manufacturing facilities.

Indebtedness

As of March 31, 2017, we had long term borrowings (including current maturities) of ₹ 2,773.85 million, which includes CCDs issued during Fiscal 2017 of ₹ 500.00 million, and short term borrowings of ₹ 933.87 million. See "*Financial Indebtedness*" as on page 423. As of September 30, 2017, we had long term borrowings (including current maturities) of ₹ 2,703.74 million and short term borrowings of ₹ 2,454.56 million.

There are a number of covenants in our financing agreements that we have entered into with our lenders. Further, some of our financing agreements include conditions and covenants that require us to obtain their consent prior to carrying out certain activities and entering into certain transactions. Failure to meet these conditions or obtain these consents could have significant consequences on our business. Typically, we require, and may be unable to obtain, lender consents to incur additional secured debt, issue equity, change our capital structure, undertake any major expansion and for any change our management structure, whether or not there is any failure by us to comply with the other terms of such agreements.

Trade receivables

Trade receivables represent receivables from our domestic and export customers. Our trade receivables increased to ₹ 3,104.00 million as of March 31, 2017 from ₹ 2,479.46 million as of March 31, 2016, corresponding to the growth in demand for our products during this period. Further, our trade receivables amounted to ₹ 1,747.78 million as of September 30, 2017.

Trade payables

Our trade payables primarily comprise of dues to micro enterprises and small enterprises, as well as dues of other creditors. Our trade payables increased to ₹ 4,457.96 million as of March 31, 2017, from ₹ 2,837.12 million as of March 31, 2016, corresponding to our growth in business during this period as well as favourable credit terms with our suppliers due to volume increases. Further, our trade payables amounted to ₹ 1,924.66 million as of September 30, 2017.

Contractual Obligations and Commitments

Our estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) amounted to ₹ 99.89 million as of September 30, 2017.

Contingent liabilities and off-balance sheet arrangements

The following table sets forth certain information relating to our contingent liabilities as of September 30, 2017:

Particulars	As of September 30, 2017 (₹ in million)
Service tax	1.33
Sales tax	19.71
Income tax	3.14
Octroi tax	1.56
Excise duty	5.75
Claims against Company not acknowledged as debts:	
- On account of claims by vendors	1.24
- On account of claims by employees	0.16

Bonus	1.14

For further information, see our *"Restated Consolidated Financial Statements"* on page 199.

Except as disclosed in our Restated Financial Statements or in this Red Herring Prospectus, there are no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that we believe are material to investors.

Related Party Transactions

We enter into various transactions with related parties in the ordinary course of business. These transactions principally include rent payments, capital advances, repayment of advances given and remuneration paid to Directors. For details, see "Restated Consolidated Financial Statements – Related party disclosures" on page 278.

Quantitative and Qualitative Disclosures About Market Risk

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk, commodity risk, credit risk, inflation risk and foreign currency exchange rate risk.

Commodity price risk

We are exposed to market risk in relation to the prices of raw materials consumed in our business. While we have contracts with certain suppliers for some of our raw materials, we typically do not have fixed-price, long-term contracts for the purchase of key raw materials, and instead procure these from the spot market on the basis of our requirements. The costs of certain key raw materials such as aluminium, copper and steel are based on commodity prices and are subject to fluctuations.

Interest rate risk

Interest rates for borrowings have been fluctuating in India in recent periods. Our current debt facilities typically carry variable rates of interest. Increase in interest rates would increase interest expenses relating to our outstanding borrowings and increase the cost of new debt. In addition, an increase in interest rates may adversely affect our ability to service long-term debt, which in turn may adversely affect our results of operations. We do not have a policy to enter into hedging arrangements against interest rate fluctuations.

Foreign currency exchange rate risk

While our reporting currency is Indian rupees, a portion of our business relating to our imports of raw materials are in other currencies. Our exchange rate risk primarily arises from our foreign currency revenues, costs and other foreign currency assets and liabilities to the extent that there is no natural hedge. We may be affected by significant fluctuations in the exchange rates between the Indian Rupee and other currencies.

Inflation risk

In recent year, India has experienced relatively high rates of inflation. While we believe that inflation has not had any material impact on our business and results of operations in light of the growth of our revenues, inflation generally impacts the overall economy and business environment and hence could affect us.

Unusual or infrequent events or transactions

Except as described in this Red Herring Prospectus, to our knowledge, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

Significant economic changes that materially affect or are likely to affect income from continuing operations

Our business has been subject, and we expect it to continue to be subject, to significant economic changes that materially affect or are likely to affect income from continuing operations identified above in "*-Significant Factors Affecting our Results of Operations and Financial Condition*" and the uncertainties described in the section "*Risk Factors*" on page 426 and 16, respectively.

Known trends or uncertainties

Our than as described in the section "*Risk Factors*" on page 16, to our knowledge, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

Future relationship between cost and income

Other than as described in the sections "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 16, 144 and 425 respectively, to our knowledge there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

Publicly announced new products or business segments /material increases in revenue due to increased disbursements and introduction of new products

Other than as disclosed in "*Our Business – Our Key Strategies*" on page 147, there are no new products or business segments that have or are expected to have a material impact on our business prospects, results of operations or financial condition.

Significant dependence on single or few customers

Given the nature of our business operations, we do not believe our business is dependent on any single customer. However, we are indirectly dependent on our customers' share of the RAC market, and 75.10% and 74.77% of our revenue from operations was contributed by our top 5 customers in the six month period ended September 30, 2017 and Fiscal 2017, respectively. Accordingly, any adverse impact on the market share or operations of our key RAC customers may adversely impact us.

Seasonality of business

Our business operations and the air conditioner industry in general may be affected by seasonal trends in the Indian economy. Generally, we witness an increase in sales in the first half of the calendar year. Sales generally decline during the monsoon and winter seasons. Any significant event such as unforeseen floods, earthquakes, political instabilities, epidemics or economic slowdowns during this peak season may adversely affect our results of operations. In these periods, we may continue to incur operating expenses, but our income from operations may be delayed or reduced**.**

Competitive conditions

We operate in a competitive environment. Please refer to the sections "*Our Business*", "*Industry Overview*" and "*Risk Factors*" on pages 144, 115 and 16, respectively for further information on our industry and competition.

Change in accounting policies

There have been no changes in our accounting policies in the last three Fiscals.

Reservations, Qualifications and Adverse Remarks of the Statutory Auditors

Please see below a summary of reservations, qualifications or adverse remarks of Statutory Auditors in the last five Fiscals, as applicable, immediately preceding the year of issue of this Red Herring Prospectus and of their impact on the financial statements and financial position of our Company and Company's responses/corrective steps taken for such reservations, qualifications or adverse remarks:

Restated Consolidated Financial Statements:

Financial Year	Reservations, Qualifications and Adverse Remarks of the Statutory Auditors	Our Company's Responses Reservations, Qualifications and Adverse Remarks	Impact on the Financial Statements and Financial Position of our Company
Fiscal 2017	No reservations/qualifications /adverse remarks by statutory auditor		
Fiscal 2016	No reservations/qualifications /adverse remarks by statutory auditor		
Fiscals 2015, 2014 and 2013	For the Fiscals 2015, 2014 and 2013, the Company (on a consolidated basis) had not recognized mark to market losses on the derivative contracts taken in the form of interest rate swaps, currency options and forward currency contracts entered into by the Company (on a consolidated basis) to hedge its unrecognized firm commitments and not	In the opinion of the management these are the notional losses and are not expected to be realised in subsequent years on maturity of these derivative contracts and on repayments of current liabilities respectively.	If the Company had followed the relevant guidance of ICAI and AS-11, the exchange fluctuations expenses for the year ended Fiscal 2015 would have been lower by ₹ 16.85 million prior period expense would have been higher by ₹ 19.46 million and net profit after tax for the year then ended would have been lower

Financial Year	Reservations, Qualifications and Adverse Remarks of the Statutory Auditors	Our Company's Responses Reservations, Qualifications and Adverse Remarks	Impact on the Financial Statements and Financial Position of our Company
	recognized foreign exchange fluctuation loss on foreign currency monetary items which was not accordance with the guidance note issued by ICAI and Accounting Standard 11 "The Effects of Changes in Exchange Rates".		by ₹ 2.02 million Further the current liabilities as on March 31, 2015 would have been higher by ₹ 2.61 million and reserve and surplus as at that date would have been lower by ₹ 2.02 million for Fiscal 2015. If the Company had followed followed the relevant guidance of ICAI and AS-11, the current liabilities as March 31, 2014 would have been higher by ₹ 19.47 million and reserve and surplus as on that date would have been lower by ₹ 19.47 million Further prior period expense would have been lower by ₹ 9.08 million for Fiscal 2014. If the Company had followed the relevant guidance of ICAI and AS-11, the current liabilities as on March 31, 2013 would have been higher by ₹ 10.82 million and reserve and surplus as on that date would have been lower by ₹ 10.82 million Further Profit after tax would have been lower by ₹ 10.82 million for Fiscal 2013. If the Company had followed the relevant guidance of ICAI and AS-11, the short term borrowings and current liabilities as March 31, 2013 would have been higher by ₹ 625.40 million and reserve and surplus as on that date would have been lower by ₹ 625.40 million. Further Profit after tax would have been lower by ₹ 625.40 million for Fiscal 2013.

Restated Standalone Financial Statements:

Financial Year	Reservations, Qualifications and Adverse Remarks of the Statutory Auditors	Our Company's Responses Reservations, Qualifications and Adverse Remarks	Impact on the Financial Statements and Financial Position of our Company
Fiscal 2017	No reservations/qualifications /adverse remarks by statutory auditor		
Fiscal 2016	No reservations/qualifications /adverse remarks by statutory auditor		
Fiscals 2015, 2014 and 2013	For the Fiscals 2015, 2014 and 2013, the Company had not recognized mark to market losses on the derivative contracts taken in the form of interest rate swaps, currency options and forward currency contracts entered into by the Company to hedge its unrecognized firm commitments and not recognized foreign exchange fluctuation loss on foreign currency monetary items which was not accordance with the guidance note issued by ICAI and Accounting Standard 11 "The Effects of Changes in Exchange Rates".	In the opinion of the management these are the notional losses and are not expected to be realised in subsequent years on maturity of these derivative contracts and on repayments of current liabilities respectively.	If the Company had followed the company followed the relevant guidance of ICAI and AS-11, the exchange fluctuations expenses for Fiscal 2015 would have been lower by ₹ 16.85 million prior period expense would have been higher by ₹ 19.46 million and net profit after tax for the year then ended would have been lower by ₹ 2.02 million. Further the current liabilities as on March 31, 2015 would have been higher by ₹ 2.61 million and reserve and surplus as at that date would have been lower by ₹ 2.02 million for Fiscal 2015. If the Company had followed the relevant guidance of ICAI and AS-11, the current liabilities as March 31, 2014 would have been higher by ₹ 19.47 million and reserve and surplus as on that date would have been lower by ₹ 19.47 million Further prior period expense would have been lower by ₹ 9.08 million for Fiscal 2014. If the Company had followed the relevant guidance of ICAI and AS-11, the current liabilities as on March 31, 2013 would have been higher by ₹ 10.82 million and reserve and surplus as on that date would have been lower by ₹ 10.82 million Further Profit after tax would have been lower by ₹ 10.82 million for Fiscal 2013.

Significant developments after March 31, 2017 that may affect our future results of operations

The Government of India has implemented a comprehensive national goods and service tax ("**GST**") regime with effect from July 1, 2017. There has been an impact on our working capital and cash flow cycle as a result of changes in the process of availing tax benefits applicable at certain of our manufacturing facilities and also due to the difference in GST rates on input and output products of our Company.

On December 4, 2017, our Company has incorporated a new wholly owned subsidiary, Appserve. Appserve has been incorporated with the object of carrying out the business of manufacture, repair, maintenance, installation, assembly and routine servicing activities of all kinds of white goods i.e. RACs, washing machines, refrigerators, consumer durables and other similar equipment and components and to establish repair shops for the same along with other related activities.

On December 28, 2017 , our Company has acquired 1,320,613 equity shares of IL JIN, which is equivalent to 70% of IL JIN's outstanding equity shareholding for a consideration of ₹ 544.25 million, making IL JIN a subsidiary of our Company. IL JIN is currently engaged in the business of manufacturing, assembling and dealing in electronic assembled printed circuit boards for home appliances and automobile products.

Except as disclosed above and in this Red Herring Prospectus, to our knowledge no circumstances have arisen since the date of the last financial statements disclosed in this Red Herring Prospectus which materially and adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

SUMMARY OF SIGNIFICANT DIFFERENCES BETWEEN INDIAN GAAP AND IND AS

Ind AS comprises of accounting standards notified under the Companies (Indian Accounting Standards) Rules, 2015 and the relevant requirements of the Companies Act, 2013.

Indian GAAP comprises of accounting standards notified under the Companies (Accounting Standards) Rules, 2006 as amended and the relevant requirements of the Companies Act, 2013. In certain cases, the Indian GAAP also refers to Guidance Notes issued by the Institute of Chartered Accountants of India.

Please note that this is not an exhaustive list of differences between Ind AS and Indian GAAP; rather, it indicates only those key differences which are considered to be more relevant to the financial position and results of operations of the Company and does not cover all differences regarding presentation, classification and disclosure requirements applicable under Ind AS and Indian GAAP.

S No.	Particulars	Accounting under Indian GAAP	Accounting under Ind AS
1	**Ind AS 1 – Presentation of financial statements**		
(a)	Other comprehensive income (OCI)	There is no concept of "other comprehensive income" under Indian GAAP. While most items are recognized in the statement of profit or loss, certain other items are directly recognized in reserves.	Ind AS-1 requires that the statement of profit and loss shall include a section on other comprehensive income. This comprises all items of income and expense (including reclassification adjustments) that are not recognized in profit or loss as required or permitted by other Ind ASs. All items in OCI are segregated between: ❖ *Items that will not be reclassified into profit or loss:* i. Gain or loss on revaluation of property, plant and equipment and intangible assets ii. Remeasurement of defined benefit plans iii. Fair value changes in respect of equity instruments designated at fair value through OCI iv. Income tax relating to above items ❖ *Items that will be reclassified into profit or loss:* i. Exchange gain/ loss on translation of foreign operations ii. Fair value changes in respect of financial assets (other than equity instruments) measured at fair value through OCI iii. Effective portion of gains and losses on hedging instruments in a cash flow hedge (if Company follows hedge accounting) iv. Changes in the value of time value of options or value of forward element of forward

S No.	Particulars	Accounting under Indian GAAP	Accounting under Ind AS
			contracts when separating the intrinsic value & time value of an option contract; or forward element & spot element of a forward contract, and designating as the hedging instrument only the changes in intrinsic value (in case of option contract) or changes in spot element (in case of forward contract) (if Company follows hedge accounting) v. Income tax relating to above items
(b)	Statement of Changes in Equity	Indian GAAP does not require a statement of changes in equity. However, information relating to appropriation of profits/losses and movement in capital and reserves is presented in the disclosures for line items – 'share capital' and 'reserves and surplus' in the balance sheet.	Ind AS-1 requires presentation of all transactions with equity holders in their capacity as equity holders in the statement of changes in equity (the "SOCIE"). The SOCIE is a primary statement forming part of the financial statements.
(c)	Other disclosures	There are no specific disclosure requirements under Indian GAAP for: (i) Critical judgments made by the management in applying accounting policies; (ii) Key sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and (iii) Information that enables users of its financial statements to evaluate the entity's objectives, policies and processes for managing capital.	Ind AS-1 requires disclosure of: i. Critical judgments made by the management in applying accounting policies; ii. Key sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and iii. Information that enables users of its financial statements to evaluate the entity's objectives, policies and processes for managing capital.
(d)	Changes in accounting policies	Indian GAAP requires the impact of material changes in accounting policies to be shown in the financial statements. There is no requirement to present an additional balance sheet which retrospectively applies these policies. The impact of retrospective change in accounting policies is included within profit or loss of the reporting period in which the change is made.	Ind AS-1 requires a third balance sheet as at the beginning of the earliest comparative period, where an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements, to be included in a complete set of financial statements.
(e)	Extra-ordinary items	Extraordinary items are income or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the enterprise and, therefore, are not expected to recur frequently or regularly.	Ind AS-1 prohibits the presentation of any item as an extraordinary item, either on the face of the income statement or in the notes to financial statements.

S No.	Particulars	Accounting under Indian GAAP	Accounting under Ind AS
		Indian GAAP specifically requires the disclosure of certain items as extraordinary items in Net Profit or Loss for the Period.	
2	**Ind AS 2 – Inventories**		
(a)	Cost of purchase – on account of deferred credit terms	Under Indian GAAP, cost of purchase of inventory comprises purchase price and incidental costs (including non-recoverable taxes) directly attributable to acquisition. Any financing element inherent in a purchase made on deferred settlement terms does not need to be segregated from purchase price of inventory.	Under Ind AS, while cost of purchase is defined similar to Indian GAAP, however, where purchase is made on deferred settlement terms, such arrangement effectively contains a financing element and difference between the purchase price for normal credit terms and the amount paid is recognized as interest expense over the period of the financing.
3	**Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors**		
(a)	Correction of errors	Prior period errors are included in determination of profit or loss for the period in which the error is discovered and are separately disclosed in the statement of profit and loss or in the notes to financial statements in a manner that the impact on current profit or loss can be evidenced.	Prior period errors are corrected by adjusting opening equity and restating comparatives, unless impracticable.
4	**Ind AS 12 – Income taxes**		
(a)	Measurement of temporary differences	Deferred tax is recognized only for timing differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. No deferred tax is recognized for permanent differences that originate in one period and do not reverse subsequently.	Deferred tax is recognized on all temporary differences, except, when such temporary difference arises on initial recognition of an asset or liability and it is – i. not a business combination; or ii. at the time of transaction, affects neither tax profit nor accounting profit.
(b)	Investment in subsidiaries	For difference in carrying value of investment in subsidiaries for accounting and tax purpose, where such differences do not arise from profit or loss, no deferred tax is recognized.	Temporary differences arise when the carrying amount of investments in subsidiaries in accounting books becomes different from the tax base of the investment. This may occur in a number of different circumstances, for example – existence of undistributed profits of subsidiaries, change in foreign exchange rates when a parent and its subsidiaries are based in different countries, a reduction in carrying amount of investment to its recoverable amount, etc. An entity shall recognize deferred tax for all such temporary differences, except where both of following conditions are met – i. Parent is able to control the timing of reversal of such temporary differences; and ii. It is probable that such temporary differences will not reverse in the foreseeable future.

S No.	Particulars	Accounting under Indian GAAP	Accounting under Ind AS
(c)	Deferred taxes on unrealized intra-group profits	No deferred tax is recognized for reversal of intra-group profits in consolidated financial statements.	Reversal of intra-group profits for intragroup transactions are temporary differences that give rise to deferred tax and require adjustment in consolidated financial statements.
(d)	Recognition of taxes on items recognized in other comprehensive income or directly in equity	No specific guidance under Indian GAAP.	For items that are recognized outside profit or loss, like in other comprehensive income or directly in equity, tax is also recorded in other comprehensive income or in equity, as appropriate.
(e)	MAT credit entitlement: presentation	This is required to be presented under loans and advances.	Under Ind AS, deferred tax asset is defined to include the carry forward of unused tax credits. Accordingly – i. MAT credit entitlement which is unused tax credit is classified as deferred tax assets (net) in the Balance Sheet and a separate note is provided specifying the nature and amount of MAT credit included as part of deferred tax. ii. Further, MAT credit entitlement should be grouped with deferred tax in the Statement of Profit and Loss and a separate note should be provided specifying the amount of MAT credit.
(f)	Disclosures	Certain additional disclosures like reconciliation of tax expense between recognized expense and expected tax on accounting income, unrecognized deferred tax liabilities on undistributed earnings of subsidiaries, losses on which no deferred tax is recognised, etc. are not required.	Additional disclosures required under Ind AS include: • a reconciliation between income tax expense (income) reported and the product of accounting profit multiplied by the applicable tax rate. Either a numerical reconciliation or tax rate reconciliation is required to be presented. • unrecognized deferred tax liability on undistributed earnings of subsidiaries • amount of deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax is recognized in the balance sheet, etc.
5	**Ind AS 40 – Investment property**		
(a)	Investment property	Indian GAAP does not have any guidance on classification of investment property, i.e., property held for purpose of earning rentals or capital appreciation. Such properties are considered part of fixed assets and classified as such.	Ind AS provides specific guidance for investment properties, i.e., land or building – or part of a building – or both held by the owner or by the lessee under a finance lease) to earn rentals or capital appreciation or both, rather than for: a. use in the production or supply of goods or services or for administrative purposes; or

S No.	Particulars	Accounting under Indian GAAP	Accounting under Ind AS
			b. sale in the ordinary course of business. These are required to be presented separately from property, plant & equipment held for the purpose of production of goods.
6	**Ind AS 17 – Leases**		
(a)	Operating leases	Lease payments under an operating lease are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term, unless another systematic basis is more representative of the time pattern of the user's benefit.	Lease payments under an operating lease are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term unless either of the below are met: i. another systematic basis is more representative of the time pattern of the user's benefit, or ii. payments to the lessor are structured to increase in line with expected general inflation for cost increases.
(b)	Leases of land	Lease agreement to use land is not accounted as lease.	Lease arrangement to use lands are accounted as lease transaction and are classified as finance or operating leases, depending on the terms.
(c)	Whether an arrangement contains a lease	Indian GAAP does not provide any guidance for such arrangements. Payments under arrangements which are not in the form of leases are generally recognised in accordance with the nature of expense incurred.	Ind AS requires an entity to determine whether an arrangement, comprising a transaction or a series of related transactions, that does not take the legal form of a lease, conveys a right to use an asset in return for a payment or series of payments, is a lease. Such determination shall be based on the substance of the arrangement and requires an assessment of whether: i. fulfilment of the arrangement is dependent on use of a specific asset (or assets); and ii. the arrangement conveys a right to use an asset.
7	**Ind AS 18 – Revenue**		
(a)	Deferred payment terms	Revenue is measured at the amount received or receivable against sale of such goods. No adjustment is required to be made for sales made on deferred settlement terms that include a financing element.	Revenue is measured at fair value of consideration received or receivable, excluding sales taxes, rebates and trade discounts. Where sales are made on deferred settlement terms, fair value is determined by discounting all future receipts using an imputed rate of interest. The difference between fair value and consideration received or receivable is recognized as interest income using the effective interest method.
(b)	Rebates and incentives	Any volume rebates are recognized as an expense and adjusted in revenue, whereas cash discounts and other incentives are	Any rebates and incentives are estimated and adjusted in sales price upon recognition of revenue at the time of sale.

S No.	Particulars	Accounting under Indian GAAP	Accounting under Ind AS
		recognized as an expense, as and when incurred.	
(c)	Multiple element revenue contracts	Revenue is measured at the amount received or receivable against sale of goods. Revenue against sale of services are recognized when the services are rendered.	Where contracts with customers have more than one performance obligation i.e. delivery of goods and extended warranty services, transaction price is allocated to each such element.
(d)	Transfers of assets from customers	No specific guidance under Indian GAAP for such arrangements. Any assets received without payment of consideration are recorded at a nominal value.	Where an entity receives from a customer, an item of property, plant and equipment or cash contribution, which in turn shall be used to provide the customer with an ongoing access to a supply of goods or services – i. It shall recognize the transferred asset at its fair value with corresponding credit to deferred revenue ii. Such deferred revenue shall be recognised as revenue on a systematic basis as an adjustment to the revenue from sale of goods or services over the term of arrangement with the customer.
8	**Ind AS 19 – Employee benefits**		
(a)	Actuarial gains and losses	All actuarial gains or losses are recognized in the statement of profit and loss.	Actuarial gains and losses in respect of defined benefit plans are recognized as a part of Other Comprehensive Income.
9	**Ind AS 20 – Accounting for government grants and disclosure of government assistance**		
(a)	Accounting for capital grants	There are two broad approaches that may be followed for accounting of government grants – i. Capital approach: grants received towards investment in an undertaking or by way of contribution towards capital outlay are directly recognized in shareholders' funds as 'grants in nature of promoter's contribution' ii. Income approach: Other grants recognized as income on a systematic and rational basis in or more periods as necessary to match them with the related costs.	Government grants shall be treated as 'deferred income' and recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs which the grants are intended to compensate.
(b)	Grants received for specific fixed assets	Grants related to specific fixed assets are government grants whose primary condition is that an enterprise qualifying for them should purchase, construct or otherwise acquire such assets. There are two alternative methods of presentation of such grants –	Where grant is received as contribution to or reimbursement of cost of specific asset, it is treated as deferred income and then recognized on a systematic and rational basis over the useful life of the asset, in which cost of use of that asset (through depreciation charge) reflect in the income statement.

S No.	Particulars	Accounting under Indian GAAP	Accounting under Ind AS
		i. Grant is shown as a deduction from gross value of the asset and grant thus is recognized in profit or loss over the useful life of the asset through reduced depreciation charge. ii. Grant is treated as deferred income, which is recognized in profit or loss on a systematic and rational basis over the useful life of the asset.	
10	**Ind AS 21 – The effects of changes in foreign exchange rates**		
(a)	Functional and presentation currency	Foreign currency is a currency other than the reporting currency which is the currency in which financial statements are presented. There is no concept of functional currency.	Functional currency is the currency of the primary economic environment in which the entity operates. Foreign currency is a currency other than functional currency. Presentation currency is a currency in which the financial statements are presented.
11	**Ind AS 24 – Related party disclosures**		
(a)	Definition of related party	Parties are considered to be related if at any time during the reporting period one party has the ability to control the other party or exercise significant influence over the other party in making financial and/or operating decisions.	A related party is a person or entity that is related to the entity that is preparing financial statements (reporting entity): a. A person or a close member of that person's family is related to a reporting entity if that person: i. Has control or joint control of the reporting entity; ii. Has significant influence over the reporting entity; iii. Is a member of the key management personnel of the reporting entity or a parent of the reporting entity. b. An entity is related to a reporting entity if any of the following conditions applies: i. The entity and the reporting entity are members of the same group (which means that each parent, subsidiaries and fellow subsidiaries is related to the others). ii. One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member). iii. Both entities are joint ventures of the same third party.

S No.	Particulars	Accounting under Indian GAAP	Accounting under Ind AS
			iv. One entity is a joint venture of a third party and the other entity is an associate of the third entity. v. The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity. vi. The entity is controlled or joint controlled by a person identified in (a). vii. A person identified in (a)(i) has a significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity). viii. The entity or any member of the group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.
12	**Financial instruments: presentation**		
(a)	Equity v/s liability	Instruments are classified based on their form as follows: a. Share capital: includes equity shares and preference shares b. Borrowings: including term loans, debentures, deposits or other form of borrowings from any party.	Ind AS 32 has laid down principles for classification an instrument as financial liability or equity. A financial liability is any liability that is: (a) A contractual obligation: i. to deliver cash or other financial asset to another entity; or ii. to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or (b) a contract that will be settled in the entity's own equity instruments and is: i. a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or

S No.	Particulars	Accounting under Indian GAAP	Accounting under Ind AS
			ii. a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. Any instrument which does not meet above definition is classified as equity.
(b)	Compound financial instrument	No specific guidance exists in Indian GAAP.	Where a non-derivative financial instrument contains both liability and equity components, an entity shall segregate the components of such instrument that: i. create a financial liability of the entity (basis the definition in point (a) above); and ii. grants an option to the holder of the instrument to convert into a fixed number of equity instruments of the entity.
13	**Ind AS 36 – Impairment of assets**		
(a)	Frequency	Goodwill is tested for impairment only when there is an indication that they may be impaired.	Goodwill is required to be tested for impairment at least on an annual basis or earlier if there is an impairment indication.
14	**Ind AS 101 – First time adoption of Indian Accounting Standards**		
(a)	Exceptions and exemptions on the first time adoption of Ind AS	There is no equivalent standard under Indian GAAP.	**Exceptions to the retrospective application of other Ind AS** This Ind AS prohibits retrospective application of some aspects of other Ind AS. The following are likely to be applicable to the Company: (i) Estimates: An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP, unless there is objective evidence that those estimates had an error. (ii) Classification and measurement of financial assets: if it is impracticable for an entity to apply retrospectively the effective interest method in Ind AS 109, the fair value of the financial asset or the financial liability at the date of transition to Ind AS shall be the new gross carrying amount of that financial asset or the new amortized cost of that financial liability at the date of transition to Ind AS. **Exemptions from other Ind AS**

S No.	Particulars	Accounting under Indian GAAP	Accounting under Ind AS
			An entity may elect to use some optional exemptions provided. The following are likely to applicable to the Company: (i) Business combination: Entity may elect not to apply Ind AS 103 retrospectively to past business combinations that occurred before the date of transition to Ind AS. (ii) Deemed cost: Entity may elect to continue with the carrying value of property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per previous GAAP and use that as its deemed cost as at the date of transition (after making few changes as prescribed). (iii) Leases: Entity may apply Appendix C of Ind AS 17 'Determining whether an arrangement contains a lease' to determine whether an arrangement existing at the date of transition to Ind AS contains a lease on the basis of the facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be material. (iv) Cumulative translation difference: Entity may apply this exemption and the cumulative translation differences for all foreign operations are deemed to be zero at the date of transition to Ind AS. (v) Investment in subsidiaries: Entity may elect to continue the carrying value of investment in subsidiaries as recognized in the financial statements as at the date of transition to Ind AS, measured as per previous GAAP and use that as its deemed cost as at the date of transition to Ind AS.
15	**Ind AS 109 – Financial instruments**		
(a)	Accounting for investments and other financial assets	Investments which are readily realizable and intended to be held for not more than one year from the date of acquisition of such investments are classified as current investments. All other investments are classified as long term investments. *Initial measurement:* On initial recognition, all investments are measured at cost. Cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If any investment is acquired, or partly acquired, by issue of equity shares or other	*Initial measurement:* Financial assets are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss which are measured initially at fair value. *Subsequent measurement:* For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition: ❖ Amortised cost

S No.	Particulars	Accounting under Indian GAAP	Accounting under Ind AS
		securities, acquisition cost is the fair value of securities issued. *Subsequent measurement:* (i) Current investments are carried at lower of cost and fair value determined on an individual investment basis. (ii) Long term investments are carried at cost less provision for diminution to recognize a decline other than temporary in the value of long term investment.	❖ financial assets at fair value through profit or loss (FVTPL) ❖ financial assets at fair value through other comprehensive income (FVOCI) ❖ *Amortised cost* A financial asset shall be measured at amortised cost using effective interest rates if both of the following conditions are met: (i) financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and (ii) contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. For the Company, this category may include items such as security deposits, receivables from related parties, advances given to employees and trade receivables ❖ *Financial assets at fair value through profit or loss (FVTPL)* Financial assets at FVTPL include financial assets that either do not meet the criteria for amortised cost classification or are equity instruments held for trading or that meet certain conditions and are designated at FVTPL upon initial recognition. Assets in this category are measured at fair value with gains or losses recognized in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists. As at 31 March 2017, the Company does not hold any assets which can be classified in this category. ❖ *Financial assets at fair value through other comprehensive income (FVOCI)* FVOCI financial assets are either debt instruments that are managed under hold to collect and sell business model or are non-trading equity instruments that are designated to this category. FVOCI financial assets are measured at fair value. Gains and losses are recognized in other comprehensive income and reported in OCI reserve within equity, except for interest and dividend

S No.	Particulars	Accounting under Indian GAAP	Accounting under Ind AS
			income, impairment losses and foreign exchange differences on monetary assets, which are recognized in profit or loss.
(b)	Derivative instruments	For forward contracts, other than those entered into to hedge foreign currency risk on unexecuted firm commitments or highly probable forecast transactions, forward premium, if any is amortised over the period of forward contract.	Changes in fair value of foreign currency derivative instruments not designated as cash flow hedges have to be recognized in the statement of comprehensive income and reported within foreign exchange gains/(losses), net. For derivative hedging instrument which are designated as "Cash flow hedges", changes in the fair value are recognized under Other Comprehensive Income and held in Hedging Reserve (net of taxes) to the extent the hedges are effective. The accumulated fair value changes are recycled to statement of profit and loss upon settlement of the hedged item. To the extent that the hedge is ineffective, changes in fair value are recognized in the statement of profit and loss and reported within foreign exchange gains/ (losses), net.
(c)	Expected credit loss model for provision for doubtful debts	Provisions are made for specific receivables based on circumstances such as credit default by customers, disputes, etc. Different methods may be used for making provisions for bad debts, including ageing analysis and individual assessment of recoverability.	A loss allowance for expected credit losses is recognised for all financial assets. Expected loss on individually significant items are considered for impairment when they are past due and based on company's historical counterparty default rates and forecast of macro-economic factors. - Financial assets that are not considered to be individually significant are segmented by reference to the industry and region of the counterparty and other shared credit risk characteristics to evaluate the expected credit loss. - The expected credit loss estimate is then based on recent historical counterparty default rates for each identified segment.
(d)	Accounting for financial liabilities	Under Indian GAAP, no accounting standard provides detailed guidance on the measurement of financial liabilities. The common practice is to recognize financial liability for consideration received on its recognition. Subsequently, interest is recognized at contractual rate, if any.	Under Ind AS: • All financial liabilities are classified into two categories, namely, fair value through profit or loss (FVTPL) and other financial liabilities; • Initially, all financial liabilities other than those classified as FVTPL, are measured at fair value. • Subsequent to initial recognition, liabilities which are classified at FVTPL are measured at fair values, with gain or loss (other than gain or loss attributable to 'own credit risk') being recognized in income statement. Gain or loss

S No.	Particulars	Accounting under Indian GAAP	Accounting under Ind AS
			attributable to 'own credit risk' for FVTPL liabilities is recognized in equity. • All other financial liabilities are measured at amortized cost using the effective interest method.
(e)	Financial guarantees	There is no specific standard which deals with guarantees.	Upon initial recognition financial guarantees are required to be recorded at fair value. After initial recognition, an issuer of such a contract shall subsequently measure it at the higher of: i. The amount of the loss allowance (impairment on the underlying debt); ii. The amount initially recognized less, the cumulative amount of income recognized.
16	**Business combinations**		
(a)	Accounting for assets and liabilities acquired	Where an entity acquires control over the investee entity (referred to as 'subsidiary'), the assets and liabilities of the subsidiary are recognised at their book values on date of acquiring control. Excess of cost of investment and parent's portion of equity in the subsidiary, at the date of investment is recognised as 'goodwill' in the consolidated financial statements. Alternatively, if cost of investment is lower than parent's portion of equity, then difference is recognised as 'capital reserve'. Here, definition of control is as defined in Accounting Standard 21 and explained in point 18 below.	An entity shall account for each acquisition using acquisition method, as follows: i. Recognizing and measuring identifiable assets and liabilities acquired at fair value ii. Recognizing non-controlling interest at fair value (or proportionate share in fair value of net assets acquired) iii. Excess of cost of investment over sum of i & ii above is recognized as 'goodwill'. Alternatively, excess of sum of i & ii above over cost of investment is recognized in other comprehensive income and taken to capital reserve as a separate component of equity.
(b)	Accounting for acquisition costs	Acquisition costs are adjusted in cost of investment and hence, impact computation of goodwill in consolidated financial statements.	Any acquisition costs are directly recognized in profit or loss in consolidated financial statements.
17	**Ind AS 107 – Financial instruments Disclosures**		
(a)	Disclosures for financial instruments	No specific disclosures.	In addition to the break-up of financial assets and financial liabilities split into major categories as referred in point 12 above, additional disclosures are required to be made for the following – (i) Allowance for credit losses for each category of financial assets (ii) Fair value disclosures for each category of financial assets and financial liabilities (iii) Quantitative and qualitative disclosures relating to risks arising from financial instruments and how they are managed,

S No.	Particulars	Accounting under Indian GAAP	Accounting under Ind AS
			primarily including – credit risk, liquidity risk and market risk
18	**Ind AS 110 – Consolidated financial statements**		
(a)	Definition of control – a parent consolidates entities based on the definition of control under respective GAAP's.	Control is: a) The ownership, directly or indirectly through subsdiary(ies), of more than one-half of the voting power of an enterprise; or b) Control of the composition of the board of directors in the case of a Company or of the composition of the corresponding governing body in case of any other enterprise so as to obtain economic benefits from its activities.	An investor is said to exercise control over an investee entity, when the investor has all of the following: (i) Power over the investee; (ii) Exposure, or rights, to variable return from its involvement with the investee; and (iii) The ability to use its power over the investee to affect the amounts of the returns. When assessing control of an investee, an investor shall consider the purpose and design of the investee in order to identify the relevant activities, how decisions about the relevant activities are made, who has the current ability to direct those activities and who receives returns from those activities.
19	**Ind AS 111 – Joint arrangements**		
(a)	Definition	A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity, which is subject to joint control, i.e., contractually agreed sharing of control.	A joint arrangement is when two or more parties have joint control, i.e., contractually agreed sharing of control when decisions about the relevant activities require unanimous consent of the parties sharing control.
(b)	Accounting as subsidiaries, with majority equity shareholding	In some exceptional cases, an enterprise by a contractual arrangement establishes joint control over an entity which is a subsidiaries of that enterprise within the meaning of Accounting Standard (AS) 21, Consolidated Financial Statements as referred in point 15 above. In such cases, the entity is consolidated under AS 21 by the said enterprise, and is not treated as a joint venture as per this Standard.	No such exception under Ind AS.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND OTHER MATERIAL DEVELOPMENTS

Except as stated in this section, there are no (i) outstanding criminal proceedings, (ii) actions taken by statutory or regulatory authorities, (iii) material litigation, in each case, involving any of our Company, Promoters, Directors, Subsidiaries and Group Companies, (iv) claims related to direct and indirect taxes, and (v) outstanding dues to small scale undertakings and other creditors by our Company.

In relation to (iii) above, our Board in its meeting held on September 20, 2017, has adopted a policy for identification of Group Companies, material creditors and material legal proceedings. Accordingly, our Board has considered as material each such case involving our Company, Promoters, Directors, Subsidiaries or Group Companies, where the potential financial liability or monetary amount of claim involved exceeds ₹ 5 million (which is lower than two percent of the profit after taxes of our Company as per the Restated Consolidated Financial Statements of our Company for Fiscal 2017) or, in the opinion of the Board of Directors of the Company, the outcome of any such pending proceedings may have a bearing on the business, operations or prospects or reputation of the Company, and such matters are disclosed in this section.

Except as stated in this section, there is no other litigation involving any other person or company whose outcome could have a material adverse effect on our Company. Further, pre-litigation notices received by our Company, Promoters, Directors, Subsidiaries or Group Companies from third parties (excluding those notices issued by statutory/regulatory/tax authorities or notices threatening criminal action) shall, unless otherwise decided by the Board, not be evaluated for materiality until such time that our Company, Promoters, Directors, Subsidiaries or Group Companies are impleaded as defendants in litigation proceedings before any judicial forum, and accordingly have not been disclosed, if any, in this section.

For the purpose of (v) above, our Board in its meeting held on September 20, 2017 has considered and adopted a policy of materiality for identification of material outstanding dues to creditors. In terms of the materiality policy, any outstanding dues (trade payables) which exceed one percent of the total dues (trade payables) owed by our Company as per Restated Consolidated Financial Statements for the last completed Fiscal shall be considered as material. During Fiscal 2017, our total trade payables was ₹ 4457.96 million and accordingly, any outstanding dues exceeding ₹ 44.57 million has been considered as material outstanding dues for the purposes of disclosure in this section. Further, for outstanding dues to any party which is a small-scale undertaking or a micro, small or a medium enterprise, the disclosure is based on information available with the Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended, as has been relied upon by the Auditors.

Further, except as stated in this section, there are no (i) inquiries, inspections or investigations initiated or conducted under the Companies Act against our Company and Subsidiaries in the five years preceding the date of this Red Herring Prospectus; (ii) fines imposed or compounding of offences against our Company and Subsidiaries, in the five years preceding the date of this Red Herring Prospectus; (iii) material frauds committed against our Company or our Subsidiaries in the five years preceding the date of this Red Herring Prospectus; (iv) proceedings initiated against our Company for economic offences; (v) defaults in respect of dues payable; instances of defaults or non-payment of statutory dues by our Company; (vi) litigation or legal action pending or taken by any Ministry or department of the Government or a statutory authority during the last five years immediately preceding the date of this Red Herring Prospectus against any of our Promoters; and (vii) outstanding litigation involving any other person, outcome of which could have a material adverse effect on the position of our Company.

Litigation involving our Company

Litigation against our Company

A. Criminal Proceedings

There are no pending criminal proceedings against our Company.

B. Civil Proceedings

There are no matters currently pending, which involve a pecuniary repercussions of ₹ 5 million or more, nor there is any outstanding litigation wherein monetary liability is not quantifiable and whose outcomes would have a bearing on the operations or performance of our Company.

C. Actions initiated by regulatory and statutory authorities

There are no actions initiated by regulatory and statutory authorities against our Company.

D. Tax Proceedings

We have disclosed claims relating to direct and indirect taxes involving our Company in a consolidated manner giving details of number of cases and total amount involved in such claims.

Particulars	Number of cases	Aggregate amount involved (*in ₹ million*)
Company		
Indirect Tax		
Service tax	1	1.33
Excise tax	1	5.84
Sales tax	6	21.16
Octroi tax	1	1.56

Litigation by our Company

A. Criminal Proceedings

There are no pending criminal proceedings initiated by our Company.

B. Civil Proceedings

There are no pending civil proceedings initiated by our Company.

Litigation involving our Directors

Litigation against our Directors

A. Criminal Proceedings

There are no pending criminal proceedings against the Directors of our Company.

B. Civil Proceedings

There are no pending civil proceedings against the Directors of our Company.

C. Actions initiated by regulatory and statutory authorities

There are no actions initiated by regulatory and statutory authorities against Directors of our Company.

D. Tax Proceedings

There are no pending tax proceedings against the Directors of our Company.

Litigation by our Directors

A. Criminal Proceedings

There are no pending criminal proceedings initiated by any of the Directors of our Company.

B. Civil Proceedings

There are no pending civil proceedings initiated by any of the Directors of our Company.

Litigation involving our Subsidiaries

Litigation against our Subsidiaries

A. Criminal Proceedings

I. PICL (India) Private Limited

There are no pending criminal proceedings against PICL.

II. Appserve Appliance Private Limited

There are no pending criminal proceedings against Appserve.

III. IL JIN Electronics (India) Private Limited

There are no pending criminal proceedings against IL JIN.

B. Civil Proceedings

I. PICL (India) Private Limited

There are no pending civil proceedings against PICL.

II. Appserve Appliance Private Limited

There are no pending civil proceedings against Appserve.

III. IL JIN Electronics (India) Private Limited

There are no matters currently pending against IL JIN, which involve a pecuniary repercussions of ₹ 5 million or more, nor there is any outstanding litigation wherein monetary liability is not quantifiable and whose outcomes would have a bearing on the operations or performance of our Company.

C. Actions initiated by regulatory and statutory authorities

I. PICL (India) Private Limited

1. Ministry of Commerce and Industry, Department of Commerce had issued two notices dated May 13, 2016 for non-fulfilment of export obligation against EPCG License, as specified in the Export-Import Policy, 2004-2009. PICL responded to the said notices on May 27, 2016 and provided documents and information related to export obligation to the department.

2. Ministry of Commerce and Industry, Department of Commerce had issued a notice dated September 24, 2015 and February 18, 2015 for non-fulfilment of export obligation against EPCG License. PICL responded to the said notice on September 28, 2016 and provided documents and information related to export obligation to the department.

II. Appserve Appliance Private Limited

There are no actions initiated by regulatory and statutory authorities against Appserve.

III. IL JIN Electronics (India) Private Limited

There are no actions initiated by regulatory and statutory authorities against IL JIN.

D. Tax Proceedings

We have disclosed claims relating to direct and indirect taxes involving our Subsidiaries in a consolidated manner giving details of number of cases and total amount involved in such claims.

I. PICL (India) Private Limited

Particulars	Number of cases	Aggregate amount involved (*in ₹ million*)
PICL		
Direct Tax		
Income Tax	15	1.68

II. Appserve Appliance Private Limited

There are no pending tax proceedings against Appserve.

III. IL JIN Electronics (India) Private Limited

Particulars	Number of cases	Aggregate amount involved (*in ₹ million*)
IL JIN		
Indirect Tax		
Excise Tax	2	4.34

Litigation by our Subsidiaries

A. Criminal Proceedings

I. PICL (India) Private Limited

There are no pending criminal proceedings initiated by PICL.

II. Appserve Appliance Private Limited

There are no pending criminal proceedings initiated by Appserve.

III. IL JIN Electronics (India) Private Limited

There are no pending criminal proceedings initiated by IL JIN.

B. Civil Proceedings

I. PICL (India) Private Limited

There are no pending civil proceedings initiated by PICL.

II. Appserve Appliance Private Limited

There are no pending civil proceedings initiated by Appserve.

III. IL JIN Electronics (India) Private Limited

There are no pending civil proceedings initiated by IL JIN.

Litigation involving our Promoters

Litigation against our Promoters

A. Criminal Proceedings

There are no pending criminal litigation against the Promoters of our Company.

B. Civil Proceedings

There are no pending civil litigation against the Promoters of our Company.

C. Actions initiated by regulatory and statutory authorities

There is no action initiated by regulatory and statutory authorities against the Promoters of our Company.

D. Tax Proceedings

There are no pending tax proceeding against the Promoters of our Company.

Litigation by our Promoters

A. Criminal Proceedings

There are no pending criminal proceedings initiated by the Promoters of our Company.

B. Civil Proceedings

There are no pending civil proceedings initiated by the Promoters of our Company.

Litigation involving our Group Companies

Litigation against our Group Companies

A. Criminal Proceedings

There are no pending criminal proceedings against our Group Companies.

B. Civil Proceedings

There are no pending civil proceedings against our Group Companies.

C. Actions initiated by regulatory and statutory authorities

There are no actions initiated by regulatory or statutory authorities against our Group Companies.

D. Tax Proceedings

There are no pending tax proceedings against our Group Companies.

Litigation by our Group Companies

A. Criminal Proceedings

There are no pending criminal proceedings initiated by our Group Companies.

B. Civil Proceedings

There are no pending civil proceedings initiated by our Group Companies.

Default or Non Payment of Statutory Dues

Other than as specified in the section entitled "*Restated Financial Statements"* on page 199, for the periods specified therein, our Company has no outstanding defaults in relation to statutory dues payable.

Outstanding dues to Creditors

As of September 30, 2017, we had 1,303 creditors. The aggregate amount outstanding to such creditors as on September 30, 2017 was ₹ 1,924.67 million.

As per the materiality policy of our Board, such creditors to whom, an amount exceeding one percent of our trade payables as per the last annual restated consolidated financial statements is owed, shall be considered material. Accordingly, in this regard, the creditors to whom an amount exceeding ₹ 44.57 million was owed as on March 31, 2017, were considered 'material' creditors. Based on the above, there are six material creditors of the Company as on September 30, 2017, to whom an aggregate amount of ₹ 679.36 million was outstanding on such date.

Our Company had outstanding dues aggregating to ₹ 128.91 million owed to 31 small scale undertakings.

The details pertaining to amounts due towards such creditors are available on the website of our Company at the following link: *www.ambergroupindia.com/stakeholders*.

Material Developments

Except as disclosed in *"Management's Discussion and Analysis of Financial Condition and Results of Operations"* on page 425, there have not arisen, since the date of the last financial information disclosed in DRHP, any circumstances which materially and adversely affect, or are likely to affect, our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months.

Proceedings initiated against our Company and our Directors for economic offences

There are no proceedings initiated against our Company or our Directors for any economic offences.

Inquiries, inspections or investigations under Companies Act

1. The Ministry of Corporate Affairs, Government of India ("**MCA**") had issued a notice dated January 18, 2017 to our Company seeking certain information regarding our expenditure on corporate social responsibility in Fiscal 2015 and Fiscal 2016. Our Company responded to the said notice on March 25, 2017 and provided the requisite documents and information sought.

2. MCA had issued a notice dated April 6, 2016 to our Company under section 206 (1) of the Companies Act, 2013 seeking certain information and documents on the basis of the balance sheet and profit and loss account of our Company. Our Company responded to the said notice on April 22, 2016 and provided the requisite documents and information sought.

Material Frauds

A transfer of USD 29,327.16 was made through our Standard Chartered Bank Account in favour of an unknown person on October 28, 2014 on the basis of a fraudulent mail received by our Company and conversation held with a person, impersonating our supplier. We initiated a recall of transfer on November 7, 2014 and filed an F.I.R dated April 23, 2015. No subsequent actions were taken.

Other than as disclosed above, no material frauds have been committed against our Company and Subsidiaries in the last five years immediately preceding the date of this Red Herring Prospectus.

Adverse findings against any persons/entities connected with our Company as regards non-compliance with securities laws

There are no adverse findings involving any persons/entities connected with our Company as regards non-compliance with securities law.

Disciplinary action taken by SEBI or stock exchanges against our Company

There are no disciplinary actions taken by SEBI or stock exchanges against our Company, Promoters or Directors.

Litigation or legal action against our Promoters

There is no litigation or legal action taken or pending against our Promoters taken by any ministry, department of government or any statutory authority in the last five years.

GOVERNMENT AND OTHER APPROVALS

Except as disclosed herein and in "Risk Factors" on page 16, we have obtained all material consents, licenses, permissions and approvals from various governmental, statutory and regulatory authorities in India for our manufacturing facilities, which are necessary for undertaking our business. The list below is indicative and does not include Offer and incorporation related approvals, which are set out in the sections entitled "Other Regulatory and Statutory Disclosures" and "History and Certain Corporate Matters" on pages 468 and 164, respectively. In view of these approvals, our Company can undertake this Offer and its current business activities. Unless stated otherwise, we have obtained necessary approvals from the relevant government authorities with respect to our manufacturing facilities and such approvals are valid as on the date of this Red Herring Prospectus.

The material approvals, consents, licenses, registrations and permits obtained by our Company, which enable it to undertake its current business activities, are set out below:

1. Approvals in relation to our Company's establishments and business operations

Approvals in relation to our manufacturing facilities at (i) Dehradun I, Uttarakhand; (ii) Dehradun II, Uttarakhand; (iii) Dehradun III, Uttarakhand; (iv) Pune, Maharashtra; (v) U.P. Unit I, Uttar Pradesh; (vi) Faridabad, Haryana; (vii) Kasna, Uttar Pradesh; (viii) Rajpura, Punjab; (ix) Jhajjar, Haryana; (x) Kala Amb, Himachal Pradesh and (xi) Ecotech, Greater Noida, Uttar Pradesh:

(a) Consent to operate issued by the respective pollution control board under the Water (Prevention and Control of Pollution) Act 1974 and Air (Prevention and Control of Pollution) Act 1981;

(b) Registration issued by the respective pollution control board under the Hazardous and other Wastes (Management and Transboundary Movement) Rules, 2016;

(c) License to work a factory issued by the Directorate of Factories of the relevant state government under the Factories Act, 1948;

(d) No objection certification from the relevant fire and emergency authorities in different States of India, wherever applicable; and

(e) Shops and establishments registrations under the Punjab Shops and Commercial Establishment Act, 1958, issued by the department of labour of Haryana government for our corporate office.

2. Tax related approvals

(a) Permanent account number AABCA3456E issued by the Income Tax Department under the Income Tax Act, 1961;

(b) Tax deduction account number PTLA11284A issued by the Income Tax Department under the Income Tax Act, 1961;

(c) GST Registration number of our corporate office for GST payments under the Haryana Goods and Services Tax Act, 2017 06AABCA3456E3Z1; and

(d) GST registration number of our manufacturing facilities for GST payments.

3. **Employee and labour related approvals**

(a) Registration for employees' provident fund issued by the Employees' Provident Fund Organisation under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952;

(b) Registration for employees' insurance issued by the Regional Office, Employees State Insurance Corporation of different states in India under the Employees' State Insurance Act, 1948; and

(c) Certificate for contract labour issued by the Office of the Registering Officer, under the Contract Labour (Regulation and Abolition) Act, 1970.

4. Approvals applied for but not received

(a) Application for license to work a factory to be issued by the Directorate of Factories, Maharashtra for our warehouse at Pune.

(b) Application for license to work a factory to be issued by the Directorate of Factories, Haryana for PICL's warehouse at Faridabad.

(c) Application for license to work a factory issued by the Directorate of Factories, Haryana under the Factories Act, 1948 for PICL's manufacturing facility at Faridabad, Haryana.

5. Renewals applied for but not yet received

(i) Application dated October 26, 2017 for license to work a factory issued by the Directorate of Factories, Uttar Pradesh under the Factories Act, 1948 for the manufacturing facility at Kasna, Uttar Pradesh;

(ii) Application dated February 17, 2017 for obtaining authorisation for collection/reception/treatment/transport/storage/disposal of hazardous waste under and the Hazardous and other wastes (Management and Transboundary Movement) Rules, 2016 for our manufacturing facility at Kasna, Uttar Pradesh;

(iii) Application dated October 26, 2017 for license to work a factory issued by the Directorate of Factories, Uttar Pradesh under the Factories Act, 1948 for the manufacturing facility at U.P. Unit I, Uttar Pradesh;

(iv) Application dated December 20, 2017 for consent to operate and authorisation under the Water (Prevention & Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981 for IL JIN's manufacturing facility at Ecotech, Greater Noida, Uttar Pradesh.

(v) Application dated October 23, 2017 for license to work a factory issued by the Directorate of Factories, Uttar Pradesh under the Factories Act, 1948 for IL JIN's manufacturing facility at Ecotech, Greater Noida, Uttar Pradesh.

6. Intellectual property

For details in relation to the intellectual property and pending trademark application for our logo, see *"Our Business – Intellectual Property"* on page 160.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Our Board has approved the Fresh Issue pursuant to the resolution passed at their meeting held on September 20, 2017 as modified by the resolution of our Board dated December 2, 2017 and our Shareholders have approved the Fresh Issue pursuant to a Shareholders' resolution dated September 26, 2017 under Section 62(1) (c) of the Companies Act, 2013 and as modified by a Shareholders' resolution dated September 26, 2017.

For details on the authorisations of the Promoter Selling Shareholders in relation to the Offer, see "*The Offer*" on page 62.

The Equity Shares being offered by the Promoter Selling Shareholders in the Offer have been held by them for a period of at least one year prior to the filing of the Draft Red Herring Prospectus with SEBI, calculated in the manner as set out under Regulation 26(6) of the SEBI Regulations and are eligible for being offered for sale in the Offer. The Promoter Selling Shareholders have also confirmed with respect to the Equity Shares held by them that they are the respective legal and beneficial owners of the Equity Shares being offered under the Offer for Sale.

Our Company received in-principle approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to letters dated October 25, 2017 and October 27, 2017, respectively.

Each of the Promoter Selling Shareholders have severally and on their own account confirmed that they have not been prohibited from dealings in the securities market and the Equity Shares proposed to be offered and sold by each of them are free from any lien, encumbrance, transfer restrictions or third party rights (other than such rights as set out under the SHA further details of which are set out in "*History and Certain Corporate Matters*" on page 164.

Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoters, our Directors, the members of the Promoter Group, the Group Companies, and the Promoter Selling Shareholders have not been prohibited from accessing or operating in capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authorities.

The companies, with which our Promoters, Directors are or were associated as promoter, directors or persons in control have not been prohibited from accessing or operating in capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

None of our Directors or the entities that our Directors are associated with are engaged in securities market related business.

There has been no action taken by SEBI against our Directors or any of the entities in which our Directors are involved in as promoter or directors.

The listing of any securities of our Company or our Subsidiaries has never been refused at any time by any of the stock exchanges in India or abroad.

Prohibition with respect to wilful defaulters

Neither our Company, nor our Promoters, relatives (as defined under the Companies Act, 2013) of our Promoters, Directors, Group Companies, nor the Promoter Selling Shareholders have been identified as a wilful defaulter as defined under the SEBI Regulations. There are no violations of securities laws committed by them in the past or are pending against them.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with the Regulation 26(1) of the SEBI Regulations as explained under the eligibility criteria calculated in accordance with the Restated Consolidated Financial Statements, prepared in accordance with the Companies Act and restated in accordance with the SEBI Regulations:

- Our Company has had net tangible assets of at least ₹30 million in each of the preceding three full years (of 12 months each), of which not more than 50 % are held in monetary assets;
- Our Company has a minimum average pre-tax operating profit of ₹150 million calculated on a restated and consolidated basis, during the three most profitable years out of the immediately preceding five years;
- Our Company has a net worth of at least ₹10 million in each of the three preceding full years (of 12 months each);

- The aggregate size of the proposed Offer and all previous issues made in the same financial year is not expected to exceed five times the pre-Offer net worth as per the audited balance sheet of the Company for Fiscal 2017; and

- Our Company was converted to public company on September 22, 2017 and consequently the name was changed to Amber Enterprises India Limited. For details of changes in the name and registered office of the Company, see *"History and Certain Corporate Matters"* on page 164.

Our Company's pre-tax operating profit, net worth, net tangible assets, monetary assets, monetary assets as a percentage of the net tangible assets derived from the Restated Standalone Financial Statements included in this Red Herring Prospectus as at, and for the last five years ended Fiscal 2017 are set forth below:

(*₹ in million, unless otherwise stated*)

	Fiscal 2017	Fiscal 2016	Fiscal 2015	Fiscal 2014	Fiscal 2013
Pre-tax operating profit [(1)]	880.54	722.07	667.54	469.50	396.75
Net worth[(2)]	3,268.01	2,523.09	2,318.85	2,060.50	1,319.40
Net tangible asset [(3)]	2,601.97	1,915.72	1,908.26	1,736.46	1,080.03
Monetary asset [(4)]	360.33	181.18	310.00	536.10	445.00
Monetary asset as a percentage of the net assets	13.85%	9.46%	16.25%	30.87%	41.20%

Our Company's pre-tax operating profit, net worth, net tangible assets, monetary assets, monetary assets as a percentage of the net tangible assets derived from the Restated Consolidated Financial Statements included in this Red Herring Prospectus as at, and for the last five years ended Fiscal 2017 are set forth below:

(*₹ in million, unless otherwise stated*)

	Fiscal 2017	Fiscal 2016	Fiscal 2015	Fiscal 2014	Fiscal 2013
Pre-tax operating profit [(1)]	888.81	828.68	769.91	564.57	428.25
Net worth[(2)]	3,349.32	2,626.35	2,385.31	2,094.79	1,326.59
Net tangible asset [(3)]	2,305.35	1,660.55	1,604.15	1,487.99	805.68
Monetary asset [(4)]	378.11	202.16	329.18	550.42	523.83
Monetary asset as a percentage of the net assets	16.40%	12.17%	20.52%	36.99%	65.02%

(1) Pre-tax operating profits' is defined as profit before finance costs, other income, exceptional items and tax.

(2) Net Worth is sum of subscribed and paid up equity and reserves & surplus (excluding revaluation reserve) of the Company as per Restated Standalone Financial Information and Restated Consolidated Financial Information in accordance with Regulation 2(1)(v) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended.

(3) Net tangible assets is the sum of all net assets of the issuer, excluding intangible assets as defined in Accounting Standard 26 (AS 26) issued by the Institute of Chartered Accountants of India, in accordance with Explanation (I) of Regulation 26 of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

(4) Monetary assets represent the sum of cash and bank balance in current and deposits accounts.

Financial Years 2017, 2016 and 2015 are the three most profitable years out of the immediately preceding five financial years in terms of our restated consolidated summary statements.

The companies with which our Promoters or our Directors or persons in control of our Company are or were associated as promoter or director or as person in control are not debarred from accessing capital markets under any order or direction passed by SEBI.

Further, in accordance with Regulation 26(4) of the SEBI 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 failing which, the entire application monies shall be refunded forthwith. In case of delay, if any, in refund, our Company shall pay interest on the application monies at the rate of 15% per annum for the period.

Our Company is in compliance with the conditions specified in Regulation 4(2) of the SEBI Regulations, to the extent applicable.

DISCLAIMER CLAUSE OF SEBI

AS REQUIRED, A COPY OF THE DRAFT RED HERRING PROSPECTUS HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS

TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BRLMS, EDELWEISS FINANCIAL SERVICES LIMITED, IDFC BANK LIMITED, SBI CAPITAL MARKETS LIMITED AND BNP PARIBAS HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY AND THE PROMOTER SELLING SHAREHOLDERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, AND THE PROMOTER SELLING SHAREHOLDERS WILL BE RESPONSIBLE ONLY FOR THE STATEMENTS MADE BY THEM IN THE DRAFT RED HERRING PROSPECTUS IN RELATION TO THEMSELVES FOR THEIR RESPECTIVE PROPORTION OF THE EQUITY SHARES OFFERED BY WAY OF THE OFFER FOR SALE, THE BRLMS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE PROMOTER SELLING SHAREHOLDER[S] DISCHARGE THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLMs HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 29, 2017 WHICH READS AS FOLLOWS:

WE, THE BOOK RUNNING LEAD MANAGERS TO THE OFFER, STATE AND CONFIRM AS FOLLOWS:

1. **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS DATED SEPTEMBER 29, 2017 ("DRAFT RED HERRING PROSPECTUS") PERTAINING TO THE SAID OFFER;**

2. **ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE OFFER, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY AND THE SELLING SHAREHOLDERS, WE CONFIRM THAT:**

   (A) **THE DRAFT RED HERRING PROSPECTUS FILED WITH SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE OFFER;**

   (B) **ALL THE LEGAL REQUIREMENTS RELATING TO THE OFFER AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC; FRAMED/ ISSUED BY SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**

   (C) **THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED OFFER AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, AS AMENDED AND REPLACED BY THE COMPANIES ACT, 2013, TO THE EXTENT IN FORCE, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED (THE "SEBI (ICDR) REGULATIONS") AND OTHER APPLICABLE LEGAL REQUIREMENTS.**

3. **WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATION IS VALID.**

4. **WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. - <u>NOTED FOR COMPLIANCE</u>**

5. **WE CERTIFY THAT A WRITTEN CONSENT FROM THE PROMOTERS HAVE BEEN OBTAINED FOR INCLUSION OF THEIR EQUITY SHARES AS PART OF THE PROMOTERS' CONTRIBUTION**

SUBJECT TO LOCK-IN, AND THE EQUITY SHARES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED/ SOLD/ TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH THE SEBI TILL THE DATE OF COMMENCEMENT OF THE LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS.

6. **WE CERTIFY THAT REGULATION 33 OF THE SEBI REGULATIONS, WHICH RELATES TO EQUITY SHARES INELIGIBLE FOR COMPUTATION OF THE PROMOTERS' CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS. COMPLIED WITH AND NOTED FOR COMPLIANCE**

7. **WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SEBI (ICDR) REGULATIONS SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER'S CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE OFFER. WE UNDERTAKE THAT AUDITOR'S CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER'S CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE OFFER. NOT APPLICABLE**

8. **WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT OFFER FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE COMPANY'S MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. COMPLIED WITH TO THE EXTENT APPLICABLE**

9. **WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONIES RECEIVED PURSUANT TO THE OFFER ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013, AND THAT SUCH MONIES SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE OFFER AND THE COMPANY, AND THE SELLING SHAREHOLDERS SPECIFICALLY CONTAINS THIS CONDITION. - NOTED FOR COMPLIANCE. ALL MONIES RECEIVED OUT OF THE OFFER SHALL BE CREDITED/ TRANSFERRED TO A SEPARATE BANK ACCOUNT AS REFERRED TO IN SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013.**

10. **WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT, 2013, EQUITY SHARES IN THE OFFER HAVE TO BE ISSUED IN DEMATERIALISED FORM ONLY.**

11. **WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SEBI (ICDR) REGULATIONS HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.**

12. **WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS:**

    (A) AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY; AND

    (B) AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY SEBI FROM TIME TO TIME.

13. **WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SEBI (ICDR) REGULATIONS WHILE MAKING THE OFFER. – NOTED FOR COMPLIANCE**

14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF THE CURRENT BUSINESS BACKGROUND OF THE COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS' EXPERIENCE, ETC. – COMPLIED WITH

15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SEBI (ICDR) REGULATIONS, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY. - COMPLIED WITH

16. WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGERS (WHO ARE RESPONSIBLE FOR PRICING THIS OFFER), AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR. - COMPLIED WITH

17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS. – COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS OF THE COMPANY REPORTED, IN ACCORDANCE WITH THE ACCOUNTING STANDARD 18 INCLUDED IN THE DRAFT RED HERRING PROSPECTUS.

18. WE CERTIFY THAT THE ENTITY IS ELIGIBLE UNDER 106Y(1)(A) OR (B) (AS THE CASE MAY BE) TO LIST ON THE INSTITUTIONAL TRADING PLATFORM UNDER CHAPTER XC OF THESE REGULATIONS (IF APPLICABLE) – NOT APPLICABLE

The filing of this Red Herring Prospectus does not, however, absolve any person or Company who has authorised the issue of this Red Herring Prospectus from any liabilities under Section 34 or Section 36 of the Companies Act, 2013 or from the requirement of obtaining such statutory and/or other clearances as may be required for the purpose of the Offer. SEBI further reserves the right to take up at any point of time, with the BRLMs, any irregularities or lapses in this Red Herring Prospectus.

The filing of this Red Herring Prospectus does not absolve the Promoter Selling Shareholders from any liability to the extent the statements specifically confirmed or undertaken by each of them in respect of the Equity Shares being offered by them, respectively under the Offer for Sale, under Section 34 and Section 36 of the Companies Act, 2013.

All legal requirements pertaining to the Offer will be complied with at the time of filing of this Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act, 2013. All legal requirements pertaining to the Offer will be complied with at the time of registration of the Prospectus with the RoC in terms of Sections 26, 30 and 32 of the Companies Act, 2013.

Caution - Disclaimer from our Company, the Promoter Selling Shareholders and the BRLMs

Our Company, the Directors, the Promoter Selling Shareholders and the BRLMs accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website www.ambergroupindia.com or the respective websites of our Promoter Group or Group Companies, would be doing so at his or her own risk.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement to be entered into between the Underwriters, the Promoter Selling Shareholders and our Company.

Each of the Promoter Selling Shareholders, accept/ undertake no responsibility for any statements other than those made in relation to them and to the Equity Shares offered by them respectively, by way of the Offer for Sale in the Offer.

All information shall be made available by our Company, the Promoter Selling Shareholders (in respect of themselves and the Equity Shares offered by such Promoter Selling Shareholders in the Offer for Sale) and the BRLMs to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding centres or elsewhere.

None among our Company, the Promoter Selling Shareholders or 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 Offer will be required to confirm and will be deemed to have represented to our Company, the Promoter Selling Shareholders, Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Promoter Selling Shareholders, Underwriters and

their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLMs and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, the Promoter Selling Shareholders and their respective group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Promoter Selling Shareholders and their respective group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in respect of Jurisdiction

This Offer is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian Mutual Funds registered with the SEBI, 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 Eligible NRIs. This Red Herring Prospectus does not, however, constitute an invitation to subscribe to or purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) in New Delhi 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 DRHP had been filed with the SEBI for its observations. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company, our Subsidiaries, our Group Companies or the Promoter Selling Shareholders 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 under the Securities Act or any state securities laws in the United States, and unless so registered, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in accordance with any applicable U.S. state securities laws. The Equity Shares are being offered and sold outside the United States in offshore transactions in reliance on Regulation S and the applicable laws of each jurisdictions where such offers and sales are made.

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.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law.

Disclaimer Clause of BSE

"BSE Limited ("the Exchange") has given vide its letter dated October 25, 2017 permission to the Company to use the Exchange's name in this offer document as one the stock exchanges on which this company's securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to 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/23537 dated October 26, 2017 permission to the Issuer to use the Exchange's name in this Offer Document as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription / acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever."

Filing

A copy of the Draft Red Herring Prospectus has been filed with SEBI at Plot No. C 4-A, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra.

A copy of this Red Herring Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be delivered for registration to the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be delivered for registration with the RoC at Corporate Bhawan, Plot No.4 B, Sector 27 B, Madhya Marg, Chandigarh – 160019, Chandigarh.

Listing

Applications have been made to the Stock Exchanges for permission to deal in and for an official quotation of the Equity Shares. BSE will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permissions to deal in, and for an official quotation of, the Equity Shares are not granted by any of the Stock Exchanges mentioned above, our Company and the Promoter Selling Shareholders will forthwith repay without interest, all moneys received from the applicants in pursuance of this Red Herring Prospectus as required by applicable law. If such money is not repaid within the prescribed time, then our Company, the Promoter Selling Shareholders and every officer in default shall be liable to repay the money, with interest, as prescribed under applicable law.

Our Company and Promoter Selling Shareholders shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at all the Stock Exchanges mentioned above are taken within six Working Days from the Bid/Offer Closing Date. Further, the Promoter Selling Shareholders confirm that it shall extend all reasonable co-operation required by our Company, the BRLMs for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within six Working Days of the Bid/Offer Closing Date or such other timeline as prescribed by law.

If our Company does not allot the Equity Shares pursuant to the offer within six working days of the Offer Closing date or such timelines prescribed by SEBI, it shall repay, without interest all monies received from the bidders, failing which interest shall be due to the bidders at rate as prescribed under applicable law, for delayed period.

All expenses in relation to the Offer other than listing fees (which will be borne by the Company) shall be shared pro rata by the Promoter Selling Shareholders and the Company in proportion to the Equity Shares offered by each of them in the Offer.

Price information of past issues handled by the BRLMs (during the current financial year and two financial years preceding the current financial year)

A. Edelweiss Financial Services Limited

1. Price information of past issues handled by Edelweiss:

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Future Supply Chain Solutions Limited	6,496.95	664.00	December 18, 2017	664.00	Not applicable	Not Applicable	Not Applicable
2.	Shalby Limited	5,048.00	248.00	December 15, 2017	239.70	Not applicable	Not applicable	Not Applicable
3.	HDFC Standard Life Insurance Company Limited	86,950.07	290.00	November 17, 2017	310.00	30.16% [1.02%]	Not applicable	Not Applicable
4	Reliance Nippon Life Asset Management Limited	15,422.40	252.00	November 6, 2017	295.90	3.61% [-3.19%]	Not applicable	Not Applicable
5	Prataap Snacks Limited	4,815.98	938.00^^	October 5, 2017	1,270.00	25.12% [5.70%]	31.82% [5.60%]	Not applicable
6	ICICI Lombard General Insurance Company Limited	57,009.39	661.00	September 27, 2017	651.10	3.62% [6.25%]	18.97% [8.17%]	Not applicable
7	Cochin Shipyard Limited	14,429.30	432.00^	August 11, 2017	440.15	30.14% [3.04%]	30.96% [6.10%]	Not applicable
8	Central Depository Services (India) Limited	5,239.91	149.00	June 30, 2017	250.00	127.92%; [5.84%]	128.86% [2.26%]	146.71% [10.61%]
9	Tejas Networks Limited	7,766.88	257.00	June 27, 2017	257.00	28.04%; [5.35%]	17.82% [3.80%]	51.36% [10.73%]
10	Avenue Supermarts Limited	18,700.00	299.00	March 21, 2017	600.00	145.08%; [-0.20%]	166.35% [5.88%]	264.38% [11.31%]

Source: www.nseindia.com

^^*Prataap Snacks Limited - Employee Discount of ₹ 90 per Equity Share to the Issue Price was offered to the Eligible Employees Bidding in the Employee Reservation Portion. All calculations are based on the issue price of Rs. 938 per equity share*

^ *Cochin Shipyard Limited - Discount of Rs.21 per equity share was offered to retail bidders & eligible employees. All calculations are based on the offer price of Rs. 432 per equity share*

Notes

1. *Based on date of listing.*
2. *% of change in closing price on 30th / 90th / 180th calendar day from listing day is calculated vs Issue price. % change in closing benchmark index is calculated based on closing index on listing day vs closing*

index on 30th/ 90th / 180th calendar day from listing day.

3. *Wherever 30th/ 90th / 180th calendar day from listing day is a holiday, the closing data of the next trading day has been considered.*
4. *The Nifty 50 index is considered as the Benchmark Index*
5. *Not Applicable. – Period not completed*
6. *Disclosure in Table-1 restricted to 10 issues.*

2. Summary statement of Disclosure :

Fiscal Year	Total no. of IPOs	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2017-18*	9	203,178.88	-	-	-	1	4	2	-	-	-	2	-	-
2016 - 17	6	123,361.22	-	-	1	1	3	1	-	-	-	3	2	1
2015 - 16	7	56,157.83	-	-	3	-	2	2	-	-	4	-	1	2

** *The information is as on the date of the document*

1. *Based on date of listing.*
2. *Wherever 30th and 180th calendar day from listing day is a holiday, the closing data of the next trading day has been considered.*
3. *The Nifty 50 index is considered as the Benchmark Index.*

For the financial year 2017-18 – 9 issues have been completed. However, 7 issues have completed 30 days, 5 issues have completed 90 days and only 2 issues have completed 180 days yet.
For the financial year 2016-17 – 6 issues were completed and for the financial year 2015-16, 7 issues were completed. However, the disclosure under Table-1 is restricted to the latest 10 issues.

B. IDFC Bank Limited

Price information of past issues during current financial year and two financial years preceding the current financial year handled by IDFC Bank Limited:

Sr. No.	Issuer Name	Issue Size (Rs. Million)	Issue Price (Rs.)	Listing Date	Opening Price on Listing Date (Rs.)	+/- % change in closing price, [+/- % change in closing benchmark] - 30th calendar day from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90th calendar day from listing	+/- % change in closing price, [+/- % change in closing benchmark] – 180th calendar day from listing
1.	HPL Electric & Power Limited	3,610.00	202.00	October 04, 2016	190.00	-14.75% [-2.91%]	-51.19% [-6.72%]	-37.77% [5.34%]
2.	Shankara Building Products Limited	3,450.01	460.00	April 05, 2017	545.00	51.25% [0.51%]	81.25% [4.16%]	214.30% [5.08%]
3.	Dixon Technologies (India) Limited	5,992.79	1,766.00	September 18, 2017	2,725.00	50.07% [0.57%]	97.90% [3.63%]	Not Available

Sr. No.	Issuer Name	Issue Size (Rs. Million)	Issue Price (Rs.)	Listing Date	Opening Price on Listing Date (Rs.)	+/- % change in closing price, [+/- % change in closing benchmark] - 30th calendar day from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90th calendar day from listing	+/- % change in closing price, [+/- % change in closing benchmark] – 180th calendar day from listing
4.	The New India Assurance Company Limited	95,858.23	800.00*	November 13, 2017	748.90	-27.66% [0.59%]	Not Available	Not Available
5.	Khadim India Limited	5,430.57	750.00	November 14, 2017	730.00	-10.40% [0.06%]	Not Available	Not Available
6.	HDFC Standard Life Insurance Company Limited	86,950.00	290.00	November 17, 2017	310.00	30.16% [1.02%]	Not Available	Not Available
7.	Shalby Limited	5,048.00	248.00	December 15, 2017	239.70	Not Available	Not Available	Not Available
8.	Future Supply Chain Solutions Limited	6,496.95	664.00	December 18, 2017	674.00	Not Available	Not Available	Not Available

** Offer Price was 770.00 per equity share after a discount of Rs. 30 per equity share to retail individual bidders and eligible employees.*

Notes:

i. Source: www.nseindia.com and www.bseindia.com for the price information and prospectus/finalised basis of allotment for issue details.
ii. NSE was the designated stock exchange for the issue listed as item 1,5,6 & 7 and BSE was the designated stock exchange for the issues listed as item 2,3,4 & 8. Therefore price information and benchmark index values have been/will be shown only for designated stock exchange. NIFTY and SENSEX have been used as the benchmark indices.
iii. In case of reporting dates falling on a trading holiday, values for the trading day, immediately following the trading holiday have been considered.
iv. Since 30, 90 and 180 calendar days, from listing date has not elapsed for Shalby Limited and Future Supply Chain Solutions Limited, hence data for same is not available.
v. Since 90 and 180 calendar days, from listing date has not elapsed for The New India Assurance Company Limited, Khadim India Limited and HDFC Standard Life Insurance Company Limited, hence data for same is not available.
vi. Since 180 calendar days, from listing date has not elapsed for Dixon Technologies (India) Limited, hence data for same is not available.

Summary statement of disclosure Price information of past issues during current financial year and two financial years preceding the current financial year handled by IDFC Bank Limited:

Financial Year	Total no. of IPOs	Total amount of funds raised (Rs. Million)	No. of IPOs trading at discount - 30th calendar day from listing			No. of IPOs trading at premium - 30th calendar day from listing			No. of IPOs trading at discount - 180th calendar day from listing			No. of IPOs trading at premium - 180th calendar day from listing		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2017-2018*	7	209,226.55	-	1	1	2	1	-	-	-	-	1	-	-

Financial Year	Total no. of IPOs	Total amount of funds raised (Rs. Million)	No. of IPOs trading at discount - 30th calendar day from listing			No. of IPOs trading at premium - 30th calendar day from listing			No. of IPOs trading at discount - 180th calendar day from listing			No. of IPOs trading at premium - 180th calendar day from listing		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2016-2017	1	3,610.00	-	-	1	-	-	-	-	1	-	-	-	-
2015-2016**	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**As on the date of RHP*

*** From October 21, 2015, the date of registration under SEBI (Merchant Banker) Regulations 1992,*

Notes:

i. *Date of listing of equity shares has been considered for calculating total no. of IPOs in a particular financial year.*
ii. *The discount/premium has been/will be calculated based on the closing stock price.*
iii. *Since 30, 90 and 180 calendar days, from listing date has not elapsed for Shalby Limited and Future Supply Chain Solutions Limited, hence data for same is not available.*
iv. *Since 90 and 180 calendar days, from listing date has not elapsed for The New India Assurance Company Limited, Khadim India Limited and HDFC Standard Life Insurance Company Limited, hence data for same is not available.*
v. *Since 180 calendar days, from listing date has not elapsed for Dixon Technologies (India) Limited, hence data for same is not available.*

C. SBI Capital Markets Limited

Price information of past issues (during current financial year and two financial years preceding the current financial year) handled by SBICAP:

Sr. No.	Issue Name	Issue Size (Rs. Mn.)	Issue Price (Rs.)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Reliance Nippon Life Asset Management Limited	15,422.40	252.00	November 06, 2017	295.90	3.61% [-3.19%]	NA	NA
2	SBI Life Insurance Company Limited[4]	83,887.29	700.00	October 3, 2017	735.00	-7.56% [+5.89%]	-0.07% [4.56%]	NA
3	Cochin Shipyard Limited	14,429.30	432.00	August 11, 2017	435.00	+30.24% [+2.14%]	+30.51% [+6.42%]	NA
4	Security and Intelligence Services (India) Limited	7,795.80	815.00	August 10, 2017	879.80	-3.29% [+1.17%]	+3.14% [+5.40%]	NA
5	Central Depository Services (India) Limited	5,239.91	149.00	June 30, 2017	250.00	+127.92%	+128.86%	+146.71%

Sr. No.	Issue Name	Issue Size (Rs. Mn.)	Issue Price (Rs.)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
						[+5.84%]	[+2.26%]	[+10.61%]
6	Housing and Urban Development Corporation Limited	12,095.70	60.00	May 19, 2017	73.45	+13.08% [+2.78%]	+34.58% [+4.29%]	+35.75 [8.13%]
7	Avenue Supermarts Limited	18,700.00	299.00	March 21, 2017	604.40	+145.03% [-0.50%]	+165.17% [+6.19%]	+264.26% [+9.97%]
8	BSE Limited	12,434.32	806.00	February 03, 2017	1085.00	+17.52% [+2.55%]	+24.41% [+6.53%]	+34.43% [+15.72%]
9	Laurus Labs Limited	13,305.10	428.00	December 19, 2016	490.00	+11.50% [+3.26%]	+23.36% [+11.92%]	+40.98% [+17.75%]
10	HPL Electric & Power Limited	3,610.00	202.00	October 04, 2016	190.00	-14.75% [-2.91%]	-51.19% [-6.72%]	-37.77% [+5.34%]

Source: www.nseindia.com, www.bseindia.com

***Notes**:*

1. *The 30th, 90th and 180th calendar day computation includes the listing day. If either of the 30th, 90th or 180th calendar days is a trading holiday, the next trading day is considered for the computation. We have taken the issue price to calculate the % change in closing price as on 30th, 90th and 180th day. We have taken the closing price of the applicable benchmark index as on the listing day to calculate the % change in closing price of the benchmark as on 30th, 90th and 180th day.*

2. *The designated exchange for the issue has been considered for the price, benchmark index and other details.*

3. *The number of Issues in Table-1 is restricted to 10.*

4. *Offer Price was Rs. 632.00 per equity share to Eligible Employee*

Financial Year	Total no. of IPOs	Total amount of funds raised (Rs. Mn.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50e havee%	Less than 25%
2017-18	6	138,870.40	-	-	2	1	1	1	-	-	-	1	1	-
2016-17	7	129,691.00	-	-	3	1	1	2	-	1	1	2	2	1
2015-16*	4	18,163.78	-	-	1	-	-	3	-	-	2	1	-	1

* *Based on issue closure date*

D. BNP Paribas

Price information of past issues handled by BNP Paribas

Sr. No.	Issue Name	Issue size (in ₹million)	Issue price (₹)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	GTPL Hathway Limited	4,848.00	170.00	July 4, 2017	170.00	(-)10.71% [+4.87%]	(-)19.09% [+1.82%]	NA
2.	SBI Life Insurance Ltd	83,887.29	700.00	October 3, 2017	735.00	(-) 8.55% [+5.89%]	NA	NA

Source: www.nseindia.com for price information and prospectus for issue details

Notes:

1. 30th calendar day has been taken as listing date plus 29 calendar days; 90th calendar days has been taken as listing date plus 89 calendar days

Summary statement of price information of past issues handled by BNP Paribas

Fiscal Year	Total No. of IPOs	Total Funds Raised (₹in million)	No. of IPOs trading at discount – 30th calendar days from listing			No. of IPOs trading at premium – 30th calendar days from listing			No. of IPOs trading at discount – 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2017-18	2	88,735.29	-	-	2	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Track record of past issues handled by the BRLMs

For details regarding the track record of the BRLMs, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, see the websites of the BRLMs as set forth in the table below:

Sl. No	Name of the BRLMs	Website
1.	Edelweiss Financial Services Limited	www.edelweissfin.com
2.	IDFC Bank Limited	www.idfcbank.com
3.	SBI Capital Markets Limited	www.sbicaps.com
4.	BNP Paribas	www.bnpparibas.co.in

Consents

Consents in writing of the Promoter Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, our Chief Financial Officer, our Statutory Auditors, Domestic Legal Counsel to our Company, Domestic Legal Counsel to the BRLMs, Bankers to our Company, the BRLMs, the Syndicate Members, Bankers to the Offer, the Registrar to the Offer, to act in their respective capacities, have been/will be obtained and filed along with a copy of this Red Herring Prospectus with the RoC as required under the Companies Act and such consents shall not be withdrawn up to the time of delivery of this Red Herring Prospectus for registration with the RoC.

In accordance with the Companies Act, 2013 and the SEBI Regulations, our Statutory Auditors, Walker Chandiok & Co LLP, Chartered Accountants, have given their written consent for inclusion of their reports dated December 28, 2017on the Restated Financial Statements of our Company and the statement of tax benefits dated December 28, 2017 in the form and context, included in this Red Herring Prospectus and such consent has not been withdrawn up to the time of delivery of this Red Herring Prospectus for filing with SEBI.

Expert to the Offer

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

Our Company has received written consent from the Statutory Auditors namely, Walker Chandiok & Co LLP, Chartered Accountants, to include their name as required under Section 26 of the Companies Act, 2013 in this Red Herring Prospectus and as an "Expert" as defined under Section 2(38) of the Companies Act, 2013, in respect of the reports of the Statutory Auditors on the Restated Financial Statements dated December 28, 2017 and the statement of tax benefits dated December 28, 2017, included in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Our Company has received written consent dated September 22, 2017 from Sushil Kumar Sharma, Chartered Engineer, in connection with his certificate dated September 22, 2017 issued in relation to the installed and utilised capacities of our Facilities, included in this Red Herring Prospectus and such consent has not been withdrawn as of the date of this Red Herring Prospectus.

Offer Expenses

The expenses of this Offer include, among others, underwriting and management fees, selling commissions, bidding charges, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees, filing fees, auditor's fees and listing fees. For further details of Offer expenses, see "*Objects of the Offer*" on page 86.

All expenses in relation to the offer other than listing fees (which will be borne by our Company) shall be shared between our Company and the Promoter Selling Shareholders in accordance with applicable law. Each Promoter Selling Shareholders shall reimburse our Company for all expenses incurred by our Company in relation to the Offer for Sale on behalf of such Selling Shareholder.

Fees Payable to the Registrar to the Offer

The fees payable by our Company and the Promoter Selling Shareholders to the Registrar to the Offer for processing of applications, 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 September 28, 2017 entered into, between our Company, the Promoter Selling Shareholders and the Registrar to the Offer a copy of which is available for inspection at the Registered and Corporate Office.

The Registrar to the Offer will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, and stamp duty and communication expenses. Adequate funds will be provided to the Registrar to the Offer to enable it to send refund orders or Allotment advice by registered post/ speed post/ under certificate of posting.

IPO grading

No credit agency registered with SEBI has been appointed in respect of obtaining grading for the Offer.

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 Red Herring Prospectus.

Previous issues of Equity Shares otherwise than for cash

Our Company has not issued any Equity Shares for consideration otherwise than for cash.

Underwriting Commission, Brokerage and Selling Commission paid on previous issues of the Equity Shares

Since this is the initial public issue of Equity Shares, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since our Company's inception.

Previous capital issue during the previous three years by listed Group Entities and Subsidiaries of our Company

None of our Group Companies or our Subsidiaries are listed as on the date of this Red Herring Prospectus.

Performance vis-à-vis objects – Public/ rights issue of our Company and/ or listed Group Entities and Subsidiaries of our Company

Our Company has not undertaken any previous public or rights issue. None of our Group Companies nor our Subsidiaries of our Company have undertaken any public or rights issue in the last ten years preceding the date of the DRHP.

Outstanding Debentures or Bonds

There are no outstanding debentures or bonds of our Company as of the date of filing this Red Herring Prospectus.

Outstanding Preference Shares or convertible instruments issued by our Company

Our Company does not have any preference shares or convertible instruments as of the date of filing this Red Herring Prospectus.

Partly Paid-up Equity Shares

Our Company does not have any partly paid-up Equity Shares as on the date of this Red Herring Prospectus.

Stock Market Data of Equity Shares

This being an initial public offer of our Company, the Equity Shares are not listed on any stock exchange.

Fees, Brokerage and Selling Commission Payable to the Syndicate Members

The total fees payable to the Syndicate Members (including underwriting commission, brokerage and selling commission and reimbursement of their out-of-pocket expense) will be as stated in the Syndicate Agreement, copies of which will be made available for inspection at the Registered Office from the date of this Red Herring Prospectus until the Bid/Offer Closing Date. For further details, see "*Objects of the Offer*" on page 86.

Commission payable to SCSBs, Registered Brokers, RTAs and CDPs

For details of the commission payable to SCBS, Registered Brokers, RTAs and CDPs, see "*Objects of the Offer*" on page 86.

Redressal of Investor Grievances

The agreement between the Registrar to the Offer, our Company and the Promoter Selling Shareholders provides for retention of records with the Registrar to the Offer for a period of at least three years from the last date of dispatch of the letters of allotment and demat credit to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

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

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders. Our Company, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI Regulations. Investors can contact the Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems

such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

Our Company has not received any investor complaint during the three years preceding the date of this Red Herring Prospectus.

Anchor Investors are required to address all grievances in relation to the Offer to the BRLMs.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has also appointed Konica Yadav as the Compliance Officer for the Offer. For details, see "*General Information*" on page 64.

There are no listed companies under the same management as our Company.

Our Company has constituted a Stakeholders' Relationship Committee comprising of Satwinder Singh, Daljit Singh and Manoj Kumar Sehrawat as members. For further details on the Stakeholders' Relationship Committee, see "*Our Management*" on page 185 of this Red Herring Prospectus.

Changes in Auditors

Walker, Chandiok & Co. LLP, Chartered Accountants, were appointed as the joint statutory auditors with R.K. Pahwa and Co., Chartered Accountants. However, R.K. Pahwa and Co., Chartered Accountants resigned in 2014. BM Sharma & Associates, Chartered Accountants, were appointed as joint statutory auditors with M/s Walker, Chandiok & Co. LLP, Chartered Accountants for the Fiscal 2015. The appointment of M/s Walker Chandiok & Co LLP is for five years and the appointment of M/s BM Sharma & Associates, was for four years. However, M/s BM Sharma & Associates, Chartered Accountants resigned in 2016.

Capitalisation of Reserves or Profits

Our Company has not capitalised its reserves or profits at any time during the last five years.

Revaluation of assets by the Company

Our Company had revalued certain land parcel in Fiscal 2008 and created a revaluation reserve of ₹ 382.27 million but the same was fully reversed by our Company in Fiscal 2011.

SECTION VII: OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being issued and transferred pursuant to this Offer shall be subject to the provisions of the Companies Act, SEBI Regulations, SCRA, SCRR, the Memorandum and Articles of Association, the terms of this Red Herring Prospectus, the Prospectus, the Abridged Prospectus, Bid cum Application Form, the Revision Form, the CAN/Allotment Advice 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 Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchange, the RBI, RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Offer.

Offer Expenses

The Offer comprises a Fresh Issue and an Offer for Sale by the Promoter Selling Shareholders. All expenses in relation to the Offer other than listing fees (which will be borne by our Company) shall be paid by and shared pro rata by the Promoter Selling Shareholders and the Company in proportion to the number of Equity Shares offered by each of them in the Offer. However, for ease of operations, expenses of the Promoter Selling Shareholders may, at the outset, be borne by our Company on behalf of the Promoter Selling Shareholders, and the Promoter Selling Shareholders agree that they will reimburse our Company all such expenses.

Ranking of the Equity Shares

The Equity Shares being issued and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, SEBI Listing Regulations, the MoA and AoA and shall rank *pari-passu* in all respects with the existing Equity Shares including in respect of the right to receive dividend. The Allottees upon Allotment of Equity Shares under the Offer, will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please see "*Main Provisions of Articles of Association*" on page 536.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of Companies Act, the Memorandum and Articles of Association and provisions of the SEBI Listing Regulations, as applicable. For further details, in relation to dividends, please see the sections entitled "*Dividend Policy*" and "*Main Provisions of the Articles of Association*" on pages 197 and 536, respectively.

Face Value and Offer Price

The face value of each Equity Share is ₹10 and the Offer Price at the lower end of the Price Band is ₹ [●] per Equity Share and at the higher end of the Price Band is ₹ [●] per Equity Share. The Anchor Investor Offer Price is ₹ [●] per Equity Share.

The Price Band, Employee Discount and the minimum Bid Lot size for the Offer will be decided by our Company and the Promoter Selling Shareholders in consultation with the BRLMs and advertised in all editions of Business Standard - English (a widely circulated English national daily newspaper), all editions of Business Standard - Hindi (a widely circulated Hindi national daily newspaper) and the Patiala edition of Charhdikala (a widely circulated Punjabi daily newspaper), at least five Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the websites of the Stock Exchanges.

At any given point of time there shall be only one denomination of Equity Shares.

Compliance with disclosure and accounting norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our equity Shareholders shall have the following rights:

- Right to receive dividends, if declared;

- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Memorandum of Association 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 "*Main Provisions of Articles of Association*" on page 536.

Option to receive Equity Shares in Dematerialised Form

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be allotted only in dematerialised form. As per the SEBI Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Offer:

- Agreement dated January 11, 2017 amongst NSDL, our Company and the Registrar to the Offer;
- Agreement dated August 22, 2013 amongst CDSL, our Company and the Registrar to the Offer.

Market Lot and Trading Lot

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in this Offer will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares.

Joint Holders

Where two or more persons are registered as the holders of the Equity Shares, they shall be entitled to hold the same as joint tenants with benefits of survivorship.

Jurisdiction

Exclusive jurisdiction for the purpose of this Offer is with the competent courts/authorities in Chandigarh.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, 2013 the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

(a) to register himself or herself as the holder of the Equity Shares; or

(b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold

payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

Employee Discount

Employee Discount, if any, will be offered to Eligible Employees bidding in the Employee Reservation Portion, at the time of making the Bid. Eligible Employees bidding in the Employee Reservation Portion at a price within the Price Band can make payment at Bid Amount, that is, Bid Amount net of Employee Discount, at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion at the Cut-Off Price have to ensure payment at the Cap Price, less Employee Discount, at the time of making a Bid.

Withdrawal of the Offer

Our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, reserve the right not to proceed with the Offer after the Bid/Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The Registrar to the Offer, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company withdraws the Offer after the Bid/Offer Closing Date and thereafter determines that it will proceed with an issue/offer for sale of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI.

Bid/Offer Programme

BID/OFFER OPENS ON	**January 17, 2018, Wednesday***
BID/OFFER CLOSES ON	**January 19, 2018, Friday**

* *Our Company and the Promoter Selling Shareholders may, in consultation with the BRLMs, consider participation by Anchor Investors. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI Regulations*

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Bid/Offer Closing Date	January 19, 2018
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about January 24, 2018
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account	On or about January 25, 2018
Credit of Equity Shares to demat accounts of Allottees	On or about January 29, 2018
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about January 30, 2018

The above timetable, other than the Bid/Offer Closing Date, is indicative and does not constitute any obligation on our Company or the Promoter Selling Shareholders or the BRLMs.

Whilst our Company and the Promoter Selling Shareholders (each, in respect of themselves and the Offer for Sale by them respectively) shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within six Working Days of the Bid/Offer Closing Date, the timetable may be extended due to various factors, such as extension of the Bid/Offer Period by our Company and the Promoter Selling Shareholders, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws.

The Promoter Selling Shareholders confirm that they shall extend all support and co-operation required by our Company and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of

the Equity Shares (offered by each such Selling Shareholder in the Offer for Sale) at all Stock Exchanges within six Working Days from the Bid/Offer Closing Date.

Submission of Bids (other than Bids from Anchor Investors):

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("IST")
Bid/Offer Closing Date	
Submission and Revision in Bids	Only between 10.00 a.m. and 3.00 p.m. IST

On the Bid/Offer Closing Date, the Bids shall be uploaded until:

(i) 4.00 p.m. IST in case of Bids by QIBs, Non-Institutional Bidders, and Eligible Employees.

(ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders.

On Bid/Offer Closing Date, extension of time will be granted by Stock Exchanges only for uploading Bids received by Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs would be rejected.

In case of any discrepancy in the data entered in the electronic book vis-a-vis data contained in physical Bid cum Application Form, for a particular Bidder the details of the Bid file received from Stock Exchanges may be taken as final data for purposes of Allotment.

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date. Any time mentioned in this Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Offer Closing Date, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under this Offer. Bids will be accepted only during Monday to Friday (excluding any public holiday). None among our Company, the Promoter Selling Shareholders or any member of the Syndicate is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

Our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, reserves the right to revise the Price Band during the Bid/Offer Period. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

In case of revision in the Price Band, the Bid/Offer Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release and also by indicating the change on the terminals of the Syndicate Members.

Minimum Subscription

If our Company does not receive (i) the minimum subscription of 90% of the Fresh Issue; and (ii) a subscription in the Offer equivalent to up to [●] post-Offer paid up Equity Share capital of our Company (the minimum number of securities as specified under Rule 19(2)(b) of the SCRR), including devolvement of Underwriters, if any, within 60 days from the date of Bid/Offer Closing Date, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law. The requirement for minimum subscription is not applicable to the Offer for Sale. In case of under-subscription in the Offer, the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares in the Offer for Sale.

The Promoter Selling Shareholders agree and acknowledge that in the event that any Equity Shares are not sold in the Offer for Sale on account of under-subscription, such unsold Equity Shares shall be subject to lock-in in accordance with this Red Herring Prospectus and SEBI Regulations.

Further, 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.

Any expense incurred by our Company on behalf of the Promoter Selling Shareholders with regard to refunds, interest for delays, etc. for the Equity Shares being offered in the Offer will be reimbursed by the Promoter Selling Shareholders to our Company in proportion to the Equity Shares being offered for sale by the Promoter Selling Shareholders in the Offer.

Arrangements for Disposal of Odd Lots

There are no arrangements for disposal of odd lots.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for the lock-in of the pre-Offer capital of our Company, Promoters' minimum contribution and the Anchor Investor lock-in as provided in "*Capital Structure*" on page 73 and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details see "*Main Provisions of the Articles of Association*" on page 536.

OFFER STRUCTURE

Offer of up to [●] Equity Shares for cash at price of ₹[●] per Equity Share (including a premium of ₹[●] per Equity Share) aggregating up to ₹ 6,000 million comprising of a Fresh Issue of up to [●] Equity Shares aggregating up to ₹ 4,750 million by our Company and Offer of Sale of up to [●] Equity Shares aggregating up to ₹ 1,250 million by the Promoter Selling Shareholders. The Offer includes a reservation of up to [●] Equity Shares aggregating to ₹ [●] million for subscription by Eligible Employees. The Offer less the Employee Reservation Portion is referred to as the Net Offer. The Offer and Net Offer will constitute up to [●]% and [●]%, respectively of our post Offer paid-up Equity Share capital.

The face value of equity shares is ₹10 each.

The Offer is being made through the Book Building Process.

Particulars	QIBs[(1)]	Non-Institutional Bidders	Retail Individual Bidders	Eligible Employees**
Number of Equity Shares available for Allotment/ allocation* [(2)]	[●] Equity Shares	Not less than [●] Equity Shares available for allocation or Offer less allocation to QIB Bidders and Retail Individual Bidders	Not less than [●] Equity Shares available for allocation or Offer less allocation to QIB Bidders and Non-Institutional Bidders	Up to [●] Equity Shares
Percentage of Offer Size available for Allotment/ allocation	Not more than 50% of the Net Offer. However, up to 5% of the QIB Portion (excluding the Anchor Investor Portion) will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining balance QIB Portion. The unsubscribed portion in the Mutual Fund reservation will be available to QIBs.	Not less than 15% of the Net Offer	Not less than 35% of the Net Offer	Approximately [●]% of the Offer Size
Basis of Allotment/ allocation if respective category is oversubscribed*	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) [●] Equity Shares shall be Allotted on a proportionate basis to all	Proportionate	The 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 and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details, please see the section entitled "*Offer Procedure – Part B – Allotment Procedure and Basis of Allotment*" on page 524	Proportionate[#]

Particulars	QIBs[(1)]	Non-Institutional Bidders	Retail Individual Bidders	Eligible Employees**
	QIBs, including Mutual Funds receiving allocation as per (a) above Up to [●] Equity Shares may be allocated on a discretionary basis to the Anchor Investors			
Minimum Bid	Such number of Equity Shares in multiples of [●] Equity Shares that the Bid Amount exceeds ₹200,000	Such number of Equity Shares that the Bid Amount exceeds ₹200,000 and in multiples of [●] Equity Shares thereafter	[●] Equity Shares and in multiples of [●] Equity Shares thereafter	[●] Equity Shares
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Offer, subject to applicable limits	Such number of Equity Shares not exceeding the size of the Offer, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹200,000	Such number of Equity Shares in multiples of [●] Equity Shares, so that the Bid Amount does not exceed ₹ 500,000 net of Employee Discount.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter			
Mode of allotment	Compulsorily in dematerialised form			
Allotment Lot	[●] Equity Shares and in multiples of one Equity Share thereafter			
Trading Lot	One Equity Share			
Who can apply[(4)]	Public financial institutions as specified in Section 2(72) of the Companies Act, 2013, scheduled commercial banks, mutual funds, FPIs other than Category III foreign portfolio investors, VCFs, AIFs, FVCIs registered with SEBI, multilateral and bilateral development financial institutions, state industrial development corporation, insurance company registered with IRDAI, provident fund (subject to applicable law) with minimum corpus of ₹250 million, pension fund with minimum corpus of ₹250 million, National Investment Fund set up by the Government of	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions societies and trusts, Category III foreign portfolio investors	Resident Indian individuals, Eligible NRIs and HUFs (in the name of Karta)	Eligible Employees

Particulars	QIBs[(1)]	Non-Institutional Bidders	Retail Individual Bidders	Eligible Employees**
	India, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India and systemically important non-banking financial companies.			
Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder that is specified in the ASBA Form at the time of submission of the ASBA Form			

* *Assuming full subscription in the Offer*

(1) Our Company and the Promoter Selling Shareholders may, in consultation with the BRLMs allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being made to other Anchor Investors.

(2) Subject to valid Bids being received at or above the Offer Price. This Offer is being made in accordance with Rule 19(2)(b) of the SCRR.

(3) Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Form. For details of terms of payment applicable to Anchor Investors, please see section entitled "Offer Procedure -Section 7: Allotment Procedure and Basis of Allotment" on page 524.

(4) 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.

(5) In case of oversubscription in Retail Category, maximum number of Retail Individual Bidders who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to Retail Individual Bidders by the minimum Bid Lot ("Retail – Bid Lot Allottees"). The Allotment to Retail Individual Bidders will then be made in the following manner:

(i) In the event the number of Retail Individual Bidders who have submitted valid Bids in the Net Offer is equal to or less than Retail – Bid Lot Allottees, (i) all such 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 those Retail Individual Bidders who have applied for more than the minimum Bid Lot, for the balance demand of the Equity Shares Bid by them (i.e. the difference between the Equity Shares Bid and the minimum Bid Lot).

(ii) In the event number of Retail Individual Bidders who have submitted valid Bids in the Net Offer is more than the Retail – Bid Lot Allottees, those Retail Individual Bidders, who will be Allotted the minimum Bid Lot shall be determined the basis of draw of lots. In the event of a draw of lots, Allotment will only be made to such Retail Individual Bidders who are successful pursuant to such draw of lots.

 # Eligible Employees Bidding in the Employee Reservation portion can Bid up to a Bid Amount of ₹ 500,000 *(excluding Employee Discount). However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid Amount of up to* ₹ 200,000 *(excluding Employee Discount). In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of* ₹ 200,000 *(excluding Employee Discount), subject to the maximum value of Allotment made to such Eligible Employee not exceeding* ₹ 500,000 *(excluding Employee Discount). Further, an Eligible Employee Bidding in the Employee Reservation Portion can also Bid under the Net Offer and such Bids will not be treated as multiple Bids. The unsubscribed portion if any, in the Employee Reservation Portion shall be added back to the Net Offer.*

*** Our Company, in consultation with the BRLMs, may offer a discount of up to [●]% (equivalent to up to* ₹ *[●]) on the Offer Price to the Eligible Employees Bidding under the Employee Reservation Portion, respectively. The amount of Employee Discount,, will be advertised in all newspapers wherein the Pre-Issue Advertisement will be published. For further details, see "Offer Procedure" on page 493.*

Under subscription, if any, in any category except the QIB Category, would be met with spill-over from the other categories at the discretion of our Company and the Promoter Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange.

OFFER 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 and updated circular dated November 10, 2015 notified (CIR/CFD/POL/CYC/LL/11/2015 and SEBI circular bearing SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 (the "**General Information Document**") included below under "**Part B – General Information Document**", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI Regulations. The General Information Document has been updated to reflect the enactments and regulations, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer.*

Our Company, the Promoter Selling Shareholders and the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Red Herring Prospectus.

PART A

Book Building Procedure

The Offer is being made through the Book Building Process wherein not more than Net 50% of the Offer shall be Allotted to QIBs on a proportionate basis, provided that our Company and the Promoter Selling Shareholders in consultation with the BRLMs may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis in accordance with the SEBI Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from them at or above the Anchor Investor Allocation Price. 5% of the net QIB 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 (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Offer Price.

Up to [●] Equity Shares shall be offered for allocation and Allotment on a proportionate basis to Eligible Employees in the Employee Reservation Portion. Eligible Employees Bidding in the Employee Reservation Portion can Bid upto a Bid Amount of ₹ 500,000 (net basis). However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid Amount of upto ₹ 200,000. In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 500,000 (which shall be less the Employee Discount). The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation over ₹ 200,000 and up to ₹ 500,000), shall be added to the Net Offer. Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. All Bidders shall participate in the Offer mandatorily through the ASBA process, providing the details of their respective bank accounts, which will be blocked by SCSBs.

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 and the Promoter Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange. The unsubscribed portion if any, in the Employee Reservation Portion shall be added back to the Net Offer.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID and PAN, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

Bid cum Application Form

Copies of the ASBA Form and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centers, and Registered Office of our Company. An electronic copy of the ASBA Form will also be available for download on the websites of the NSE (www.nseindia.com) and the BSE (www.bseindia.com) at least one day prior to the Bid/Offer Opening Date.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. ASBA Bidders must provide bank account details and authorisation to block funds in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details will be rejected.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centers only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected.

For Anchor Investors, the Anchor Investor Application Form will be available at the offices of the BRLMs.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including Eligible NRIs their sub-accounts (other than sub-accounts which are foreign corporates or foreign individuals under the QIB Category), FPIs or FVCIs or FPIs, registered multilateral and bilateral development financial institutions applying on a repatriation basis	Blue
Anchor Investors (Anchor Investors Application forms will be made available only at the Office of the BRLMs)	White
Eligible Employees under the Employee Reservation Portion	Pink

* *Excluding electronic Bid cum Application Form*

Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms to the respective SCSB, where the Bidder has a bank account with ASBA facility, details of which were provided by the Bidder in his respective ASBA from and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

Participation by Promoters, Promoter Group, the BRLMs the Syndicate Members and persons related to the Promoters/Promoter Group/BRLMs

The BRLMs and the Syndicate Members shall not be allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLMs and the Syndicate Members may Bid for Equity Shares in the Offer, 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. All categories of investors, including associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither the BRLMs nor any persons related to the BRLMs (other than Mutual Funds sponsored by entities related to the BRLMs), Promoters and Promoter Group can apply in the Offer under the Anchor Investor Portion.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholders reserve the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry

specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries, BRLMs at select locations as specified in the Bid cum Application Form. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("**NRE**") accounts, or Foreign Currency Non-Resident ("**FCNR**") Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary ("**NRO**") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (White in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (Blue in colour).

Bids by FPIs

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

The existing individual and aggregate investment limits for an FPI in our Company are 10% and 74% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio investor and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; 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 FPI is also required to ensure that any transfer of offshore derivative instrument is made by, or on behalf of it subject to the following conditions:

(a) offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and

(b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Bids by SEBI registered VCFs, AIFs and FVCIs

The SEBI FVCI Regulations and the SEBI AIF Regulations *inter-alia* prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI.

The holding by any individual VCF or FVCI registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I 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 1/3rd of its corpus by way of subscription to an initial public offering of

a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up. Our Company, the Promoter Selling Shareholders and the Managers will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholders 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 and the Promoter Selling Shareholders in consultation with the BRLMs reserves the right to reject any Bid without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "**Banking Regulation Act**"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the bank's own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt/corporate debt restructuring/strategic debt restructuring, or to protect the bank's interest on loans/investments made to a company. The bank is required to submit a time-bound action plan for disposal of such shares within a specified period to the RBI. A banking company would require a prior approval of the RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and (ii) investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars (No. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013) dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholders reserve 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 as amended are broadly set forth below:

(a) equity shares of a company: the lower of 10% of the outstanding Equity Shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;

(b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and

(c) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹250 million, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholders in consultation with the BRLMs reserves the right to reject any Bid, without assigning any reason thereof.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million (subject to applicable law) and pension funds with a minimum corpus of ₹250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholders reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company and the Promoter Selling Shareholders in consultation with the BRLMs in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form.

Bids by Eligible Employees under the Employee Reservation Portion

Bids by Eligible Employees under the Employee Reservation Portion shall be subject to the following:

A. Such Bids must be made in the prescribed ASBA Form (*i.e.*, Pink in colour) and are required to be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. The Allotment in the Employee Reservation Portion will be on a proportionate basis.

B. Such Bidders should mention their employee identification number at the relevant place in the ASBA Form.

C. The Bidder should be an Eligible Employee as defined above. In case of joint bids, the First Bidder shall be an Eligible Employee.

D. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full allocation shall be made to the Eligible Employees to the extent of their demand.

E. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹ 500,000. However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹ 200,000. Only in the event of an under-subscription in the Employee Reservation Portion post the initial allotment, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹ 200,000, subject to the total Allotment to an Eligible Employee not exceeding ₹ 500,000.

F. Such Bidders have the option to bid at Cut-off Price indicating their agreement to Bid and purchase at the Offer Price.

G. Such Bidders can place their Bids by only using the ASBA process.

H. The Eligible Employee who Bid in the Employee Reservation Portion can also Bid in the Net Offer and such Bids shall not be treated as multiple Bids. To clarify, an Eligible Employee Bidding in the Employee Reservation Portion for up to ₹ 500,000, can also Bid in the Net Offer and such Bids will not be treated as multiple Bids. Our Company, in consultation with the BRLMs reserves the right to reject, in their absolute discretion, all or any multiple Bids in any or all categories. For further details, see "*Offer Procedure - Multiple Bids*" on page 512.

I. Under-subscription, if any, in the Employee Reservation Portion will be added back to the Net Issue.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by Systemically Important Non-Banking Financial Companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s) and such other approval as may be required by the approval systemically important NBFCs, must be attached to the Bid-cum Application Form.

Failing this, our Company in consultation with the Promoter Selling Shareholders and the BRLMs reserves the right to reject any Bid, without assigning any reason thereof. Systemically important non-banking financial companies participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The above information is given for the benefit of the Bidders. Our Company, the Promoter Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Red Herring Prospectus. The investment limits for Systemically Important Non-Banking Financial Companies shall be as prescribed by RBI from time to time.

General Instructions

***Do's*:**

1. Check if you are eligible to apply as per the terms of this Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;

2. Ensure that you have Bid within the Price Band;

3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

4. Ensure that you have mentioned the correct ASBA Account number in the Bid cum Application Form;

5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Center within the prescribed time;

6. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries;

7. If the first applicant is not the bank account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;

8. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;

9. In case of joint Bids, the Bid cum Application Form should contain the name of only the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

10. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;

11. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

12. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the case, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, ii) submitted by investors who are exempt from the requirement of obtaining/ specifying their PAN for transacting in the securities market, and (iii) 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 for investors who are exempt from the requirement of obtaining/ specifying their PAN for transacting in the securities market and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

13. Ensure that the Demographic Details are updated, true and correct in all respects;

14. 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;

15. Ensure that the category and the investor status is indicated;

16. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;

17. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws;

18. Ensure that the depository account is active, the correct DP ID, Client ID and the PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID and the PAN entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID and PAN available in the Depository database; and

19. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;

2. Do not Bid for a Bid Amount exceeding ₹200,000 (for Bids by Retail Individual Bidders);

3. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;

4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

5. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);

6. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

7. Do not submit the Bid for an amount more than funds available in your ASBA account.

8. 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;

9. Do not submit more than five Bid cum Application Forms per ASBA account;

10. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

11. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository).

12. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;

13. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries after you have submitted a Bid to the Designated Intermediary;

14. Do not Bid for shares more than specified by respective Stock Exchanges for each category;

15. 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 applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of this Red Herring Prospectus;

16. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder; and

17. Do not submit Bids to a Designated Intermediary unless the SCSB where the ASBA Account is maintained, as specified in the Bid cum Application Form, has named at least one branch in that location for the Designated Intermediary to deposit the Bid cum Application Forms.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Payment into Escrow Account for Anchor Investors

Our Company and the Promoter Selling Shareholders in consultation with the BRLMs, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

(a) In case of resident Anchor Investors: "Amber IPO – Anchor Investor - R"

(b) In case of Non-Resident Anchor Investors: "Amber IPO – Anchor Investor - NR"

Pre- Offer Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering this Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI Regulations, in: (i) all editions of Business Standard - English (a widely circulated English national daily newspaper); (ii) all editions of Business Standard - Hindi (a widely circulated Hindi national daily newspaper); and (iii) the Patiala edition of Charhdikala (a widely circulated Punjabi daily newspaper).

In the pre-Offer advertisement, we shall state the Bid/Offer Opening Date and the Bid/Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.

The above information is given for the benefit of the Bidders/applicants. Our Company, the Promoter Selling Shareholders, the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders/applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.

Signing of the Underwriting Agreement and the RoC Filing

(a) Our Company, the Promoter Selling Shareholders and the Syndicate intend to enter into an Underwriting Agreement after the finalisation of the Offer Price.

(b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, Offer size, and underwriting arrangements and will be complete in all material respects.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

"*Any person who:*

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

***(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.*"**

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be

less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

Undertakings by our Company

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Application Forms from Anchor Investors.
- it shall not have any recourse to the proceeds of the Fresh Issue until final listing and trading approvals have been received from the Stock Exchanges;
- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within six Working Days of the Bid/Offer Closing Date will be taken;
- if Allotment is not made application money will be refunded/unblocked in ASBA Account within 15 days from the Bid/Offer Closing Date or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Bidders at the rate of 15% per annum for the delayed period;
- the funds required for making refunds (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law,, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- Promoters' contribution, if any, shall be brought in advance before the Bid/Offer Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees.
- the certificates of the securities/refund orders to Eligible NRIs shall be despatched within specified time; and
- no further issue of the Equity Shares shall be made till the Equity Shares offered through this Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc.

Undertakings by the Promoter Selling Shareholders

The Promoter Selling Shareholders undertake severally and not jointly that:

- the Equity Shares being sold by it pursuant to the Offer have been held by it for a period of at least one year prior to the date of filing the Draft Red Herring Prospectus with SEBI, are fully paid-up and are in dematerialised form;
- all monies received out of the Offer shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;
- the Equity Shares being sold by them pursuant to the Offer are free and clear of any pre-emptive rights, liens, mortgages, charges, pledges or any other encumbrances and shall be in dematerialized form at the time of transfer and shall be transferred to the eligible investors within the time specified under applicable law;
- they shall provide appropriate instructions and all reasonable co-operation as requested by our Company in relation to the completion of allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders to the extent of the Equity Shares offered by it pursuant to the Offer;
- they shall take all steps and provide all assistance to our Company and the BRLMs, as may be required and necessary by the Promoter Selling Shareholders, for the completion of the necessary formalities for listing and commencement of trading at all the stock exchanges where the Equity Shares are proposed to be listed within six Working Days from the Bid/Offer Closing Date of the Offer, failing which they shall forthwith repay without interest all monies received from Bidders to the extent of the Equity Shares offered for sale by them in the Offer. In case of delay, interest as per applicable law shall be paid by them to the extent of the Offered Shares;

- they shall not have recourse to the proceeds of the sale until final listing and trading approvals have been received from the Stock Exchanges has been received;

- if our Company or Promoter Selling Shareholders do not proceed with the Offer after the Bid/Offer Closing Date, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;

- if our Company and the Promoter Selling Shareholders withdraw the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh offer document with the RoC/SEBI, in the event our Company and/or any Selling Shareholder subsequently decides to proceed with the Offer;

- it is the legal and beneficial owner of, and has full title to, the Equity Shares proposed to be sold/transferred by it pursuant to the Offer for Sale;

- it shall deliver the Equity Shares being offered by it in the Offer into an escrow account two days prior to the filing of this Red Herring Prospectus with the RoC;

- it shall not further transfer the Equity Shares except in the Offer during the period commencing from submission of this Red Herring Prospectus until the final trading approvals from all the Stock Exchanges have been obtained for the Equity Shares Allotted/to be Allotted pursuant to the Offer and shall not sell, dispose of in any manner or create any lien, charge or encumbrance on the Equity Shares offered by it in the Offer; and

- it shall comply with all applicable laws, in India, including the Companies Act, the SEBI Regulations, the FEMA and the applicable circulars, guidelines and regulations issued by SEBI and RBI, each in relation to the Equity Shares offered by it in the Offer.

Utilisation of Offer Proceeds

The Board of Directors certify that:

- all monies received out of the Offer shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;

- details of all monies utilised out of the Offer shall be disclosed, and continue to be disclosed till the time any part of the Offer 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 Offer, 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 Promoter's contribution, if any, shall be disclosed, and continue to be disclosed till the time any part of the Offer 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 Promoter's contribution, if any, 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, the SCRA, the SCRR and the SEBI Regulations. Bidders/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Offer. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the Issuer and the Offer, and should carefully read the Red Herring Prospectus/Prospectus before investing in the Offer.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken through the Book-Building Process as well as to the Fixed Price Offers. The purpose of the "General Information Document for Investing in Public Issues" is to provide general guidance to potential Bidders/Applicants in IPOs and FPOs, on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("**SEBI Regulations**").

Bidders/Applicants should note that investment in equity and equity related securities involves risk and Bidder/Applicant should not invest any funds in the Offer unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Offer and the relevant information about the Issuer undertaking the Offer are set out in the Red Herring Prospectus ("**RHP**")/Prospectus filed by the Issuer with the Registrar of Companies ("**RoC**"). Bidders/Applicants should carefully read the entire RHP/Prospectus and the Bid cum Application Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Offer. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the **BRLM(s)** to the Offer and on the website of Securities and Exchange Board of India ("**SEBI**") at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Bidders/Applicants may see "*Glossary and Abbreviations*" on page 528.

SECTION 2: BRIEF INTRODUCTION TO IPOs/FPOs

2.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI Regulations. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the RHP/Prospectus.

2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer.

For undertaking an FPO, the Issuer is *inter-alia* required to comply with the eligibility requirements in terms of Regulation 26/ Regulation 27 of the SEBI Regulations. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the RHP/Prospectus.

2.3 Other Eligibility Requirements:

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI Regulations, the Companies Act, 2013, the Companies Act, 1956 (to the extent applicable), the Securities Contracts (Regulation) Rules, 1957 (the "SCRR"), industry-specific regulations, if any, and other applicable laws for the time being in force.

For details in relation to the above Bidders/Applicants may refer to the RHP/Prospectus.

2.4 Types of Public Issues – Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI Regulations, an Issuer can either determine the Offer Price through the Book Building Process ("**Book Built Issue**") or undertake a Fixed Price Offer ("**Fixed Price Issue**"). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Draft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Bid/Offer Opening Date, in case of an IPO and at least one Working Day before the Bid/Issue Opening Date, in case of an FPO.

The Floor Price or the Offer price cannot be lesser than the face value of the securities.

Bidders/Applicants should refer to the RHP/Prospectus or Offer advertisements to check whether the Offer is a Book Built Issue or a Fixed Price Issue.

2.5 ISSUE PERIOD

The Offer may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/Offer Period. Details of Bid/Offer Period are also available on the website of the Stock Exchange(s).

In case of a Book Built Issue, the Issuer may close the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Issue Period may be extended by at least three Working Days, subject to the total Bid/Offer Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders/Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges, and the BRLM(s), and the advertisement in the newspaper(s) issued in this regard.

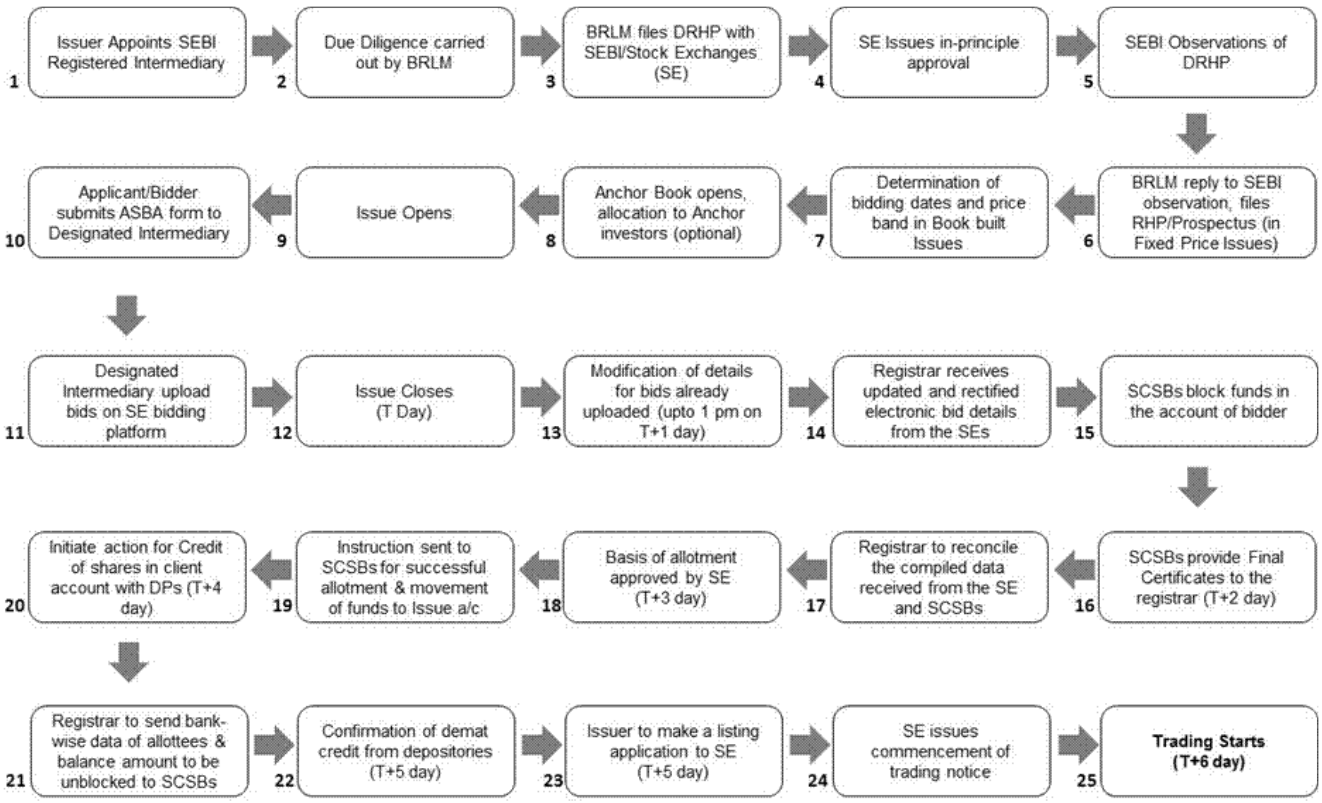
2.6 FLOWCHART OF TIMELINES

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 Offer other than Book Build Issue (Fixed Price Issue) the process at the following of the below mentioned steps shall be read as:

  (i) Step 7 : Determination of Offer Date and Price

  (ii) Step 10: Applicant submits ASBA Form with any of the Designated Intermediaries


1 Issuer Appoints SEBI Registered Intermediary
2 Due Diligence carried out by BRLM
3 BRLM files DRHP with SEBI/Stock Exchanges (SE)
4 SE Issues in-principle approval
5 SEBI Observations of DRHP
6 BRLM reply to SEBI observation, files RHP/Prospectus (in Fixed Price Issues)
7 Determination of bidding dates and price band in Book built Issues
8 Anchor Book opens, allocation to Anchor investors (optional)
9 Issue Opens
10 Applicant/Bidder submits ASBA form to Designated Intermediary
11 Designated Intermediary upload bids on SE bidding platform
12 Issue Closes (T Day)
13 Modification of details for bids already uploaded (upto 1 pm on T+1 day)
14 Registrar receives updated and rectified electronic bid details from the SEs
15 SCSBs block funds in the account of bidder
16 SCSBs provide Final Certificates to the registrar (T+2 day)
17 Registrar to reconcile the compiled data received from the SE and SCSBs
18 Basis of allotment approved by SE (T+3 day)
19 Instruction sent to SCSBs for successful allotment & movement of funds to Issue a/c
20 Initiate action for Credit of shares in client account with DPs (T+4 day)
21 Registrar to send bank-wise data of allottees & balance amount to be unblocked to SCSBs
22 Confirmation of demat credit from depositories (T+5 day)
23 Issuer to make a listing application to SE (T+5 day)
24 SE issues commencement of trading notice
25 Trading Starts (T+6 day)

SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Bidder/Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Bidders/Applicants, such as NRIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Offer or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

Subject to the above, an illustrative list of Bidders/Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Bids/Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI Regulations and other laws, as applicable);
- 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 Bidder ("NIBs") category;
- FPIs other than Category III foreign portfolio investors Bidding under the QIBs category;
- FPIs which are Category III foreign portfolio investors, Bidding under the NIBs category;
- Scientific and/or industrial research organisations authorised in India to invest in the Equity Shares;
- Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;
- Any other person eligible to Bid/Apply in the Offer, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws; and
- As per the existing regulations, OCBs are not allowed to participate in an Offer.

SECTION 4: APPLYING IN THE ISSUE

Book Built Issue: Bidders should only use the specified ASBA Form (or in case of Anchor Investors, the Anchor Investor Application Form) bearing the stamp of a Designated Intermediary, as available or downloaded from the websites of the Stock Exchanges. Bid cum Application Forms are available with the book running lead managers, the Designated Intermediaries at the Bidding Centres and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/Offer Opening Date. For further details, regarding availability of Bid cum Application Forms, Bidders may refer to the RHP/Prospectus.

Fixed Price Issue: Applicants should only use the specified Bid cum Application Form bearing the stamp of the relevant Designated Intermediaries, as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Designated Branches of the SCSBs and at the Registered and Corporate Office of the Issuer. For further details, regarding availability of Application Forms, Applicants may refer to the Prospectus.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

Category	Colour of the Bid cum Application Form
Resident Indian, Eligible NRIs applying on a non repatriation basis	White
NRIs and FVCIs their sub-accounts (other than sub-accounts which are foreign corporate(s) or foreign individuals bidding under the QIB), FPIs, on a repatriation basis	Blue
Anchor Investors (where applicable) & Bidders Bidding/applying in the reserved category	As specified by the Issuer

Securities issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Bidders/Applicants will not have the option of getting the Allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to Allotment.

4.1 INSTRUCTIONS FOR FILLING THE BID CUM APPLICATION FORM/APPLICATION FORM

Bidders/Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP and the Bid cum Application Form/Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below.

The samples of the Bid cum Application Form for resident Bidders and the Bid cum Application Form for non-resident Bidders are reproduced below:

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - R Address : ..... Contact Details: ..... CIN No	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE
ISIN : .....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	RCRC/WBANK/SCSB BRANCH STAMP & CODE
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL: enter 8 digit DP ID followed by 8 digit Client ID / For CDSL: enter 16 digit Client ID

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			
		Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓ tick)
	8 7 6 5 4 3 2 1	3 2 1	3 2 1	3 2 1	
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. CATEGORY

☐ Retail Individual Bidder
☐ Non-Institutional Bidder
☐ QIB

6. INVESTOR STATUS

☐ Individual(s) - IND
☐ Hindu Undivided Family* - HUF
☐ Bodies Corporate - CB
☐ Banks & Financial Institutions - FI
☐ Mutual Funds - MF
☐ Non-Resident Indians - NRI (Non-Repatriation basis)
☐ National Investment Fund - NIF
☐ Insurance Funds - IF
☐ Insurance Companies - IC
☐ Venture Capital Funds - VCF
☐ Alternative Investment Funds - AIF
☐ Others (Please specify) - OTH

*HUF should apply only through Karta. Application by HUF would be treated on par with Individual.

7. PAYMENT DETAILS | PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐

Amount paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDER'S UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE/ FIRST BIDDER	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
Date :	I/We authorise the SCSB to do all acts as are necessary to make the Application in the Issue 1) 2) 3)	

TEAR HERE

LOGO

XYZ LIMITED
INITIAL PUBLIC ISSUE - R

Acknowledgement Slip for Broker/SCSB/DP/RTA

Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Amount paid (₹ in figures)	Bank & Branch	Stamp & Signature of SCSB Branch
ASBA Bank A/c No.		
Received from Mr./Ms.		
Telephone / Mobile	Email	

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - R

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

Stamp & Signature of Broker / SCSB / DP / RTA

ASBA Bank A/c No.

Bank & Branch

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

Bid cum Application Form No.

TEAR HERE

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

COMMON BID CUM APPLICATION FORM	XYZ LIMITED – INITIAL PUBLIC ISSUE – NR Address : ..... Contact Details: ..... CIN No	FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIS, FPIS OR FVCIS, ETC APPLYING ON A REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE
ISIN : .....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			
		Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓ tick)
	8 7 6 5 4 3 2 1	3 2 1	3 2 1	3 2 1	
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. CATEGORY

☐ Retail Individual Bidder
☐ Non-Institutional Bidder
☐ Q I B

6. INVESTOR STATUS

NRI	Non-Resident Indian(s) (Repatriation basis)
FII	FII or Sub-account not a Corporate/Foreign Individual
FIISA	FII Sub-account Corporate/Individual
FVCI	Foreign Venture Capital Investor
FPI	Foreign Portfolio Investors
OTH	Others (Please Specify)_____

7. PAYMENT DETAILS PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐

Amount paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE/ FIRST BIDDER	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
Date :	I/We authorize the SCSB to do all acts as are necessary to make the Application in the letter 1) 2) 3)	

TEAR HERE

LOGO

XYZ LIMITED
INITIAL PUBLIC ISSUE – NR

Acknowledgement Slip for Broker/SCSB/ DP/RTA

Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Amount paid (₹ in figures) | Bank & Branch

ASBA Bank A/c No.

Stamp & Signature of SCSB Branch

Received from Mr./Ms.

Telephone / Mobile | Email

TEAR HERE

XYZ LIMITED – INITIAL PUBLIC ISSUE – NR

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

Stamp & Signature of Broker / SCSB / DP / RTA

ASBA Bank A/c No.

Bank & Branch

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

Bid cum Application Form No.

TEAR HERE

4.1.1 **FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/FIRST BIDDER/APPLICANT**

(a) Bidders/Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

(b) **Mandatory Fields**: Bidders/Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Bidders/Applicants should note that the contact details mentioned in the Bid cum Application Form/Application Form may be used to dispatch communications in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer, the Designated Intermediaries and the Registrar to the Offer only for correspondence(s) related to an Offer and for no other purposes.

(c) **Joint Bids/Applications**: In the case of Joint Bids/Applications, the Bids/Applications should be made in the name of the Bidder/Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidder/Applicant would be required in the Bid cum Application Form/Application Form and such first Bidder/Applicant would be deemed to have signed on behalf of the joint holders.

(d) **Impersonation**: Attention of the Bidders/Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"*Any person who:*

(d) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(e) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(f) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

***shall be liable for action under Section 447.*"**

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

(e) **Nomination Facility to Bidder/Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of Allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders/Applicants should inform their respective DP.

4.1.2 **FIELD NUMBER 2: PAN OF SOLE/FIRST BIDDER/APPLICANT**

(a) PAN (of the sole/first Bidder/Applicant) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person in whose sole or first name the relevant beneficiary account is held as per the Depositories' records.

(b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids/Applications on behalf of the Central or State Government, Bids/Applications by officials appointed by the courts, Bids/Applications by investors who are exempt from the requirement of obtaining/ specifying their PAN for transacting in the securities market and Bids/Applications by Bidders/Applicants residing in Sikkim ("PAN Exempted Bidders/Applicants"). Consequently, all Bidders/Applicants, other than the PAN Exempted Bidders/Applicants, are required to disclose their PAN in the Bid cum Application Form/Application Form, irrespective of the Bid/Application Amount. Bids/Applications by the Bidders/Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

(c) The exemption for the PAN Exempted Bidders/Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable

description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.

(d) Bid cum Application Forms which provide the GIR Number instead of PAN may be rejected.

(e) Bids/Applications by Bidders/Applicants whose demat accounts have been 'suspended for credit' are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and Demographic Details are not provided by depositories.

4.1.3 **FIELD NUMBER 3: BIDDERS/APPLICANTS DEPOSITORY ACCOUNT DETAILS**

(a) Bidders/Applicants should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form/Application Form. The DP ID and Client ID provided in the Bid cum Application Form/Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Bid cum Application Form is liable to be rejected.**

(b) Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form/Application Form is active.

(c) Bidders/Applicants should note that on the basis of the DP ID and Client ID as provided in the Bid cum Application Form/Application Form, the Bidder/Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Offer, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for other correspondence(s) related to an Offer.

(d) Bidders/Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/Applicants' sole risk.

4.1.4 **FIELD NUMBER 4: BID OPTIONS**

(a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the Prospectus/RHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid/Offer Opening Date in case of an IPO, and at least one Working Day before Bid/Offer Opening Date in case of an FPO.

(b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs/FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders may Bid at Floor Price or any price above the Floor Price (for further details Bidders may refer to Section 5.6 (e)).

(c) **Cut-Off Price:** Retail Individual Bidders or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Offer Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIBs and such Bids from QIBs and NIBs may be rejected.

(d) **Minimum Application Value and Bid Lot**: The Issuer in consultation with the BRLMs may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹10,000 to ₹15,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum application value.

(e) **Allotment:** The Allotment of specified securities to each RIB shall not be less than the minimum Bid Lot, subject to availability of shares in the RIB category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. For details of the Bid Lot, Bidders may to the RHP/Prospectus or the advertisement regarding the Price Band published by the Issuer.

4.1.4.1 **Maximum and Minimum Bid Size**

(a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Bidders, Employees and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed ₹200,000.

(b) In case the Bid Amount exceeds ₹200,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category, with it not being eligible for Discount then such Bid may be rejected if it is at the Cut-off Price.

(c) For NRIs, a Bid Amount of up to ₹200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding ₹200,000 may be considered under the Non-Institutional Category for the purposes of allocation.

(d) Bids by QIBs and NIBs must be for such minimum number of shares such that the Bid Amount exceeds ₹200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. NIBs and QIBs are not allowed to Bid at Cut-off Price.

(e) In case the Bid Amount reduces to ₹200,000 or less due to a revision of the Price Band, Bids by the NIBs who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.

(f) For Anchor Investors, if applicable, the Bid Amount shall be least ₹10 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Category under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/Offer Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Offer Price is lower than the Offer Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Offer Price is lower than the Anchor Investor Offer Price, the amount in excess of the Offer Price paid by the Anchor Investors shall not be refunded to them.

(g) A Bid cannot be submitted for more than the Offer size.

(h) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.

(i) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the Offer Price, the highest number of Equity Shares Bid for by a Bidder at or above the Offer Price may be considered for Allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of Bidders may refer to (Section 5.6 (e))

4.1.4.2 **Multiple Bids**

(a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of three Bids at different price levels in the Bid cum Application Form and such options are not considered as multiple Bids.

Submission of a second Bid cum Application Form to either the same or to another Designated Intermediary and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

(b) Bidders are requested to note the following procedures may be followed by the Registrar to the Offer to detect multiple Bids:

(i) All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.

(ii) For Bids from Mutual Funds, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.

(c) The following Bids may not be treated as multiple Bids:

(i) Bids by Reserved Categories Bidding in their respective Reservation Portion as well as bids made by them in the Offer portion in public category.

(ii) Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.

(iii) Bids by Mutual Funds submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

(iv) Bids by Anchor Investors under the Anchor Investor Portion and the QIB Category.

4.1.5 **FIELD NUMBER 5: CATEGORY OF BIDDERS/APPLICANTS**

(a) The categories of Bidders identified as per the SEBI Regulations for the purpose of Bidding, allocation and Allotment in the Offer are RIBs, NIBs and QIBs.

(b) Up to 60% of the QIB 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 Regulations, with one-third of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Offer Price. For details regarding allocation to Anchor Investors, Bidders may refer to the RHP/Prospectus.

(c) An Issuer can make reservation for certain categories of Bidders/Applicants as permitted under the SEBI Regulations. For details of any reservations made in the Offer, Bidders/Applicants may refer to the RHP/Prospectus.

(d) The SEBI Regulations, specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Offer specific details in relation to allocation Bidder/Applicant may refer to the RHP/Prospectus.

4.1.6 **FIELD NUMBER 6: INVESTOR STATUS**

(a) Each Bidder/Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective Allotment to it in the Offer is in compliance with the investment restrictions under applicable law.

(b) Certain categories of Bidders/Applicants, such as NRIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Offer or hold Equity Shares exceeding certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

(c) Bidders/Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.

(d) Bidders/Applicants should ensure that their investor status is updated in the Depository records.

4.1.7 **FIELD NUMBER 7: PAYMENT DETAILS**

(a) The full Bid Amount (net of any Discount, as applicable) shall be blocked in the ASBA Account based on the authorisation provided in the ASBA Form. If Discount is applicable in the Offer, RIBs should indicate the full Bid Amount in the Bid cum Application Form and funds shall be blocked for the Bid Amount net of Discount. Only in cases where the RHP/Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.

(b) RIBs who Bid at Cut-off Price shall arrange to block the Bid Amount based on the Cap Price.

(c) All Bidders (except Anchor Investors) have to participate in the Offer only through the ASBA mechanism.

(d) Bid Amount cannot be paid in cash, through money order or through postal order.

4.1.7.1 **Instructions for Anchor Investors:**

(a) Anchor Investors may submit their Bids with a Book Running Lead Manager.

(b) Payments should be made either by direct credit, NACH, RTGS or NEFT.

(c) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Anchor Investors until the Designated Date.

4.1.7.2 **Payment instructions for ASBA Bidders**

(a) Bidders may submit the ASBA Form either

(i) in electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or

(ii) in physical mode to any Designated Intermediary.

(b) Bidders must specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by Bidder and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, will not be accepted.

(c) Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder.

(d) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

(e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.

(f) Bidders should submit the Bid cum Application Form only at the Bidding Centers, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the RTA at the Designated RTA Locations or CDP at the Designated CDP Locations.

(g) Bidders bidding through a Designated Intermediary, other than a SCSB, should note that ASBA Forms submitted to such Designated Intermediary may not be accepted, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for such Designated Intermediary, to deposit ASBA Forms.

(h) Bidders bidding directly through the SCSBs should ensure that the ASBA Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

(i) Upon receipt of the ASBA Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form.

(j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the ASBA Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.

(k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not accept such Bids and such bids are liable to be rejected.

(l) Upon submission of a completed ASBA Form each Bidder may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the ASBA Form in the ASBA Account maintained with the SCSBs.

(m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Offer, or until withdrawal or rejection of the Bid, as the case may be.

(n) SCSBs bidding in the Offer must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

4.1.7.2.1 **Unblocking of ASBA Account**

(a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Offer may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected Bids, if any, to enable the SCSBs to unblock the respective bank accounts.

(b) On the basis of instructions from the Registrar to the Offer, the SCSBs may transfer the requisite amount against each successful Bidder to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.

(c) In the event of withdrawal or rejection of the ASBA Form and for unsuccessful Bids, the Registrar to the Offer may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six Working Days of the Bid/Offer Closing Date.

4.1.7.3 **Discount** (if applicable)

(a) The Discount is stated in absolute rupee terms.

(b) Bidders applying under RIB category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Offer, Bidders may refer to the RHP/Prospectus.

(c) The Bidders entitled to the applicable Discount in the Offer may block the Bid Amount less Discount.

Bidder may note that in case the net amount blocked (post Discount) is more than two lakh Rupees, the Bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RIB category.

4.1.8 **FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS**

(a) Only the First Bidder/Applicant is required to sign the Bid cum Application Form/ Application Form. Bidders/Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.

(b) If the ASBA Account is held by a person or persons other than the Bidder/Applicant, then the Signature of the ASBA Account holder(s) is also required.

(c) The signature has to be correctly affixed in the authorisation/undertaking box in the Bid cum Application Form/Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form/Application Form.

(d) Bidders/Applicants must note that Bid cum Application Form/Application Form without signature of Bidder/Applicant and/or ASBA Account holder is liable to be rejected.

4.1.9 **ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

(a) Bidders should ensure that they receive the Acknowledgment Slip duly signed and stamped by the Designated Intermediary, as applicable, for submission of the ASBA Form.

(b) All communications in connection with Bids made in the Offer may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder/Applicant, Bid cum Application Form number, Bidders'/Applicants' DP ID, Client ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

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

For further details, Bidder/Applicant may refer to the RHP/Prospectus and the Bid cum Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

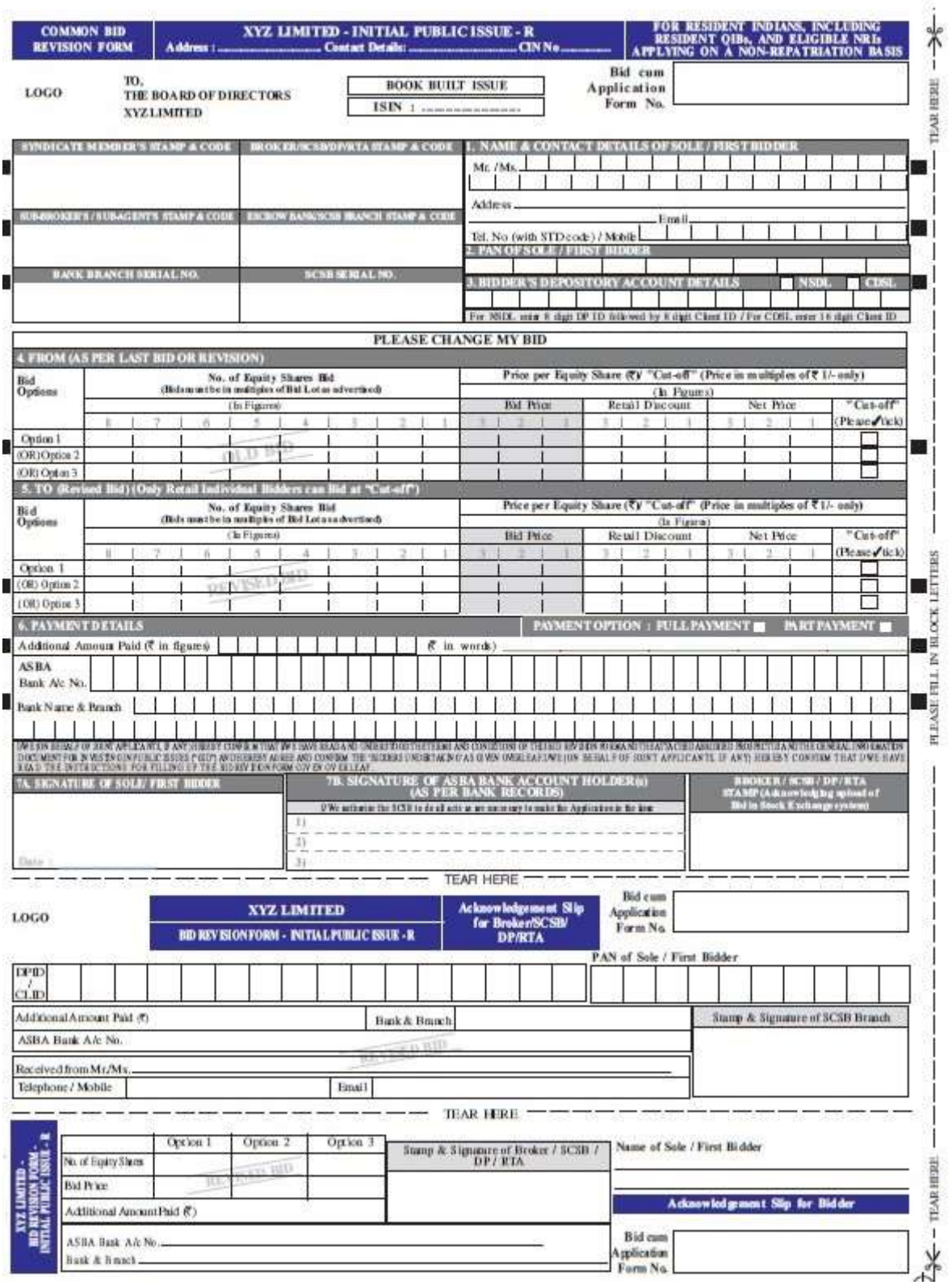
(a) During the Bid/Offer Period, any Bidder/Applicant (other than QIBs and NIBs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.

(b) RIB may revise their bids or withdraw their Bids till the Bid/Offer Closing Date.

(c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.

(d) The Bidder/Applicant can make this revision any number of times during the Bid/Offer Period. However, for any revision(s) in the Bid, the Bidders/Applicants will have to use the services of the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid. Bidders/Applicants are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample revision form is reproduced below:



COMMON BID REVISION FORM

XYZ LIMITED - INITIAL PUBLIC ISSUE - R

Address : ..... Contact Details: ..... CIN No .....

FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE

ISIN : .....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE

BROKER/SCSB/DP/RTA STAMP & CODE

SUB-BROKER'S / SUB-AGENT'S STAMP & CODE

ESCROW BANK/SCSB BRANCH STAMP & CODE

BANK BRANCH SERIAL NO.

SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS NSDL CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

PLEASE CHANGE MY BID

4. FROM (AS PER LAST BID OR REVISION)

Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures) 8 7 6 5 4 3 2 1	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) Bid Price 3 2 1	Retail Discount 3 2 1	Net Price 3 2 1	"Cut-off" (Please ✓ tick)
Option 1					
(OR) Option 2					
(OR) Option 3					

OLD BID

5. TO (Revised Bid) (Only Retail Individual Bidders can Bid at "Cut-off")

Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures) 8 7 6 5 4 3 2 1	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) Bid Price 3 2 1	Retail Discount 3 2 1	Net Price 3 2 1	"Cut-off" (Please ✓ tick)
Option 1					
(OR) Option 2					
(OR) Option 3					

REVISED BID

6. PAYMENT DETAILS

PAYMENT OPTION : FULL PAYMENT PART PAYMENT

Additional Amount Paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE ON BEHALF OF JOINT APPLICANTS, IF ANY, HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID REVISION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID REVISION FORM GIVEN OVERLEAF.

7A. SIGNATURE OF SOLE/ FIRST BIDDER

Date :

7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)

I/We authorise the SCSB to do all acts as are necessary to make the Application in the issue

1)

2)

3)

BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)

TEAR HERE

LOGO

XYZ LIMITED

BID REVISION FORM - INITIAL PUBLIC ISSUE - R

Acknowledgement Slip for Broker/SCSB/ DP/RTA

Bid cum Application Form No.

PAN of Sole / First Bidder

DPID / CLID

Additional Amount Paid (₹)

Bank & Branch

Stamp & Signature of SCSB Branch

ASBA Bank A/c No.

RECEIVED BID

Received from Mr./Ms.

Telephone / Mobile

Email

TEAR HERE

XYZ LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - R

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Additional Amount Paid (₹)			

RECEIVED BID

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

ASBA Bank A/c No.

Bank & Branch

Bid cum Application Form No.

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

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/APPLICANTS, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT**

Bidders/Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 **FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'**

(a) Apart from mentioning the revised options in the Revision Form, the Bidder/Applicant must also mention the details of all the bid options given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder/Applicant has Bid for three options in the Bid cum Application Form and such Bidder/Applicant is changing only one of the options in the Revision Form, the Bidder/Applicant must still fill the details of the other two options that are not being revised, in the Revision Form. The Designated Intermediaries may not accept incomplete or inaccurate Revision Forms.

(b) In case of revision, Bid options should be provided by Bidders/Applicants in the same order as provided in the Bid cum Application Form.

(c) In case of revision of Bids by RIBs, Employees and Retail Individual Shareholders, such Bidders/Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed ₹200,000. In case the Bid Amount exceeds ₹200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIBs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Offer Price as determined at the end of the Book Building Process.

(d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds ₹200,000, the Bid will be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the RIB does not either revise the Bid or make additional payment and the Offer Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid, where possible, shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RIB and the RIB is deemed to have approved such revised Bid at Cut-off Price.

(e) In case of a downward revision in the Price Band, RIBs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked after the allotment is finalised.

4.2.3 **FIELD 6: PAYMENT DETAILS**

(a) All Bidders/Applicants are required to authorise that the full Bid Amount (less Discount (if applicable) is blocked. In case of Bidders/Applicants specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.

(b) Bidder/Applicants may issue instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such Bidder/Applicant had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.

(c) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds ₹200,000, the Bid may be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the Bidder/Applicant does not either revise the Bid or make additional payment and the Offer Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for, where possible, may be adjusted downwards for the purpose of Allotment, such that additional amount is required blocked and the Bidder/Applicant is deemed to have approved such revised Bid at the Cut-off Price.

(d) In case of a downward revision in the Price Band, RIBs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount blocked at the time of Bidding may be unblocked after the finalisation of basis of allotment.

4.2.4 **FIELDS 7 : SIGNATURES AND ACKNOWLEDGEMENTS**

Bidders/Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)

4.3.1 **FIELDS 1, 2, 3 NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT**

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.3.2 **FIELD 4: PRICE, APPLICATION QUANTITY & AMOUNT**

(a) The Issuer may mention Issue Price or Price Band in the draft Prospectus. However a prospectus registered with RoC contains one price or coupon rate (as applicable).

(b) **Minimum Application Value and Bid Lot**: The Issuer in consultation with the Lead Manager may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹10,000 to ₹15,000. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.

(c) Applications by RIBs**,** Employees and Retail Individual Shareholders, must be for such number of shares so as to ensure that the application amount payable does not exceed ₹200,000.

(d) Applications by other investors must be for such minimum number of shares such that the application amount exceeds ₹200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the application form and the Prospectus, or as advertised by the Issuer, as the case may be.

(e) An application cannot be submitted for more than the Offer size.

(f) The maximum application by any Applicant should not exceed the investment limits prescribed for them under the applicable laws.

(g) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or other SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.

(h) Applicants are requested to note the following procedures may be followed by the Registrar to the Offer to detect multiple applications:

(i) All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds Applications bearing the same PAN may be treated as multiple applications by an Applicant and may be rejected.

(ii) For applications from Mutual Funds submitted under the same PAN, as well as Applications on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.

(i) The following applications may not be treated as multiple Bids:

(i) Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Offer portion in public category.

(ii) Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Bid has been made.

(iii) Applications by Mutual Funds submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4.3.3 **FIELD NUMBER 5 : CATEGORY OF APPLICANTS**

(a) The categories of applicants identified as per the SEBI Regulations for the purpose of Bidding, allocation and Allotment in the Offer are RIBs, individual applicants other than RIB's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).

(b) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI Regulations. For details of any reservations made in the Offer, applicants may refer to the Prospectus.

(c) The SEBI Regulations specify the allocation or Allotment that may be made to various categories of applicants in an Offer depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Offer specific details in relation to allocation applicant may refer to the Prospectus.

4.3.4 **FIELD NUMBER 6: INVESTOR STATUS**

Applicants should refer to instructions contained in paragraphs 4.1.6.

4.3.5 **FIELD 7: PAYMENT DETAILS**

(a) All Applicants (other than Anchor Investors) are required to make use of ASBA for applying in the Issue

(b) Application Amount cannot be paid in cash, through money order, cheque, demand draft or through postal order or through stock invest.

4.3.5.1 **Payment instructions for ASBA Applicants**

Applicants should refer to instructions contained in paragraphs 4.1.7.2.

4.3.5.2 **Unblocking of ASBA Account**

Applicants should refer to instructions contained in paragraphs 4.1.7.2.1.

4.3.5.3 **Discount** (if applicable)

Applicants should refer to instructions contained in paragraphs 4.1.7.3.

4.3.6 **FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS & ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

Applicants should refer to instructions contained in paragraphs 4.1.8 & 4.1.9.

4.4 SUBMISSION OF BID CUM APPLICATION FORM/APPLICATION FORM/REVISION FORM

4.4.1 **Bidders/Applicants may submit completed Bid cum application form/Revision Form in the following manner:-**

Mode of Application	Submission of Bid cum Application Form
Anchor Investors Application Form	1) To the Book Running Lead Managers at the locations mentioned in the Anchor Investors Application Form
ASBA Form	1) To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres or the RTA at the Designated RTA Location or the DP at the Designated DP Location 2) To the Designated Branches of the SCSBs

(a) Bidders/Applicants should submit the Revision Form to the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid.

(b) Upon submission of the Bid cum Application Form, the Bidder/Applicant will be deemed to have authorized the Issuer to make the necessary changes in the RHP and the Bid cum Application Form as would be required for filing Prospectus with the RoC and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Bidder/Applicant.

(c) Upon determination of the Offer Price and filing of the Prospectus with the RoC, the Bid cum Application Form will be considered as the application form.

SECTION 5: ISSUE PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Offer, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Offer Price based on the Bids received as detailed in Schedule XI of SEBI Regulations. The Offer

Price is finalised after the Bid/Offer Closing Date. Valid Bids received at or above the Offer Price are considered for allocation in the Offer, subject to applicable regulations and other terms and conditions.

5.1 SUBMISSION OF BIDS

(a) During the Bid/Offer Period, Bidders/Applicants may approach any of the Designated Intermediaries to register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach the Book Running Lead Manager, to register their Bid.

(b) In case of Bidders/Applicants (excluding NIBs and QIBs) Bidding at Cut-off Price, the Bidders/Applicants may instruct the SCSBs to block Bid Amount based on the Cap Price less discount (if applicable).

(c) For details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders/Applicants are requested to refer to the RHP.

5.2 ELECTRONIC REGISTRATION OF BIDS

(a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.

(b) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.

(c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1 p.m. on the next Working Day following the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

5.3 BUILD UP OF THE BOOK

(a) Bids received from various Bidders/Applicants through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the BRLMs at the end of the Bid/Offer Period.

(b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the Bidding centres during the Bid/Offer Period.

5.4 WITHDRAWAL OF BIDS

(a) RIBs can withdraw their Bids until Bid/Offer Closing Date. In case a RIB wishes to withdraw the Bid during the Bid/Offer Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.

(b) The Registrar to the Offer shall give instruction to the SCSB for unblocking the ASBA Account upon or after the finalisation of basis of allotment. QIBs and NIBs can neither withdraw nor lower the size of their Bids at any stage.

5.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS

(a) The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to:

(i) the Bids accepted by the Designated Intermediary,

(ii) the Bids uploaded by the Designated Intermediary, and

(iii) the Bid cum application forms accepted but not uploaded by the Designated Intermediary.

(b) The BRLMs and their affiliate Syndicate Members, as the case may be, may reject Bids if all information required is not provided and the Bid cum Application Form is incomplete in any respect.

(c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.

(d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) BRLMs and their affiliate Syndicate Members (only in the Specified Locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.

(e) All bids by QIBs, NIBs & RIBs Bidders can be rejected on technical grounds listed herein.

5.5.1 **GROUNDS FOR TECHNICAL REJECTIONS**

Bid cum Application Forms/Application Forms can be rejected on the below mentioned technical grounds either at the time of their submission to any of the Designated Intermediaries, or at the time of finalisation of the Basis of Allotment. Bidders/Applicants are advised to note that the Bids/Applications are liable to be rejected, which have been detailed at various placed in this GID:-

(a) Bid/Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);

(b) Bids/Applications by OCBs;

(c) In case of partnership firms, Bid/Application for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;

(d) In case of Bids/Applications under power of attorney or by limited companies, corporate, trust, etc., relevant documents are not being submitted along with the Bid cum application form;

(e) Bids/Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;

(f) Bids/Applications by any person outside India if not in compliance with applicable foreign and Indian laws;

(g) PAN not mentioned in the Bid cum Application Form/Application Forms except for Bids/Applications by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;

(h) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;

(i) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;

(j) Bids/Applications at a price less than the Floor Price & Bids/Applications at a price more than the Cap Price;

(k) Bids/Applications at Cut-off Price by NIBs and QIBs;

(l) The amounts mentioned in the Bid cum Application Form/Application Forms do not tally with the amount payable for the value of the Equity Shares Bid/Applied for;

(m) Bids/Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;

(n) Submission of more than five ASBA Forms/Application Forms per ASBA Account;

(o) Bids/Applications for number of Equity Shares which are not in multiples Equity Shares as specified in the RHP;

(p) Multiple Bids/Applications as defined in this GID and the RHP/Prospectus;

(q) Bids not uploaded in the Stock Exchanges bidding system.

(r) Inadequate funds in the bank account to block the Bid/Application Amount specified in the ASBA Form/Application Form at the time of blocking such Bid/Application Amount in the bank account;

(s) Where no confirmation is received from SCSB for blocking of funds;

(t) Bids/Applications by Bidders (other than Anchor Investors) not submitted through ASBA process;

(u) Bids/Applications submitted to Designated Intermediaries at locations other than the Bidding Centers or to the Escrow Collecting Banks (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the Issuer or the Registrar to the Offer;

(v) Bids/Applications not uploaded on the terminals of the Stock Exchanges;

(w) Bids/Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form.

5.6 BASIS OF ALLOCATION

(a) The SEBI Regulations specify the allocation or Allotment that may be made to various categories of Bidders/Applicants in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP/Prospectus. For details in relation to allocation, the Bidder/Applicant may refer to the RHP/Prospectus.

(b) Under-subscription in any category (except QIB Portion) is allowed to be met with spill-over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLMs and the Designated Stock Exchange and in accordance with the SEBI Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.

(c) In case of under subscription in the Offer, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an under-subscription applicable to the Issuer, Bidders/Applicants may refer to the RHP.

(d) **Illustration of the Book Building and Price Discovery Process**

Bidders should note that this example is solely for illustrative purposes and is not specific to the Offer; it also excludes Bidding by Anchor Investors.

Bidders can bid at any price within the price band. For instance, assume a price band of ₹20 to ₹24 per share, issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the equity shares of the issuer company at various prices and is collated from bids received from various investors.

Bid Quantity	Bid Price (₹)	Cumulative Quantity	Subscription
500	24	500	16.70%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.70%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired number of equity shares is the price at which the book cuts off, i.e., ₹22.00 in the above example. The issuer, in consultation with the book running lead managers, will finalise the issue price at or below such cut-off price, i.e., at or below ₹22.00. All bids at or above this issue price and cut-off bids are valid bids and are considered for allocation in the respective categories.

(e) **Alternate Method of Book Building**

In case of FPOs, Issuers may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of Bidding ("**Alternate Book Building Process**").

The Issuer may specify the Floor Price in the RHP or advertise the Floor Price at least one Working Day prior to the Bid/Offer Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder is Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIBs, NIBs and Employees are Allotted Equity Shares at the Floor Price and Allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the Allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of

issued capital of the Issuer that may be Allotted to a single Bidder, decide whether a Bidder be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder be allowed single or multiple bids.

SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE

Applicants may note that there is no Bid cum Application Form in a Fixed Price Offer. As the Offer Price is mentioned in the Fixed Price Offer therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through the Designated Intermediary.

Applicants may submit an Application Form either in physical form to the any of the Designated Intermediaries or in the electronic form to the SCSB or the Designated Branches of the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only ("ASBA Account"). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Bid/Offer Opening Date.

In a fixed price Offer, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Bidders; and remaining to (i) individual investors other than Retail Individual Bidders; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

For details of instructions in relation to the Application Form, Bidders/Applicants may refer to the relevant section of the GID.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders/Applicants other than Retail Individual Bidders and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to RHP/Prospectus. No Retail Individual Bidder will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Bidder Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Net Offer (excluding any Offer for Sale of specified securities). However, in case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

7.1 ALLOTMENT TO RIBs

Bids received from the RIBs at or above the Offer 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 Offer Price, full Allotment may be made to the RIBs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Category at or above the Offer Price, then the maximum number of RIBs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot ("**Maximum RIB Allottees**"). The Allotment to the RIBs will then be made in the following manner:

(a) In the event the number of RIBs who have submitted valid Bids in the Offer is equal to or less than Maximum RIB Allottees, (i) all such RIBs shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the RIBs who have received Allotment as per (i) above for the balance demand of the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).

(b) In the event the number of RIBs who have submitted valid Bids in the Offer is more than Maximum RIB Allottees, the RIBs (in that category) who will then be Allotted minimum Bid Lot shall be determined on the basis of draw of lots.

7.2 ALLOTMENT TO NIBS

Bids received from NIBs at or above the Offer Price may be grouped together to determine the total demand under this category. The Allotment to all successful NIBs may be made at or above the Offer Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Offer Price, full Allotment may be made to NIBs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Category at or above the Offer Price, Allotment may be made on a proportionate basis up to a minimum of the Non-Institutional Category.

7.3 ALLOTMENT TO QIBs

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI Regulations or RHP/Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Offer 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 Offer 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 Offer 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 Offer 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 Offer Price will be at the discretion of the issuer in consultation with the Selling Shareholder and the BRLMs, subject to compliance with the following requirements:

(i) not more than 60% of the QIB Category will be allocated to Anchor Investors;

(ii) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and

(iii) allocation to Anchor Investors shall be on a discretionary basis and subject to:

- a maximum number of two Anchor Investors for allocation up to ₹100 million;
- a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹100 million and up to ₹2,500 million subject to minimum Allotment of ₹50 million per such Anchor Investor; and
- a minimum number of five Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million or part thereof, subject to minimum Allotment of ₹50 million per such Anchor Investor.

(b) An Anchor Investor shall make an application of a value of at least ₹100 million in the Offer.

(c) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer in consultation with the BRLMs, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

(d) **In the event that the Offer Price is higher than the Anchor Investor Offer 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 Offer Price and the Anchor Investor Offer Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.

(e) **In the event the Offer Price is lower than the Anchor Investor Offer Price:** Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

7.5 BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS), NIBs AND RESERVED CATEGORY IN CASE OF OVER-SUBSCRIBED ISSUE

In the event of the Offer being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the Designated Stock Exchange in accordance with the SEBI Regulations.

The allocation may be made in marketable lots, on a proportionate basis as explained below:

(a) Bidders may be categorized according to the number of Equity Shares applied for;

(b) The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;

(c) The number of Equity Shares to be Allotted to the successful Bidders may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio;

(d) In all Bids where the proportionate Allotment is less than the minimum Bid Lot decided per Bidder, the Allotment may be made as follows: the successful Bidders out of the total Bidders for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Issuer;

(e) If the proportionate Allotment to a Bidder is a number that is more than the minimum Bid lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded off to the lower whole number. Allotment to all Bidders in such categories may be arrived at after such rounding off; and

(f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for Allotment may be first adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate Allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders applying for minimum number of Equity Shares.

7.6 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

(a) **Designated Date:** On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares to Anchor Investors from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Bankers to the Offer. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders applying in the Anchor Investor Portion shall be made from the Refund Account as per the terms of the Escrow Agreement and the RHP. On the Designated Date, the Registrar to the Issue shall instruct the SCSBs to transfer funds represented by allocation of Equity Shares from ASBA Accounts into the Public Issue Account.

(b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Bidders/Applicants are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Offer.

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders/Applicants who have been Allotted Equity Shares in the Offer.

(c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

(d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Bidders/Applicants Depository Account will be completed within six Working Days of the Bid/Offer Closing Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within six Working Days of the Bid/Offer Closing Date. The Registrar to the Offer may initiate corporate action for credit to Equity Shares the beneficiary account with Depositories within six Working Days of the Bid/Offer Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in RHP/Prospectus. The Designated Stock Exchange may be as disclosed in the RHP/Prospectus with which the Basis of Allotment may be finalised.

If the Issuer fails to make application to the Stock Exchange(s) or obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act, 2013, the Issuer shall be punishable with a fine which shall not be less than ₹5 lakhs but which may extend to ₹50 lakhs and every officer of the Issuer who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than ₹50,000 but which may extend to ₹3 lakhs, or with both.

If the permissions to deal in and an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith take steps to refund, without interest, all moneys received from Bidders/Applicants.

If such money is not refunded to the Bidders/Applicants within the prescribed time after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of such period, be liable to repay the money, with interest at such rate, as disclosed in the RHP/Prospectus.

8.2.2 NON RECEIPT OF MINIMUM SUBSCRIPTION

If the Issuer does not receive a minimum subscription of 90% of the Net Offer (excluding any offer for sale of specified securities), including devolvement to the Underwriters, the Issuer may forthwith, take steps to unblock the entire subscription amount received within six Working Days of the Bid/Offer Closing Date and repay, without interest, all moneys received from Anchor Investors. In case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable. In case of under-subscription in the Offer involving a Fresh Issue and an Offer for Sale, the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares in the Offer for Sale.

If there is a delay beyond the prescribed time after the Issuer becomes liable to pay the amount received from Bidders, then the Issuer and every director of the Issuer who is an officer in default may on and from expiry of 15 Working Days, be jointly and severally liable to repay the money, with interest at the rate of 15% per annum in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be Allotted may not be less than 1,000 failing which the entire application monies may be refunded forthwith.

8.2.4 IN CASE OF ISSUES MADE UNDER COMPULSORY BOOK BUILDING

In case an Issuer not eligible under Regulation 26(1) of the SEBI Regulations comes for an Offer under Regulation 26(2) of SEBI (ICDR) Regulations, 2009 but fails to Allot at least 75% of the Net Offer to QIBs, in such case full subscription money is to be refunded.

8.3 MODE OF REFUND

(a) **In case of ASBA Bids:** Within six Working Days of the Bid/Offer Closing Date, the Registrar to the Offer may give instructions to SCSBs for unblocking the amount in ASBA Accounts for unsuccessful Bids or for any excess amount blocked on Bidding.

(b) **In case of Anchor Investors:** Within six Working Days of the Bid/Offer Closing Date, the Registrar to the Offer may dispatch the refund orders for all amounts payable to unsuccessful Anchor Investors.

(c) In case of Anchor Investors, the Registrar to the Offer may obtain from the depositories the Bidders' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Anchor Investors in their Anchor Investor Application Forms for refunds. Accordingly, Anchor Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Anchor Investors' sole risk and neither the Issuer, the Registrar to the Offer, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Anchor Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay. Please note that refunds shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

8.3.1 Electronic mode of making refunds for Anchor Investors

The payment of refund, if any, may be done through various electronic modes as mentioned below:

(a) **NACH**—National Automated Clearing House which is a consolidated system of ECS. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including Magnetic Ink Character Recognition (MICR) code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS;

(b) **NEFT**—Payment of refund may be undertaken through NEFT wherever the branch of the Anchor Investors' bank is NEFT enabled and has been assigned the Indian Financial System Code ("**IFSC**"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Anchor Investors have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Anchor Investors through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;

(c) **RTGS**—Anchor Investors having a bank account at any of the centers notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS.

(d) **Direct Credit**—Anchor Investors having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;

Please note that refunds through the abovementioned modes shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

For details of levy of charges, if any, for any of the above methods, Anchor Investors may refer to RHP/Prospectus.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum if Allotment is not made and refund instructions have not been given to the clearing system in the disclosed manner/instructions for unblocking of funds in the ASBA Account are not dispatched within the 15 days of the Bid/Offer Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Bid/Offer Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

Term	Description
Allotment/Allot/Allotted	The allotment of Equity Shares pursuant to the Offer to successful Bidders/Applicants
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders/Applicants who have been Allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Allottee	An Bidder/Applicant to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI Regulations and the Red Herring Prospectus.
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus
Anchor Investor Portion	Up to 60% of the QIB Category which may be allocated by the Issuer in consultation with the BRLMs, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors
Application Supported by Blocked Amount /ASBA	An application, whether physical or electronic, used by ASBA Bidders/Applicants, to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
Application Supported by Blocked Amount Form /ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders/Applicants, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the ASBA Bidder
ASBA Bidder	All Bidders/Applicants except Anchor Investors
Banker(s) to the Offer/Escrow Collection Bank(s)/Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Offer with whom the Escrow Account(s) for Anchor Investors may be opened, and as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Bidders/Applicants under the Offer
Bid	An indication to make an offer during the Bid/Offer Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Bid/Offer Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications thereto. In case of issues undertaken through the fixed price process, all references to a Bid should be construed to mean an Application
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder upon submission of the Bid (except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires
Bid/Offer Closing Date	Except in the case of Anchor Investors (if applicable), the date after which the Designated Intermediaries may not accept any Bids for the Offer, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Bidders/Applicants may refer to the RHP/Prospectus for the Bid/Offer Closing Date
Bid/Offer Opening Date	The date on which the Designated Intermediaries may start accepting Bids for the Offer, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Bidders/Applicants may refer to the RHP/Prospectus for the Bid/Offer Opening Date

Term	Description
Bid/Offer Period	Except in the case of Anchor Investors (if applicable), the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date inclusive of both days and during which prospective ASBA Bidders/Applicants can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid/Offer Period for QIBs one working day prior to the Bid/Offer Closing Date in accordance with the SEBI Regulations. Bidders/Applicants may refer to the RHP/Prospectus for the Bid/Offer Period
Bidder/Applicant	Any prospective investor who makes a Bid/Application pursuant to the terms of the RHP/Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder/Applicants should be construed to mean an Applicant
Book Built Process/Book Building Process/Book Building Method	The book building process as provided under SEBI Regulations, in terms of which the Offer is being made
Broker Centres	Broker centres notified by the Stock Exchanges, where Bidders/Applicants can submit the ASBA Forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges.
BRLM(s)/Book Running Lead Manager(s)/Lead Manager/LM	The Book Running Lead Manager to the Offer as disclosed in the RHP/Prospectus and the Bid cum Application Form of the Issuer. In case of issues undertaken through the fixed price process, all references to the Book Running Lead Manager should be construed to mean the Lead Manager or LM
Business Day	Monday to Saturday (except 2nd and 4th Saturday of a month and public holidays)
CAN/Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bid/Offer Period
Cap Price	The higher end of the Price Band, above which the Offer Price and the Anchor Investor Offer Price may not be finalised and above which no Bids may be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Cut-off Price	Offer Price, finalised by the Issuer in consultation with the Book Running Lead Manager(s), which can be any price within the Price Band. Only RIBs, Retail Individual Shareholders and employees are entitled to Bid at the Cut-off Price. No other category of Bidders/Applicants are entitled to Bid at the Cut-off Price
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Bidders/Applicants including the Bidder~~/Applicant~~'s address, name of the Applicant's father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by Bidders/Applicants (excluding Anchor Investors) and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)

Term	Description
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account and the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Bidders/Applicants in the Fresh Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale
Designated Intermediaries	Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorized to collect ASBA Forms from the ASBA Bidders, in relation to the Offer
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Stock Exchange	The designated stock exchange as disclosed in the RHP/Prospectus of the Issuer
Discount	Discount to the Offer Price that may be provided to Bidders/Applicants in accordance with the SEBI Regulations.
Draft Prospectus	The draft prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under SEBI Regulations and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoters. For further details, Bidder/Applicant may refer to the RHP/Prospectus
Equity Shares	Equity Shares of the Issuer
Escrow Account	Account opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors may transfer money through NEFT/RTGS/direct credit in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement to be entered into among the Issuer, the Registrar to the Offer, the Book Running Lead Manager(s), the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the Bid Amounts from Anchor Investors and where applicable, remitting refunds of the amounts collected to the Anchor Investors on the terms and conditions thereof
Escrow Collection Bank(s)	Refer to definition of Banker(s) to the Offer
FCNR Account	Foreign Currency Non-Resident Account
First Bidder/Applicant	The Bidder/Applicant whose name appears first in the Bid cum Application Form or Revision Form
Fixed Price Issue/Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under SEBI Regulations, in terms of which the Offer is being made
Floor Price	The lower end of the Price Band, at or above which the Offer Price and the Anchor Investor Offer Price may be finalised and below which no Bids may be accepted, subject to any revision thereto
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issuer/Company	The Issuer proposing the initial public offering/further public offering as applicable
Maximum RIB Allottees	The maximum number of RIBs who can be Allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996

Term	Description
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
NACH	National Automated Clearing House
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Offer	The Offer less reservation portion
Non Institutional Bidders or NIBs	All Bidders/Applicants registered with SEBI which are foreign corporates or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Offer being such number of Equity Shares available for allocation to NIBs on a proportionate basis and as disclosed in the RHP/Prospectus and the Bid cum Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs and FVCIs registered with SEBI
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Offer	Public issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Offer for Sale	Public offer of such number of Equity Shares as disclosed in the RHP/Prospectus through an offer for sale by the Selling Shareholder
Other Investors	Investors other than Retail Individual Bidders in a Fixed Price Issue. These include individual applicants other than Retail Individual Bidders and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for
Offer Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted to Bidders other than Anchor Investors, in terms of the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price The Offer Price may be decided by the Issuer in consultation with the Book Running Lead Manager(s)
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 Offer may be decided by the Issuer in consultation with the Book Running Lead Manager(s) and advertised, at least five working days in case of an IPO and one working day in case of FPO, prior to the Bid/Offer Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation
Pricing Date	The date on which the Issuer in consultation with the Book Running Lead Manager(s), finalise the Offer Price
Prospectus	The prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, 2013 after the Pricing Date, containing the Offer Price, the size of the Offer and certain other information
Public Issue Account	A Bank account opened with the Banker to the Offer to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date
QIB Category	The portion of the Offer being such number of Equity Shares to be Allotted to QIBs on a proportionate basis

Term	Description
Qualified Institutional Buyers or QIBs	As defined under SEBI Regulations
RTGS	Real Time Gross Settlement
Red Herring Prospectus/RHP	The red herring prospectus issued in accordance with Section 32 of the Companies Act, 2013, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Offer. The RHP may be filed with the RoC at least three days before the Bid/Offer Opening Date and may become a Prospectus upon filing with the RoC after the Pricing Date. In case of issues undertaken through the fixed price process, all references to the RHP should be construed to mean the Prospectus
Refund Account(s)	The account opened with Refund Bank(s), from which refunds to Anchor Investors, if any, of the whole or part of the Bid Amount may be made
Refund Bank(s)	Refund bank(s) as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Offer/RTO	The Registrar to the Offer as disclosed in the RHP/Prospectus and Bid cum Application Form
Reserved Category/Categories	Categories of persons eligible for making application/Bidding under reservation portion
Reservation Portion	The portion of the Offer reserved for such category of eligible Bidders/Applicants as provided under the SEBI Regulations
Retail Individual Bidders/ RIBs	Investors who applies or bids for a value of not more than ₹200,000.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than ₹200,000.
Retail Category	The portion of the Offer being such number of Equity Shares available for allocation to RIBs which shall not be less than the minimum Bid Lot, subject to availability in RIB category and the remaining shares to be Allotted on proportionate basis.
Revision Form	The form used by the Bidders in an issue through Book Building Process to modify the quantity of Equity Shares and/or bid price indicated therein in any of their Bid cum Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Specified Locations	Refer to definition of Broker Centers
Stock Exchanges/SE	The stock exchanges as disclosed in the RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Offer are proposed to be listed
Syndicate	The Book Running Lead Manager(s) and the Syndicate Member
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of ASBA Forms by Syndicate Members
Syndicate Member(s)/SM	The Syndicate Member(s) as disclosed in the RHP/Prospectus
Underwriters	The Book Running Lead Manager(s) and the Syndicate Member(s)
Underwriting Agreement	The agreement amongst the Issuer, and the Underwriters to be entered into on or after the Pricing Date

Term	Description
Working Day	All trading days of Stock Exchanges, excluding Sundays and holidays for commercial banks in Mumbai.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Accordingly, the process for foreign direct investment ("**FDI**") and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("**DIPP**"), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017 has notified the specific ministries handling relevant sectors.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The DIPP issued the Consolidated Foreign Direct Investment Policy notified by the D/o IPP F. No. 5(1)/2017-FC-1 dated the August 28, 2017 effective from August 28, 2017 (the "**FDI Policy**"), consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect prior to August 28, 2017. The Government of India proposes to update the consolidated circular on FDI Policy once every year and therefore, the FDI Policy will be valid until the DIPP issues an updated circular.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

The Equity Shares have not been, and will not be registered under the Securities Act or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in accordance with any applicable U.S. state securities laws. The Equity Shares are being offered and sold outside the United States in offshore transactions in reliance on Regulation S and the applicable laws of each jurisdictions where such offers and sales are made.

The above information is given for the benefit of the Bidders. Our Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION VIII: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

The Articles of Association of the Company comprise of two parts, Part A and Part B, which parts shall, unless the context otherwise requires, co-exist with each other. In case of inconsistency or contradiction, conflict or overlap between Part A and Part B, the provisions of Part B shall supersede. However, Part B shall automatically terminated, deleted and cease to have any force and effect from the date of listing of equity shares of the Company on any recognized stock exchange in India pursuant to an initial public offering of the equity shares of the Company, without any further corporate action by the Company or by the shareholders.

Part A

Authorised capital

The authorised Share Capital shall be as set forth in the Clause V of the Memorandum and shall have the rights, privileges, and conditions attached herewith, as are provided by the Articles of Association with power to increase and/or reduce the Share Capital and divide the Share Capital into several classes and to attach thereto respectively such differential, preferential, qualified or special rights, privileges, or conditions, as may be determined by or in accordance with the Articles of Association and to modify the conditions in such manner as may be permitted by Applicable Laws and the Articles of Association. Subject to the provisions of the Articles of Association, the Company may by a resolution passed at a General Meeting increase the authorised or issued or paid up Share Capital or reduce the Share Capital or otherwise amend the Memorandum and these Articles in accordance with the provisions of the Act and the provisions of these Articles.

The paid up Share Capital shall be at all times at least a minimum of such amount as may be prescribed under the Act.

Alteration of capital

The Company may in General Meeting from time to time, increase its share capital by such amount as it thinks expedient, consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares, convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination, sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; cancel shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled. Such cancellation of shares shall not be deemed to be a reduction of share capital.

The Company shall have power, subject to and in accordance with all applicable provisions of the Act and the Articles of Association, to purchase any of its own fully paid Shares whether or not they are redeemable and may make payment out of capital in respect of such purchase. Subject to applicable law (including the Act), the Company may issue Shares; either equity or any other kind with non-voting rights and the resolution authorizing such issue shall prescribe the terms and conditions of that issue.

Commissions and brokerage

The Company may subject to the applicable provisions of the Act, at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe or procuring or agreeing to procure subscription, (whether absolutely or conditionally), for any securities in accordance with the provisions of the Act.

The Company may also, on any issue of Securities, pay such brokerage as may be lawful.

Calls on shares

The Board may from time to time, subject to the provisions of Section 49 of the Act, and subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board, (and not by circular resolution), make such call as it thinks fit upon the Shareholders in respect of all money unpaid on the Shares held by them respectively and each Shareholder shall pay the amount of every call so made to him to the Person or Persons and Shareholders and at the times and places appointed by the Board and shall not give the option or right to call on shares to any person except with the sanction of the Company in the General Meeting.

The Board may, from time to time, make calls upon the Shareholders in respect of any moneys unpaid on their Shares (whether on account of the nominal value of the Shares or by way of premium) or by the conditions of allotment thereof made payable at fixed times.

The provisions of these Articles shall *mutatis mutandis* apply to the calls on debentures of the company.

Debentures and lien

The Company shall subject to the provisions of the Articles of Association, have first and paramount lien upon all shares/debentures (other than fully paid up shares/ debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/ debentures, for his/her debts, liabilities and engagements either solely or jointly with any other person, to or with the Company whether the period for payment, fulfilment or discharge thereof shall have actually arrived at or not and when any such share/debentures is held by more persons than 1 (one), the Company shall have a lien thereon in respect of all money due from them all or any of the holders thereof, and no equitable interest in any share shall be created except upon the footing and condition that this article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures.

Unless otherwise agreed, the registration of a transfer of such shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of the Articles of Association.

Subject to the provisions of the Articles of Association, the shares of any member who is indebted to the Company may be sold by a resolution of the Board to satisfy the Company's lien thereon and be transferred to the name of the purchaser without the consent and notwithstanding any opposition on the part of the indebted member with complete title of the shares of any such Member which shall be sold and transferred against such indebted member, and all Persons claiming under him whether he may be deemed to be the holder of such shares, which shall stand discharged from all dues and calls made prior to such application of the purchase and the purchaser by virtue of such sale and transfer shall not be bound to see the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings with reference to the sale.

The Company lien, if any, on a share shall extend to all dividends payable thereon and the Company may sell, in such manner as the Board thinks fit, any Shares on which the Company has a lien but no sale shall be made, unless a sum in respect of which the lien exists is presently payable, or until the expiration of 14 (fourteen) days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered shareholder for the time being of the Share or the person entitled thereto by reason of his death or insolvency.

To give effect to any such sale, the Board may authorize some person to transfer the Shares sold to the purchaser thereof. The purchaser shall be registered as the Shareholder of the Shares comprised in any such Transfer. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the Shares be affected by irregularity or invalidity in the proceedings in the reference to the sale. The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the Shares before the sale, be paid to the Person entitled to the Shares at the date of the sale.

Forfeiture of shares

If any member fails to pay the whole or any part of any call or installment or any money due in respect of any shares either by way of principle or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof of other money as aforesaid remain unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or installment or such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all expenses (legal or otherwise) that may have been incurred by the Company by reason of such non-payment.

The notice aforesaid shall name a further day (not being earlier than the expiry of 14 (fourteen) days from the date of service of the notice) on or before which the payment required by the notice is to be made; and state that, in the event of non-payment on or before the day so named, the Shares in respect of which the call was made will be liable to be forfeited.

Transfer and transmission of shares

A common form of transfer shall be used. The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee. The transferor shall be deemed to remain a shareholder until the name of the transferee is entered in the register of members in respect thereof.

The shares in the Company shall subject to the provisions of section 56 of the Act, be transferred in the form prescribed under the Act. The Board may, subject to the right of appeal conferred by section 58 of the Act, decline to register, the transfer of a share, not being a fully paid up share, to a person of whom they do not approve; or any transfer of Shares on which the Company has a lien. The Board may also decline to recognise any instrument of transfer unless a fee of Rs. 2 (two rupees) is paid to the

Company in respect thereof, 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 the instrument of transfer is in respect of only one class of Shares.

Subject to the provisions of section 91 of the Act, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine. Provided that such registration shall not be suspended for more than 30 (thirty) days at any one time or for more than 45 (forty-five) days in the aggregate in any year.

No fee shall be payable to the Company, in respect of the registration of transfer or transmission of shares, or for registration of any power of attorney, probate, letters of administration and succession certificate, certificate of death or marriage or other similar documents, sub division and/or consolidation of shares and debentures and sub-divisions of letters of allotment, renounceable letters of right and split, consolidation, renewal and genuine transfer receipts into denomination corresponding to the market unit of trading.

The Company shall issue certificates or receipts or advices, as applicable, of subdivision, split, consolidation, renewal, exchanges, endorsements, issuance of duplicates thereof or issuance of new certificates or receipts or advices, as applicable, in cases of loss or old decrepit or worn out certificates or receipts or advices, as applicable within a period of 30 (thirty) days from the date of such lodgement.

Subject to the provisions of these Articles and any other Law for the time being in force, the Directors 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 securities or interest of a Member in the Company and 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 the Company, communicate the same to the transferee and transferor or to the person giving notice of such transmission, as the case may be, giving reasons for such refusal. However, registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on shares. A transfer of a share in the Company of a deceased member thereof made by his legal representative shall, although the legal representative is not himself a member be valid as if he had been a member at the time of the execution of the instrument of transfer.

Transmission of shares

On the death of a Shareholder, the survivor or survivors where the Shareholder was a joint Shareholder, and his legal representatives where he was a sole Shareholder, shall be the only Persons recognized by the Company as having any title to his interest in the Shares.

Nothing in (a) above shall release the estate of a deceased joint Shareholder from liability in respect of any Share which had been jointly held by him with other Persons.

Any Person becoming entitled to a Share in consequence of the death or insolvency of any Shareholder 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 to be registered himself as a Shareholder; or to make such transfer of the Share as the deceased or insolvent Shareholder could have made.

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 Shareholder had transferred the Share before his death or insolvency.

If the Person so becoming entitled shall elect to be registered as a Shareholder himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.

If the Person aforesaid shall elect to transfer the Share, he shall testify his election by executing a transfer of the Share.

All the limitations, restriction and provisions of these Articles relating to the right of 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 Shareholder had not occurred and the notice or transfer were a transfer signed by that Shareholder. A Person becoming entitled to a Share by reason of death or insolvency of the Shareholder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered Shareholder, except that he shall not, before being registered as a Shareholder in respect of the Share, be entitled in respect of it to exercise any right conferred by membership in relation to the meetings of the Company. However, 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 90 (ninety) days, the Board may thereafter withhold payments of all dividends, bonuses or money payable in respect of the Share, until the requirements of the notice have been complied with.

Borrowing powers

Subject to the provisions of the Articles of Association and subject to applicable laws the Board may from time to time at their discretion raise or borrow from the Directors, members, or other Persons any sum or sums or money for the purpose of the Company at such interest and/or upon such security or conditions as they may consider proper or expedient. The Board may raise or secure the payment of repayment of such sum or sums in such manner and upon such terms and conditions in all respect as they think fit and in particular by the issue of debentures or debenture stock of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for time being.

Debentures, debenture stock, bonds or other securities may be made assignable free from any equities, between the Company and the person to whom the same be issued.

Subject to the provisions of the Act, any debentures, debenture-stock, bonds 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 special privileges to redemption, surrender, drawings, allotment of shares, appointment of Directors or otherwise.

Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the company in the General Meeting by a special resolution.

Conversion of shares into stock

The Company may, by ordinary resolution in General Meeting may convert any paid up Shares into stock; and reconvert any stock into paid up shares of any denomination.

The holder of the stock may transfer the same or any part thereof in the same manner as, and subject to the Articles under which, the Share 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.

The holders of the stock shall, according to the amount of stock held by them, have 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.

General Meetings

The Company shall, in addition to any other meetings hold a General Meeting which shall be called as its annual general meeting, at the intervals and in accordance with the provisions of the Act. All General Meetings including annual general meetings shall be convened by giving at least 21 (twenty one) days' notice to shareholders or to the authorised representative of the shareholders in respect of each meeting of the shareholders, at the address notified from time to time by the Shareholders to the Company. However, with the consent of the shareholders holding 95% (ninety five percent) of such part of the paid up Share Capital of the Company as gives a right to vote thereat, any General Meeting may be convened by giving a shorter notice than 21 (twenty one) days.

All General Meetings other than annual general meetings shall be called extraordinary general meetings.

The Board shall, at the requisition (setting out the objective of the meeting) made by such number of members who hold, on the date of the receipt of the requisition, not less than one-tenth of such of the paid-up share capital of the company as on that date carries the right of voting, call on extraordinary general meeting of the Company within the period of 21 (twenty one) days from the date of receipt of a valid requisition. No business shall be transacted at any General Meeting unless a quorum of Shareholders is presently at time when the meeting proceeds to business.

The chairman may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for 30 (thirty) days or more, notice of adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting. The chairman shall not have a second or casting vote in a General Meeting. Any business other than that upon which poll has been demanded may be proceeded with, pending the taking of the poll.

The notice of each General Meeting shall specify the date, time and include an agenda setting out the business proposed to be transacted at the meeting, together with copies of all relevant papers connected therewith and/or proposed to be placed before or tabled at the General Meeting.

Votes and proxies of members

Subject to the provisions of the Act, on a show of hands, every holder of equity shares entitled to vote and present in person shall have one vote and upon a poll every holder of equity shares entitled to vote and present in person or by proxy shall have voting rights in proportion to his share in the paid-up equity capital of the Company. Every holder of a preference share in the capital of Company shall be entitled to vote at a General Meeting of Company only in accordance with the limitations and provisions laid down in Section 47(2) of the Act:

Board of Directors

Subject to the applicable provisions of the Act, the number of Directors of the Company shall not be less than 3 (three) and not more than 15 (fifteen). The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the provisions of the Listing Regulations. The Board shall have an optimum combination of executive and Independent Directors with at least 1 (one) woman Director, as may be prescribed by Law from time to time. So long as Ascent holds 15% or more of the Share Capital of the Company, Ascent shall have the right to nominate a Director on the Board, provided however, that such nomination right available to Ascent shall be exercised only after obtaining Shareholders' approval through a special resolution after listing of the Equity Shares.

The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day to day.

The Directors need not hold any qualification Share.

The Company may exercise the powers conferred by the Act with regard to having an official Seal for use abroad, and such powers shall be vested in the Board.

The Company may exercise the powers conferred on it by section of the Act with regard to a keeping of a foreign register and the Board may (subject to the provision of those sections) make and vary such regulation as it may think fit respecting the keeping of such register.

Subject to the provisions of Section 161 and other applicable provisions (if any) of the Act, the Directors shall have power at any time and from time to time to appoint a person or persons, other than a person who fails to get appointed as a director in a general meeting, as additional director or Directors. Such Additional Director shall hold office only up to the date of the next annual general meeting of the Company or the last date on which the Annual General Meeting should have been held, whichever is earlier, but shall be eligible for re- election at that meeting as a Director, provided that the number of Directors and the Additional Director together, shall not exceed the maximum strength fixed by the Board under these Articles.

Subject to provisions of the relevant laws and these Articles, not less than 2/3rd of the total number of Directors for the time being shall be those period of office is liable for determination of retirement by rotation, and their appointment shall, save as otherwise expressly provided in their presence, be in the General Meeting.

The Directors may, from time to time, at their discretion raise or borrow for the purpose of the Company's business such of money as they think fit. The Directors may secure the repayment of or raise any such sum or sums as aforesaid by mortgage or charge upon the whole or any part of the property and assets of the Company, present and future including the uncalled capital or by the issue, at such price as they may think fit, of bonds or debentures of debentures-stock, either charged upon the whole or any part of the property and assets of the Company or not so charged or in such other way as the Directors may think expedient.

Subject to the provisions of the Act and of these Articles, the Board shall have the power to appoint from time to time any one or more of its Directors as managing directors, deputy managing directors, whole time directors of the Company for a fixed term not exceeding five years at a time and upon such terms and conditions as the Board think fit, the Board may by resolution vest in such managing director/s or deputy managing director/s or whole time director/s such of the powers hereby vested in the Board generally as it thinks fit, as such power may be exercisable for such conditions and subject to such restriction as it may determine. The remuneration of managing director/s, deputy managing director/s and whole time director/s may be by way of monthly payment, fee for each meeting or participation in profits, or by all or any these modes or any other mode not expressly prohibited by the Act.

The managing director and deputy managing director shall not, while he continues to hold that office, be subject to retirement by rotation and if he ceases to hold the office of the Director, he shall and immediately cease to be the managing director and deputy managing director, as the case may be.

A Director may be paid a sitting fee for each meeting of the Board or committee of the Board attended by him. None of the Directors, shall be required to hold any qualification Shares.

Subject to the provisions of Section 161(4), 169(7) and other applicable provisions (if any) of the Act, any casual vacancy occurring in the office of a Director before the term of office of such Director expires, may be filled up by the Directors at a meeting of the Board. Any person so appointed would have held office, if the vacancy had not occurred and shall hold office only upto the date upto which the Director in whose place he is so appointed would have held the office if it had not been vacated. Provided that, where a vacancy is created by removal of a director, the director who was removed from office shall not be re-appointed as the director by the Board.

Proceedings of Directors

The Board of Directors shall meet at least four times in a year for the dispatch of business, adjourn and otherwise regulate its meeting and proceeding as it thinks fit provided that not more than one hundred and 20 (twenty) days shall intervene between two consecutive meetings of the Board.

Subject to requirements of notice as prescribed in these Articles, the managing director or the Chairman may at any time summon a meeting of the Board. Notice in writing of every meeting of the Board shall be given to every Director for the time being in India, and at his usual address in India to every other Director.

At least seven Business Days written notice shall be given to each of the Directors including the alternate Directors and to the authorised representative of the Shareholders in respect of each meeting of the Board, at the address notified from time to time by each Director of the Company.

The notice of each Board Meeting shall specify the date, time and include an agenda setting out the business proposed to be transacted at the meeting, together with copies of all relevant papers connected therewith and/or proposed to be placed before or tabled at the Board Meeting. Notice of the Board Meeting shall be sent at least 7 (seven) days in advance to each of the Directors.

Minutes of each meeting of the Board shall be recorded in English and kept by the Company in accordance with Applicable Law.

The chairman of the Board ("**Chairman**") shall be one of the Directors appointed by the Board for the purpose of the Board Meeting. The Chairman shall not have a second or casting vote.

If no such Chairman is elected, or if at any meeting the Chairman is not present within 30 minutes after the time appointed for holding the meeting, the Directors present may choose one of their number to be chairman of the meeting.

Subject to the provisions of the Act and related regulations, the Board may from time to time, constitute committees of the Board and may determine their functions, powers, authorities and responsibilities. Such a committee may elect a chairman of its meetings and if no such Chairman is elected, or if at any meeting the Chairman is not present within 30 minutes after the appointed time for the meeting, the members present may choose one of their members as the Chairman for that meeting.

Dividends

Where the Company has declared a dividend but which has not been paid or claimed within 30 (thirty) days from the date of declaration, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 (thirty) days, to a special account to be opened by the company in that behalf in any scheduled bank, to be called "Unpaid Dividend Account".

Any money transferred to the unpaid dividend account of a company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the company to the Fund known as Investor Education and Protection Fund established under Section 125 of the Act.

No unclaimed or unpaid dividend shall be forfeited by the Board.

Winding up

Subject to the provisions of Chapter XX of the Act and rules made thereunder, if the company shall be wound up, and the assets available for distribution among the Members as such shall be insufficient to repay the whole of the paid up capital, such assets may be divided by the liquidator, with the sanction of a special resolution of the Company, and any other sanction required by the Act, 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.

For the purpose aforesaid, the liquidator may set such values as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of such assets trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, shall think fit but so that no member shall be compelled to accept any Shares or other securities whereon there is any liability.

Indemnity

Subject to provisions of Section 197 of the Act, the Chairman, Directors, Auditors, Managing Directors and other officer for the time being of the Company and any trustees for the time being acting in relation to any of the affairs of the Company and their heirs and executors, shall be indemnified out of the assets and funds of the Company from or against all bonafide suits, proceedings, costs, charges, losses, damages and expenses which they or any of them shall or may incur or sustain by reason of any act done or about the execution of their duties in their respective offices except those done through their wilful neglects or defaults of any other officer or trustee.

PART B

The provisions of this Part B have been inserted pursuant to the execution of the Shareholders Agreement (defined hereinafter).

In the event of any inconsistency between Part A and Part B of these Articles, the provisions of Part B of these Articles shall prevail over Part A of these Articles. Part B of these Articles shall automatically terminate and cease to have any force and effect and deemed to fall away on and from the date of listing of the Equity Shares on a stock exchange in India, subsequent to an initial public offering of the Equity Shares.

The regulations contained in Table "F" in the First Schedule to the Companies Act, 2013 shall apply to this Company to the extent and in respect of matters not specifically provided for in these Articles except so far as the same are contained in these Articles.

Board Composition

Ascent shall have the right to appoint nominee directors constituting such proportion of the total strength of the Board as is equal to Ascent's equity shareholding in the Company (rounded off to the nearest natural number). Without prejudice to the generality of the above, on and from the Completion Date, the Board shall consist of such number of directors as permitted under Applicable Laws:

(a) Ascent shall have the right, but not the obligation, to nominate upto 2 Directors on the Board at all times (each an "**Ascent Director**");

(b) The Promoters shall have the right, but not the obligation, to collectively nominate upto 3 Director(s) on the Board (each a "**Promoter Directors**");

Appointment of Independent Directors

The Board shall by unanimous consent of all the Directors have the right to appoint Independent Directors.

Alternate Director

Ascent and the Promoters shall be entitled to appoint, to the Board of the Company, an alternate Director (an **"Alternate Director"**) in place of any Ascent Director appointed by Ascent Director/ Promoter Directors (as the case may be) as nominated by it from time to time. Upon the appointment of an Alternate Director, the Company shall ensure compliance with the provisions of the Act or the relevant Applicable Law, including by filing necessary forms with the Registrar of Companies or the relevant applicable authority. The Alternate Directors shall be entitled to receive notice of all meetings and to attend and vote at such meetings in place of the Ascent Directors and generally to perform all functions of the Ascent Directors / Promoter Directors (as the case may be) in their absence.

Removal of Directors

Ascent may require the removal of any Ascent Director nominated by it to the Board of the Company and nominate any other individual as a Director in his/her place, and the Promoters and the Company shall exercise their rights to ensure the appointment of the individual nominated as aforesaid. In the event of death, disqualification, resignation, retirement or removal or inability to act or other vacancy of any Ascent Director, Ascent shall be entitled to appoint another Director in such place and the Promoters and the Company shall exercise their respective rights to ensure the appointment of the individual nominated as aforesaid.

Chairman

The Chairman shall have a second or casting vote in the event of an equality of votes at Board meetings or General Meetings of the Company in accordance with Applicable Laws.

D&O Insurance and Indemnification of Directors

The Company shall obtain, at its own cost, directors and officers insurance for all the Directors on the Board of the Company for such amounts and on such terms as maybe acceptable to Ascent, in accordance with Applicable Law.

Subject to Applicable Law, the Company shall indemnify and keep indemnified its Directors, in respect of any actions or inactions of the Directors taken in good faith.

Director's Access

Each Ascent Director shall be entitled to examine the books, accounts and records of the Company and the Subsidiaries and shall have free access, at all reasonable times and with prior notice, to any and all properties and facilities of the Company and the Subsidiaries. Pursuant to this Article, the Company shall provide such information relating to the Business affairs and financial position of the Company and the Subsidiaries as any Director may reasonably require; provided that if any information is provided to a Promoter Director, a copy of such information shall promptly be provided to the Ascent Directors and likewise if any information is provided to an Ascent Director, a copy of such information shall promptly be provided to the Promoter Directors. Subject to confidentiality obligation as contained in the agreement as executed between the Parties, a Director may provide such information to the Party that nominated such Director.

Fees and Expenses of Directors

Subject to the relevant provisions of the Applicable Law, the Company shall pay the Ascent Director all reasonable out of pocket expenses as shall be specifically set out in the Company policy determined by the Board (including international air fares) incurred in order to attend shareholder, Board, committee and other meetings of the Company or otherwise perform its duties and functions as director or members of any committee of the Company. The Company shall not pay any sitting fees to the Promoter Director and Ascent Director.

Committees of the Board

The Board may, subject to Applicable Law, from time to time, form as many Committees as it deems fit for effectively managing the affairs of the Company and each of the Committees so constituted by the Board shall report to the Board from time to time and all decisions taken by the Committees shall have to be ratified by the Board.

Ascent shall have the right but not the obligation to appoint up to 1 (one) Ascent Director as a member of every committee constituted by the Board.

Board Meetings

(a) The Board shall meet at least once in every 3 (three) months, and at least 4 (four) such meetings shall be held in every calendar year in a manner such that the gap between 2 (two) Board meetings does not exceed 120 (One Hundred and Twenty) days.

(b) Unless otherwise agreed to in writing by all the Directors, the notice for the Board meetings shall be sent to the Directors at least 10 (ten) Business Days prior to the meeting along with the agenda and the relevant documents for the same. All notices for all meetings of the Board and Committees thereof shall be in writing, and shall be sent to each of the Directors (with a copy to each Party) in the manner specified in this Article 5. Other than as provided above, no meeting of the Board or Committee shall be convened at a shorter notice period in accordance with Applicable Laws without the prior written consent of the Nominee Directors and decisions taken at such a meeting shall be circulated to the Board.

(c) Except for meetings held at shorter notice as per these Articles, the notice for a Board meeting shall be accompanied by an agenda setting out, in reasonable detail, the matters to be discussed at such Board meeting, which agenda shall be dispatched to each Director and their respective Alternate Directors at least 7 (seven) Business Days prior to the date of such Board meeting (**"Board Agenda"**), together with all necessary background and other information and/or supporting documents pertaining to the business proposed to be transacted thereat. It is hereby clarified that except with the prior written consent of Ascent Director, the Board shall not discuss or decide any matter that was not on the Board Agenda.

(d) Board meetings will be held at the corporate office of the Company at Gurgaon or at the registered office of the Company or at any other place as decided or approved upon by the Ascent Director.

(e) Participation in the meeting of the Board through electronic mode (including participation through video-conferencing), shall constitute presence "in person" for the purposes of constituting quorum for the meeting of the Board only if each Director participating in the meetings of the Board by electronic mode (including participation through video-conferencing), attends at least 1 (one) meeting of the Board physically in every Financial Year. The place where the Chairman of the Board is attending the meeting from shall be taken as place of the meeting and all recording shall be done at that place. In the event any Director participates in a meeting of the Board through the electronic mode (including participation through video-conferencing), the Chairman of the meeting will be responsible for the conduct of such meeting in accordance with Applicable Laws.

(f) The quorum for all Board meetings shall be in accordance with Applicable Laws.

(g) In the event that the quorum as set forth above is not achieved at any Board or Committee meeting, such meeting shall stand adjourned to the same day, location and time on the 7th (seventh) Business Day following the date on which the meeting was scheduled to be held (the **"First Adjourned Board Meeting"**). In the event that the quorum as set forth above is not achieved at such First Adjourned Board Meeting, the Directors present shall, subject to their constituting a valid quorum under the Act, constitute a valid quorum at such First Adjourned Board Meeting, provided that no decision relating to a Reserved Matter shall be taken in such First Adjourned Board Meeting unless the Ascent Director is present.

(h) Each Director shall exercise 1 (one) vote in Board meetings.

(i) A circular resolution in writing, executed by a majority of the Directors as are entitled to vote thereon, shall constitute a valid decision of the Board provided that a draft of such resolution was sent to all of the Directors and Ascent at least 1 (one) Business Day in advance, at their usual address or any electronic mode (including by way of an e-mail) together with a copy of all supporting papers as may be necessary to vote on such resolution and provided further that such circular resolution shall have been ratified at the next validly quorate Board meeting. Provided that no resolution pertaining to a Reserved Matter shall be passed and become effective via circulation without the prior consent of Ascent which consent shall be deemed to have been received on the expiry of 10 (ten) Business Days from the date of circulation unless expressly rejected within 10 (ten) Business Days from the date of circulation.

(j) The Chairman shall cause minutes of each meeting of the Board to be prepared within 15 (fifteen) Business Days of the meeting. The Directors of the Board shall thereafter make any comments on the minutes of the meeting within 7 (seven) Business Days of receipt of the minutes. The minutes shall be signed at the commencement of the next meeting of the Board. All comments made by a Director shall be recorded to the satisfaction of the Director making such comments. If such comments cannot be recorded due to any reason whatsoever, the Chairman shall place on record in the minutes the fact that the comments were received and retain the records of such comments for the perusal of the Board at all times.

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of the Red Herring Prospectus) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus which will be delivered to the RoC for registration. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of the Red Herring Prospectus until the Bid/Offer Closing Date.

Any of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

A. Material Contracts for the Offer

1. Offer Agreement dated September 29, 2017 entered into between our Company, the Promoter Selling Shareholders and the BRLMs.

2. Registrar Agreement dated September 28, 2017 entered into between our Company, the Promoter Selling Shareholders and the Registrar to the Offer.

3. Cash Escrow Agreement dated January 6, 2018 entered into between our Company, the Promoter Selling Shareholders, the Registrar to the Offer, the BRLMs, the Escrow Collection Bank(s) and the Refund Bank(s).

4. Share Escrow Agreement dated January 6, 2018 entered into between the Promoter Selling Shareholders, our Company and the Share Escrow Agent.

5. Syndicate Agreement dated January 6, 2018 entered into between our Company, the Promoter Selling Shareholders, the BRLMs, and the Syndicate Members.

6. Underwriting Agreement dated [●] entered into between our Company, the Promoter Selling Shareholders, and the Underwriters.

7. Monitoring Agency Agreement dated January 6, 2018 entered into among our Company and HDFC Bank Limited.

B. Material Documents

1. Certified copies of the Memorandum of Association and Articles of Association of our Company as amended from time to time.

2. Certificate of incorporation dated April 2, 1990.

3. Fresh certificate of incorporation upon conversion of the Company from private to public dated September 22, 2017.

4. Resolution of the Board of Directors dated September 20, 2017 in relation to the Offer and other related matters and the resolution of our Board of Directors dated December 2, 2017.

5. Resolution of the shareholders of our Company dated September 26, 2017 in relation to the Offer and other related matters and the resolution of the shareholders of our Company dated December 2, 2017.

6. Board resolution dated August 25, 2017 for appointment of chairman and chief executive officer and managing director.

7. Consent letters from Jasbir Singh, a Promoter Selling Shareholder in relation to the Offer for Sale dated September 28, 2017 and December 28, 2017.

8. Consent letters from Daljit Singh, a Promoter Selling Shareholder in relation to the Offer for Sale dated September 28, 2017 and December 28, 2017.

9. Copies of annual reports of our Company for the last five years.

10. The examination report dated December 28, 2017 of the Statutory Auditors, on our Company's Restated Standalone Financial Statements and Restated Consolidated Financial Statements.

11. Consent letter from the Statutory Auditors of our Company for inclusion of their name as experts.

12. The Statement of Tax Benefits dated December 28, 2017 from the Statutory Auditors.

13. Consent of the Directors, Promoter Selling Shareholders, BRLMs, Syndicate Members, Domestic Legal Counsel to our Company, Domestic Legal Counsel to the BRLMs, Registrar to the Offer, Escrow Collection Bank(s), Bankers to our Company, Chief Financial Officer, Company Secretary and Compliance Officer, as referred to in their specific capacities.

14. Consent letter dated September 25, 2017 from Frost and Sullivan and their report titled Indian Room Air Conditioners Market Study.

15. Capacity certificate and consent letter from Sushil Kumar Sharma, Chartered Engineer dated September 22, 2017.

16. Amber Enterprises India Limited - Employee Stock Option Plan 2017.

17. Due Diligence Certificate dated September 29, 2017 addressed to SEBI from the BRLMs.

18. Personal guarantees provided by Jasbir Singh and Daljit Singh for our borrowings.

19. Share Subscription Agreement dated December 23, 2016 between our Company, Ascent and Jasbir Singh and Daljit Singh.

20. Share purchase agreement dated December 23, 2016 between our Company, Reliance Alternative Investments Fund - Private Equity Scheme - I, Ascent, Jasbir Singh, Daljit Singh and Kartar Singh.

21. Shareholders' Agreement dated December 23, 2016 as amended on September 20, 2017 between our Company, Ascent, Jasbir Singh and Daljit Singh.

22. Purchase and Buyback Agreement dated December 23, 2016 read along with the letter dated September 26, 2017 pertaining to the conversion of CCDs between our Company, Ascent, Jasbir Singh and Daljit Singh.

23. Share purchase agreement dated December 5, 2017 between our Company, Ascent, Jasbir Singh and Daljit Singh.

24. The Letter Agreement dated September 26, 2017 as amended by the amendment dated November 30, 2017 entered among the Company, Ascent and the Promoters.

25. Share purchase agreement dated December 20, 2017 between our Company, Ascent, Jasbir Singh and Daljit Singh.

26. Share purchase agreement dated December 8, 2017 between our Company, Ascent and DF International Private Partners.

27. Share purchase agreement dated December 8, 2017 between our Company, Ascent, Aadi Financial Advisors LLP, Profitex Shares & Securities Private Limited and Akash Manek Bhansali.

28. Share purchase agreement dated December 8, 2017 between our Company, Ascent and GMO Emerging Domestic Oppourtunities Fund, A series of GMO Trust.

29. Share purchase agreement dated December 8, 2017 between our Company, Ascent and Edelweiss Crossover Oppurtunities Fund.

30. Share purchase agreement dated November 11, 2017 between our Company, IL JIN, Hyun Chul Sim and Su A Lee.

31. Shareholders' agreement dated November 11, 2017 between our Company, IL JIN, Hyun Chul Sim and Su A Lee.

32. In-principle listing approvals dated October 25, 2017 and October 26, 2017 issued by BSE and NSE, respectively.

33. Tripartite agreement dated January 11, 2017 among our Company, NSDL and the Registrar to the Offer.

34. Tripartite agreement dated August 22, 2013 among our Company, CDSL and the Registrar to the Offer.

35. SEBI final observations letter no. SEBI/HO/CFD/DIL-1/OW/P/2017/30254/1 dated December 5, 2017.

DECLARATION

We the Directors hereby certify and declare that all relevant provisions of the Companies Act and the regulations, rules or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, SCRR the SEBI Act or rules or regulations made or guidelines issued thereunder, as the case may be. We further certify that all disclosures made in this Red Herring Prospectus are true and correct.

SIGNED BY ALL THE DIRECTORS OF OUR COMPANY

_____	_____
Jasbir Singh *(Chairman and Chief Executive Officer)*	**Manoj Kumar Sehrawat** *(Nominee Director)*
_____	_____
Daljit Singh *(Managing Director)*	**Satwinder Singh** *(Independent Director)*
_____	_____
Sudha Pillai *(Independent Director)*	**Girish Kumar Ahuja** *(Independent Director)*

SIGNED BY THE CHIEF FINANCIAL OFFICER

_____

Sudhir Goyal
(Chief Financial Officer)

Place: Gurgaon

Date: January 8, 2018

DECLARATION

The undersigned, acting as the Promoter Selling Shareholder hereby certifies that all statements, disclosures and undertakings made by him in this Red Herring Prospectus in relation to himself and the Equity Shares being sold by him in the Offer for Sale are true and correct.

Signed by the Selling Shareholder

_____

Jasbir Singh

Place: Gurgaon

Date: January 8, 2018

DECLARATION

The undersigned, acting as the Promoter Selling Shareholder hereby certifies that all statements, disclosures and undertakings made by him in this Red Herring Prospectus in relation to himself and the Equity Shares being sold by him in the Offer for Sale are true and correct.

Signed by the Selling Shareholder

_____

Daljit Singh

Place: Gurgaon

Date: January 8, 2018