PROSPECTUS
Dated July 24, 2018
Please read Section 32 of the Companies Act 2013
100% Book Built Offer

TCNS CLOTHING CO. LIMITED

Our Company was incorporated as 'TCNS Clothing Co. Private Limited' on December 3, 1997, as a private limited company under the Companies Act 1956, at New Delhi, with a certificate of incorporation granted by the Registrar of Companies, National Capital Territory of Delhi and Haryana ("**RoC**"). On the conversion of our Company to a public limited company pursuant to a resolution passed by our Shareholders on January 5, 2018, our name was changed to "TCNS Clothing Co. Limited" and a fresh certificate of incorporation dated January 19, 2018 was issued by the RoC. For details of changes in name and registered office of our Company, see "***History and Certain Corporate Matters***" on page 120.

Corporate Identity Number: U99999DL1997PLC090978

Registered Office: Unit No. 112, F/F Rectangle 1, D-4, Saket, District Centre, New Delhi 110 017, India **Tel**: +91 11 4057 8384 **Fax**: +91 11 4079 3114

Corporate Office: W-House, 119, Neelagagan Towers, Mandi Road, Sultanpur, Mehrauli, New Delhi 110 030, India **Tel**: +91 11 4219 3193 **Fax**: +91 11 4219 3194

Contact Person: Piyush Asija, Company Secretary and Compliance Officer **Tel:** +91 11 4219 3193 **Fax**: +91 11 4219 3194

E-mail: investors@tcnsclothing.com **Website**: www.wforwoman.com

OUR PROMOTERS: ONKAR SINGH PASRICHA AND ARVINDER SINGH PASRICHA

INITIAL PUBLIC OFFERING OF 15,714,038 EQUITY SHARES OF FACE VALUE OF ₹ 2 EACH (THE "EQUITY SHARES") OF TCNS CLOTHING CO. LIMITED (OUR "COMPANY" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ 716 PER EQUITY SHARE (THE "OFFER PRICE") AGGREGATING TO ₹ 11,251.25 MILLION (THE "OFFER") THROUGH AN OFFER FOR SALE BY ONKAR SINGH PASRICHA, ARVINDER SINGH PASRICHA (TOGETHER, THE "PROMOTER SELLING SHAREHOLDERS"), ANANT KUMAR DAGA, SARANPREET PASRICHA, ANGAD PASRICHA, VIJAY KUMAR MISRA AND AMIT CHAND (COLLECTIVELY, THE "OTHER SELLING SHAREHOLDERS") AND WAGNER LIMITED ("WAGNER" OR "INVESTOR SELLING SHAREHOLDER", COLLECTIVELY WITH THE PROMOTER SELLING SHAREHOLDERS AND THE OTHER SELLING SHAREHOLDERS, THE "SELLING SHAREHOLDERS" AND SUCH OFFER, THE "OFFER FOR SALE")*. THE OFFER CONSTITUTES 25.63%* OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR DETAILS OF EQUITY SHARES OFFERED BY EACH SELLING SHAREHOLDER, SEE "THE OFFER" ON PAGE 48.

**Subject to finalisation of the Basis of Allotment*

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 2 EACH AND THE OFFER PRICE IS 358 TIMES THE FACE VALUE OF THE EQUITY SHARES

The Offer has been made in terms of Rule 19(2)(b)(iii) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "**SCRR**"). It has been made in accordance with Regulation 26(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "**SEBI ICDR Regulations**") through the Book Building Process, wherein not more than 50% of the Offer was made available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**") (the "**QIB Category**"), and our Company, the Promoter Selling Shareholders and the Investor Selling Shareholder, in consultation with the BRLMs, have allocated 60% of the QIB Category to Anchor Investors (the "**Anchor Investor Portion**") on a discretionary basis. One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation was made to Anchor Investors, which price was determined by the Company, the Promoter Selling Shareholders and the Investor Selling Shareholder in consultation with the BRLMs. 5% of the QIB Category (excluding the Anchor Investor Portion) was made available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Category was made available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer was made available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer was made available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids received at or above the Offer Price. All potential Bidders, other than Anchor Investors, were mandatorily required to participate in the Offer through the Application Supported by Blocked Amount ("**ASBA**") process by providing details of their respective bank account in which the Bid Amount was blocked by the SCSBs. Anchor Investors were not permitted to participate in the Anchor Investor Portion through ASBA process. For details, see "***Offer Procedure***" on page 273.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of the Equity Shares, there has been no formal market for the Equity Shares of our Company. The face value of our Equity Shares is ₹ 2 and the Offer Price is 358 times of the face value of the Equity Shares. The Offer Price (as determined and justified by our Company in consultation with the BRLMs, in accordance with SEBI ICDR Regulations, and as stated in "***Basis for Offer Price***" on page 79) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares 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 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 have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does the SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the investors is invited to "***Risk Factors***" on page 14.

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this 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 and Other Selling Shareholder, severally and not jointly, accepts responsibility for only such statements specifically confirmed or undertaken by such Promoter Selling Shareholder or Other Selling Shareholder in this Prospectus to the extent such statements specifically pertain to such Promoter Selling Shareholder or Other Selling Shareholder and/or its portion of the Offered Shares and confirms that such statements are true and correct in all material respects and are not misleading in any material respect. Further, the Investor Selling Shareholder accepts responsibility for and confirms only the statements specifically made by the Investor Selling Shareholder in this Prospectus to the extent of information specifically pertaining to the Investor Selling Shareholder and its portion of the Offered Shares. However, each Selling Shareholder, does not assume any responsibility for any other statements, including without limitation, any and all of the statements made by or in relation to our Company or the other Selling Shareholders in this Prospectus.

LISTING

The Equity Shares issued though the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. We have received in-principle approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to letters dated April 9, 2018 and April 11, 2018, respectively. For the purposes of this Offer, BSE is the Designated Stock Exchange. A signed copy of the Red Herring Prospectus has been and this 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 that were available for inspection from the date of the Red Herring Prospectus up to the Bid/Offer Closing Date see "***Material Contracts and Documents for Inspection***" on page 330.

BOOK RUNNING LEAD MANAGERS		REGISTRAR TO THE OFFER
Kotak Mahindra Capital Company Limited 1st Floor, 27 BKC, Plot No. C-27 "G" Block, Bandra Kurla Complex Bandra (East), Mumbai 400 051, Maharashtra, India **Tel**: +91 22 4336 0000 **Fax**: + 91 22 6713 2447 **E-mail**: tcns.ipo@kotak.com **Investor grievance E-mail**: kmccredressal@kotak.com **Website**: www.investmentbank.kotak.com **Contact Person**: Ganesh Rane **SEBI Registration No.**: INM000008704	**Citigroup Global Markets India Private Limited** 1202, 12th Floor, First International Financial Center G-Block C54 & 55, Bandra Kurla Complex, Bandra (East) Mumbai 400 098, Maharashtra, India **Tel**: +91 22 6175 9999 **Fax:** +91 22 6175 9898 **E-mail**: tcns.ipo@citi.com **Investor Grievance E-mail:** investors.cgmib@citi.com **Website:** www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm **Contact Person:** Rajesh Kamal **SEBI Registration No.:** INM000010718	**Karvy Computershare Private Limited** Karvy Selenium Tower B Plot 31-32, Gachibowli Financial District Nanakramguda, Hyderabad 500 032 Telangana, India **Tel**: +91 40 6716 2222 **Fax:** +91 40 2343 1551 **E-mail**: einward.ris@karvy.com **Investor Grievance E-mail:** tcns.ipo@karvy.com **Website**: www.karisma.karvy.com **Contact Person:** M. Murali Krishna **SEBI Registration No.:** INR000000221

BID/OFFER PERIOD

BID/OFFER OPENED ON*	Wednesday, July 18, 2018	BID/OFFER CLOSED ON	Friday, July 20, 2018

* *The Anchor Investor Bidding Date was one Working Day prior to the Bid/Offer Opening Date, i.e., July 17, 2018.*

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or implies, the following terms shall have the meanings provided below in this Prospectus, and references to any statute or regulations or policies will include any amendments or re-enactments thereto, from time to time. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

*Unless the context otherwise indicates, all references to "**the Company**" and "**our Company**" are references to TCNS Clothing Co. Limited, a company incorporated in India under the Companies Act 1956 with its Registered Office at Unit No. 112, F/F Rectangle 1, D-4, Saket, District Centre, New Delhi 110 017, India and its Corporate Office at W-House, 119, Neelagagan Towers, Mandi Road, Sultanpur, Mehrauli, New Delhi 110 030, India and references to "**we**", "**us**" and "**our**" are references to our Company.*

Company related terms

Term	Description
AoA/Articles of Association or Articles	The articles of association of our Company, as amended
Audit Committee	The audit committee of our Board
Auditors/ Statutory Auditors	The statutory auditors of our Company, being Deloitte Haskins & Sells LLP, Chartered Accountants
Board/ Board of Directors	The board of directors of our Company
Corporate Office	The corporate office of our Company located at W-House, 119, Neelagagan Towers, Mandi Road, Sultanpur, Mehrauli, New Delhi 110 030, India
Director(s)	The director(s) on our Board
Equity Shares	The equity shares of our Company of face value of ₹ 2 each
ESOP Schemes	Together, the TCNS ESOP SCHEME/ PLAN 2014-2017 and the TCNS ESOP SCHEME/PLAN 2018-2023
Group Company	The group companies of our Company, being related party companies covered under the applicable accounting standards and other companies as considered material by our Board, if any, in accordance the Materiality Policy and as described in "***Our Promoters, Promoter Group and Group Companies***" on page 138
Investor Selling Shareholder	Wagner Limited
IPO Committee	The IPO committee of our Board constituted to facilitate the process of the Offer
KMP/ Key Managerial Personnel	Key management personnel of our Company in terms of Regulation 2(1)(s) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act 2013 and as described in "***Our Management***" on page 126
Materiality Policy	The policy adopted by our Board on February 2, 2018 for identification of Group Companies, outstanding litigation and outstanding dues to creditors, pursuant to the disclosure requirements under the SEBI ICDR Regulations
MoA/Memorandum of Association	The memorandum of association of our Company, as amended
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board
Other Selling Shareholders	Collectively, Anant Kumar Daga, Saranpreet Pasricha, Angad Pasricha, Vijay Kumar Misra and Amit Chand
Power of Attorney	Power of attorney, both dated January 19, 2018 executed by Vijay Kumar Misra and Amit Chand, respectively, authorising Piyush Asija, Company Secretary and Compliance Officer of our Company and Venkatesh Tarakkad, Chief Financial Officer of our Company, jointly and severally, to perform all acts and deeds on behalf of Vijay Kumar Misra and Amit Chand in relation to the Offer
Preference Shares	The preference shares of our Company of face value of ₹ 1 each

Term	Description
Promoter Group	Persons and entities constituting the promoter group of our Company, pursuant to Regulation 2(1)(zb) of the SEBI ICDR Regulations and as disclosed in "***Our Promoters, Promoter Group and Group Companies***" on page 138
Promoters	The promoters of our Company, namely Onkar Singh Pasricha and Arvinder Singh Pasricha
Promoter Selling Shareholders	Together, Onkar Singh Pasricha and Arvinder Singh Pasricha
Registered Office	The registered office of our Company located at Unit No. 112, F/F Rectangle 1, D-4, Saket, District Centre, New Delhi 110 017, India
Restated Financial Information	The restated statement of assets and liabilities of the Company as at March 31, 2018, March 31, 2017 and March 31, 2016 and the restated statement of profit and loss and the restated statement of cash flows for each of the Fiscal ended March 31, 2018, March 31, 2017 and March 31, 2016 along with all notes thereon prepared in accordance with Ind AS notified under Section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and the restated statements of assets and liabilities of the Company as at March 31, 2015 and March 31, 2014 and the restated statement of profit and loss and the restated statement of cash flows for the years ended March 31, 2015 and March 31, 2014 along with all the notes thereon prepared in accordance with the Indian GAAP and included in "***Financial Statements***" on page 146
Selling Shareholders	Collectively, Promoter Selling Shareholders, Other Selling Shareholders and the Investor Selling Shareholder
Shareholders	The holders of the Equity Shares, from time to time
Shareholders' Agreement	Shareholders' agreement dated August 8, 2016 entered into between our Company, our Promoters, Wagner, certain family shareholders and Anant Kumar Daga, as amended pursuant to the amendment agreement dated February 26, 2018
Stakeholders' Relationship Committee	The stakeholders' relationship committee of our Board
TCNS Technologies	TCNS Technologies Private Limited
Wagner	Wagner Limited

Offer Related Terms

Term	Description
Acknowledgment Slip	The slip or document issued by the Designated Intermediary(ies) to a Bidder as proof of registration of the Bid
Allotment Advice	The note or advice or intimation of Allotment, sent to each successful Bidder who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange
Allotted/Allotment/Allot	The transfer of the Equity Shares to successful Bidders pursuant to the Offer
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor	A QIB, who applied under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations
Anchor Investor Bidding Date	Tuesday, July 17, 2018, i.e., the date on which Bids by Anchor Investors were submitted and allocation to the Anchor Investors was completed
Anchor Investor Offer Price	The final price at which the Equity Shares will be Allotted to Anchor Investors in terms of the Red Herring Prospectus and this Prospectus. The Anchor Investor Offer Price has been decided by our Company, the Promoter Selling Shareholders and the Investor Selling Shareholder, in consultation with the BRLMs, in this case, being ₹ 716 per Equity Share
Anchor Investor Portion	60% of the QIB Category, which was allocated by our Company, the Promoter Selling Shareholders and the Investor Selling Shareholder, in consultation with the BRLMs, to Anchor Investors, on a discretionary basis, in accordance with SEBI ICDR Regulations. One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation was made to Anchor Investors (being ₹ 716 per Equity Share), which price has been determined by the

Term	Description
	Company, the Promoter Selling Shareholders and the Investor Selling Shareholder, in consultation with the BRLMs
Application Supported by Blocked Amount/ ASBA	The application (whether physical or electronic) by a Bidder (other than Anchor Investors) to make a Bid authorizing the relevant SCSB to block the Bid Amount in the relevant ASBA Account
ASBA Account	A bank account maintained with an SCSB and specified in the Bid cum Application Form which has been blocked by such SCSB to the extent of the appropriate Bid Amount in relation to a Bid by a Bidder (other than by an Anchor Investor)
ASBA Form	An application form, whether physical or electronic, used by Bidders bidding through the ASBA process, which was considered as the application for Allotment in terms of the Red Herring Prospectus and this Prospectus
Banker to the Offer	Collectively, the Escrow Bank, Refund Bank and Public Offer Account Bank
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Bidders under the Offer, described in "***Offer Procedure***" on page 273
Bid	An indication to make an offer during the Bid/Offer Period by a Bidder (other than an Anchor Investor), or on the Anchor Investor Bidding Date by an Anchor Investor, pursuant to submission of a Bid cum Application Form, to subscribe for or purchase our Equity Shares at a price within the Price Band, including all revisions and modifications thereto, to the extent permissible under the SEBI ICDR Regulations, in terms of the Red Herring Prospectus and the Bid cum Application Form. The term 'Bidding' will be construed accordingly.
Bid Amount	The highest value of the optional Bids as indicated in the Bid cum Application Form and payable by the Bidder or as blocked in the ASBA Account of the Bidder, as the case may be, upon submission of the Bid in the Offer
Bid cum Application Form	The form in terms of which the Bidder (including an Anchor Investor) made a Bid, including ASBA Form, and which is considered as the application for the Allotment pursuant to the terms of the Red Herring Prospectus and this Prospectus
Bid Lot	20 Equity Shares and in multiples 20 Equity Shares thereafter
Bid/Offer Closing Date	Except in relation to Anchor Investors, Friday, July 20, 2018
Bid/Offer Opening Date	Except in relation to Anchor Investors, Wedenseday, July 18, 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 (excluding Anchor Investors) submitted their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus, in this case being Wednesday, July 18, 2018 to Friday, July 20, 2018
Bidder	Any prospective investor who has made a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, and includes an Anchor Investor
Bidding Centres	Centres at which the Designated Intermediaries accepted the Bid cum Application Forms, being the Designated SCSB Branch for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for CRTAs and Designated CDP Locations for CDPs.
Book Building Process	The book building process as described in Schedule XI of the SEBI ICDR Regulations, in terms of which the Offer is being made
Book Running Lead Managers/ BRLM(s)	Kotak Mahindra Capital Company Limited and Citigroup Global Markets India Private Limited
Broker Centres	Broker centres of the Registered Brokers, where Bidders (other than Anchor Investors) submitted the Bid cum Application Forms. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges
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 Bidding Date
Cap Price	₹ 716 per Equity Share

Term	Description
Circular on Streamlining of Public Issues	Circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Citi	Citigroup Global Markets India Private Limited
Client ID	Client identification number of the Bidder's beneficiary account
Collecting Depository Participants/CDPs	A depository participant, as defined under the Depositories Act, 1996 and registered with SEBI Act and who is eligible to procure Bids at the Designated CDP Locations in terms of the Circular on Streamlining of Public Issues.
Collecting Registrar and Share Transfer Agents or CRTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of the Circular on Streamlining of Public Issues.
Cut-off Price	The Offer Price, finalized by our Company in consultation with the BRLMs, in this case being ₹ 716 per Equity Share. Only Retail Individual Investors were entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Investors were not entitled to Bid at the Cut-off Price
Demographic Details	The details of the Bidders including the Bidders' address, names of the Bidders' father/husband, investor status, occupation and bank account details
Designated SCSB Branches	Such branches of the SCSBs which collected the Bid cum Application Form used by Bidders (other than Anchor Investors), a list of which is available at the website of the SEBI (http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) and updated from time to time
Designated CDP Locations	Such centres of the Collecting Depository Participants where Bidders (other than Anchor Investors) submitted the Bid cum Application Forms. The details of such Designated CDP Locations, along with the names and contact details of the CDPs are available on the respective websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com) and updated from time to time
Designated Date	The date on which the funds from the Escrow Accounts are transferred to the Public Offer Account or the Refund Account(s), as appropriate, and the relevant amounts blocked by the SCSBs are transferred from the ASBA Accounts, to the Public Offer Account and/or are unblocked, as applicable, in terms of the Red Herring Prospectus and this Prospectus, after this Prospectus is filed with the RoC
Designated Intermediaries	The members of the Syndicate, sub-syndicate members/agents, SCSBs, Registered Brokers, CDPs and CRTAs, who are authorized to collect Bid cum Application Forms from the Bidders (other than Anchor Investors), in relation to the Offer
Designated RTA Locations	Such centres of the CRTAs where Bidders (other than Anchor Investors) submitted the Bid cum Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the CRTAs are available on the respective websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com) and updated from time to time
Designated Stock Exchange	BSE
Draft Red Herring Prospectus/DRHP	The draft red herring prospectus dated February 26, 2018 filed with SEBI on February 27, 2018 in accordance with the SEBI ICDR Regulations
Eligible NRI	A non-resident Indian, resident in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Red Herring Prospectus constituted an invitation to subscribe for the Equity Shares
Escrow Accounts	Accounts opened with the Escrow Bank for the Offer and in whose favour the Anchor Investors transferred money through direct credit or NACH or NEFT or RTGS in respect of the Bid Amount when submitting a Bid
Escrow Agreement	The agreement dated July 6, 2018 entered into among our Company, the Selling Shareholders, the Registrar to the Offer, BRLMs, the Escrow Bank and Refund Bank for collection of the Bid Amounts and where applicable, remitting refunds, if any, on the terms and conditions thereof
Escrow Bank	A bank, which is a clearing member and registered with SEBI as a banker to an offer and with whom the Escrow Accounts have been opened, in this case being ICICI Bank Limited
First Bidder	The Bidder whose name appears first in the Bid cum Application Form or the Revision Form and in case of joint Bidders, whose name appears as the first holder of the beneficiary account held in joint names
Floor Price	₹ 714 per Equity Share

Term	Description
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and certain other amendments to applicable laws and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 notified by SEBI and included in "***Offer Procedure***" on page 273
Kotak	Kotak Mahindra Capital Company Limited
Mutual Fund Portion	5% of the QIB Category (excluding the Anchor Investor Portion) or 392,851 Equity Shares which was made available for allocation to Mutual Funds only, on a proportionate basis, subject to valid Bids being received at or above the Offer Price
Non-Institutional Category	The portion of the Offer, being not less than 15% of the Offer or 2,357,106 Equity Shares, which was made available for allocation on a proportionate basis to Non-Institutional Investors subject to valid Bids being received at or above the Offer Price
Non-Institutional Investors/NIIs	All Bidders, including Category III FPIs that are not QIBs (including Anchor Investors) or Retail Individual Investors, who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Offer/Offer for Sale	Public offer of 15,714,038* Equity Shares for cash at a price of ₹ 716 each by through an offer for sale of 2,764,841 Equity Shares aggregating to ₹ 1,979.63 million by Onkar Singh Pasricha, 3,039,118 Equity Shares aggregating to ₹ 2,176.01 million by Arvinder Singh Pasricha, 1,256,670 equity shares aggregating to ₹ 899.78 million by Anant Kumar Daga, 691,001 Equity Shares aggregating to ₹ 494.76 million by Saranpreet Pasricha, 416,724 Equity Shares aggregating to ₹ 298.37 million by Angad Pasricha, 458,022 Equity Shares aggregating to ₹ 327.94 million by Vijay Kumar Misra, 175,978 Equity Shares aggregating to ₹ 126.00 million by Amit Chand and 6,911,684 Equity Shares aggregating to ₹ 4,948.77 million by Wagner Limited, in terms of the Red Herring Prospectus and this Prospectus. The Offer constitutes 25.63% of the post-Offer paid up Equity Share capital of our Company* **Subject to finalisation of the Basis of Allotment*
Offer Agreement	The agreement dated February 19, 2018 entered into among our Company, the Selling Shareholders and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Offer
Offer Price	The final price at which Equity Shares will be Allotted to the successful Bidders (other than Anchor Investors), being ₹ 716 per Equity Share, as determined in accordance with the Book Building Process and determined by our Company in consultation with the BRLMs in terms of the Red Herring Prospectus on the Pricing Date
Offered Shares	15,714,038 Equity Shares comprising 2,764,841 Equity Shares offered by Onkar Singh Pasricha, 3,039,118 Equity Shares offered by Arvinder Singh Pasricha, 1,256,670 Equity Shares offered by Anant Kumar Daga, 691,001 Equity Shares offered by Saranpreet Pasricha, 416,724 Equity Shares offered by Angad Pasricha, 458,022 Equity Shares offered by Vijay Kumar Misra, 175,978 Equity offered by Amit Chand and 6,911,684 Equity Shares offered by Wagner* **Subject to finalisation of the Basis of Allotment*
Price Band	Price band ranging from a Floor Price of ₹ 714 to a Cap Price of ₹ 716
Pricing Date	The date on which our Company, in consultation with the BRLMs, finalized the Offer Price, being July 24, 2018
Prospectus	This Prospectus dated July 24, 2018 to be filed with the RoC for this Offer on or after the Pricing Date in accordance with the provisions of Section 26 of the Companies Act 2013 and the SEBI ICDR Regulations, containing the Offer Price, the size of the Offer and certain other information, including any addenda or corrigenda thereto
Public Offer Account	The bank account opened with the Public Offer Account Bank(s) under Section 40(3) of the Companies Act 2013 to receive monies from the Escrow Accounts and the ASBA Accounts on the Designated Date
Public Offer Account Bank	The bank with whom the Public Offer Account has been opened for collection of Bid Amounts from the Escrow Accounts and ASBA Accounts on the Designated Date, in this case being ICICI Bank Limited

Term	Description
QIB Category	The portion of the Offer, being not more than 50% of the Offer or 7,857,018 Equity Shares* to be Allotted to QIBs on a proportionate basis, including the Anchor Investor Portion (in which allocation was made on a discretionary basis, as determined by our Company, the Promoter Selling Shareholders and the Investor Selling Shareholder, in consultation with the BRLMs), subject to valid Bids being received at or above the Offer Price **Subject to finalisation of the Basis of Allotment*
Qualified Institutional Buyers or QIBs	A qualified institutional buyer as defined under Regulation 2(1)(zd) of the SEBI ICDR Regulations
Red Herring Prospectus or RHP	The red herring prospectus dated July 8, 2018, issued in accordance with Section 32 of the Companies Act 2013 and the SEBI ICDR Regulations, which did not have complete particulars of the price at which the Equity Shares shall be Allotted and which was filed with the RoC
Refund Account	Account opened with the Refund Bank from which refunds, if any, of the whole or part of the Bid Amount shall be made to Anchor Investors or other Bidders, if required
Refund Bank	The Banker to the Offer with whom the Refund Account has been opened, in this case being ICICI Bank Limited
Registered Brokers	Stock brokers registered with SEBI and the Stock Exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids at the Broker Centres in terms of circular number CIR/CFD/14/2012 dated October 14, 2012, issued by SEBI
Registrar Agreement	The agreement dated February 16, 2018 entered into among our Company, the Selling Shareholders and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
Registrar to the Offer	Karvy Computershare Private Limited
Retail Category	The portion of the Offer, being not less than 35% of the Offer or 5,499,914 Equity Shares, which was made available for allocation to Retail Individual Investors
Retail Individual Investors/ RIIs	Bidders (including HUFs and Eligible NRIs) whose Bid Amount for Equity Shares in the Offer is 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)
Revision Form	The form used by the Bidders to modify the quantity of Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s), as applicable. QIBs bidding in the QIB Category and Non-Institutional Investors bidding in the Non-Institutional Category are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage
Self-Certified Syndicate Banks or SCSBs	The banks registered with the SEBI which offer the facility of ASBA and the list of which is available on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) and updated from time to time and at such other websites as may be prescribed by SEBI from time to time
Share Escrow Agreement	The agreement dated June 14, 2018 entered into among the Selling Shareholders, our Company and a share escrow agent in connection with the transfer of the respective portion of the Offered Shares by each Selling Shareholder and credit of such Equity Shares to the demat account of the Allottees
Specified Locations	Bidding centres where the Syndicate accepted Bid cum Application Forms, a list of which was included in the Bid cum Application Form
Stock Exchanges	Together, the BSE Limited and the National Stock Exchange of India Limited
Syndicate Agreement	The agreement dated July 6, 2018 entered into among the members of the Syndicate, our Company, the Selling Shareholders and the Registrar to the Offer in relation to the collection/ procurement of Bid cum Application Forms by the Syndicate
Syndicate Member	Intermediary registered with the SEBI and permitted to carry out activities as an underwriter, in this case being Kotak Securities Limited
Syndicate or members of the Syndicate	Collectively, the BRLMs and the Syndicate Member

Term	Description
Underwriters	Members of the Syndicate
Underwriting Agreement	The agreement dated July 24, 2018 entered into among our Company, the Selling Shareholders and the Underwriters
Working Day(s)	All days, other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai, India are open for business; provided however, for the purposes of announcement of Price Band and the Bid/ Offer Period, "Working Day" shall mean all days, excluding all Saturdays, Sundays or a public holiday, on which commercial banks in Mumbai, India 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.

Conventional and general terms and abbreviations

Term	Description
AIF(s)	Alternative Investment Funds, as defined in, and registered under the SEBI AIF Regulations
AS	Accounting standards issued by the Institute of Chartered Accountants of India, as notified by the Companies (Accounting Standards) Rules, 2006.
AS 18	Accounting Standard (AS) 18 on related party disclosures
BSE	BSE Limited
CAGR	Compound annual growth rate calculated as ((ending value / beginning value)^(1 / number of years) - 1
Category III FPIs	FPIs registered as category III FPIs under the SEBI FPI Regulations, which shall include all other FPIs not eligible under category I and II foreign portfolio investors, such as endowments, charitable societies, charitable trusts, foundations, corporate bodies, trusts, individuals and family offices
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Companies Act	The 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 Notified Sections)
Companies Act 2013	Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications and modifications thereunder
Consolidated FDI Policy	The Consolidated Foreign Direct Investment Policy, effective from August 28, 2017 issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
Copyright Act	Copyright Act, 1957
Debtor Days	Calculated as (trade debtors / revenue (sales)) * 365
Depositories Act	The Depositories Act, 1996
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
DP ID	Depository Participant's identity number
EBITDA	Earnings before interest, tax, depreciation and amortization
EPS	Earnings per share
FCNR Account	Foreign Currency Non Resident (Bank) account established in accordance with the FEMA
FDI	Foreign direct investment
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
Financial Year/Fiscal/ Fiscal Year	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FPIs	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations
FVCI	Foreign Venture Capital Investors (as defined under the SEBI FVCI Regulations) registered with SEBI
GAAR	General Anti-Avoidance Rules
GDP	Gross Domestic Product
GoI	The Government of India

Term	Description
GST	Goods and services tax
HUF(s)	Hindu Undivided Family(ies)
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
Income Tax Act	Income Tax Act, 1961
Ind AS	The Indian Accounting Standards referred to in and notified by the Ind AS Rules
Ind AS 24	IND AS 24, Related Party Disclosure issued by the Ministry of Corporate Affairs
Ind AS Rules	Companies (Indian Accounting Standards) Rules, 2015
Indian GAAP	Generally Accepted Accounting Principles in India
INR or Rupee or ₹ or Rs.	Indian Rupee, the official currency of the Republic of India
IT	Information Technology
ITC	Input Tax Credit
MCA	The Ministry of Corporate Affairs, GoI
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
NCLT	National Company Law Tribunal
NCR	National Capital Region
Notified Sections	The sections of the Companies Act 2013 that have been notified by the MCA and are currently in effect
NR/ Non-resident	A person resident outside India, as defined under the FEMA and includes an NRI
NRI	Non-Resident Indian
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
P/E Ratio	Price/Earnings Ratio
PAN	Permanent account number
PAT	Profit after tax
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RoACE	Means return on average capital employed over a period and is calculated as earnings before interest and taxes (EBIT) / (average total assets - average current liabilities)
RoC or Registrar of Companies	The Registrar of Companies, National Capital Territory of Delhi and Haryana
Rule 144A	Rule 144A under the U.S. Securities Act
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	SEBI (Alternative Investment 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 ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
STT	Securities Transaction Tax
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Trade Marks Act	The Trade Marks Act, 1999
Trade Payables to Net Sales days	Calculated as (trade payables / revenue (sales)) * 365
U.S. GAAP	Generally Accepted Accounting Principles in the United State of America
U.S. Securities Act	U.S. Securities Act of 1933, as amended
USA/ U.S.	United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
USD	United States Dollar, the official currency of the United States of America
VAT	Value Added Tax

Term	Description
VCFs	Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may be

Industry related terms

Term	Description
EBOs	Exclusive brand outlets of a brand or company
GDP	Gross domestic product
GINI Co-efficient	GINI coefficient is a measure of inequality of a distribution. It is defined as a ratio with values between zero and one
GINI Index	The GINI Index is a statistical measure of distribution
IMF	International Monetary Fund
LFS	Large format stores or large format lifestyle retailers
MBOs	Multi-brand outlets
Metro cities	Certain cities in India with a population of over five million, i.e., Delhi/NCR and Greater Mumbai
Mini-metro cities	Certain cities in India with a population of over five million, i.e., Kolkata, Bangalore, Hyderabad, Chennai, Ahmedabad and Pune
Same store sales growth	In relation to our Company, growth in sales of stores existing for the entire duration of both the current and previous period for exclusive brand outlets and large format stores combined, for the Fiscal or period
SKU	Stock keeping unit
Technopak	Technopak Advisors Private Limited
Technopak Report	"*Women's Ethnic Wear Market in India*" dated May 2018 prepared by Technopak
Tier I cities	Cities in India with a population between one million to five million
Tier II cities	Cities in India with a population between 0.3 million to one million
Tier III cities	Cities in India with a population less than 0.3 million
Women's ethnic wear or apparel	Means *salwar kameez*, *kurtis* and mix and match ethnic apparel
Women's Indian wear or apparel	Means women's ethnic wear together with blouses, petticoats and sarees.

The words and expressions used but not defined in this Prospectus will have the same meaning as assigned to such terms under the Companies Act, the SEBI Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in "***Main Provisions of the Articles of Association***", "***Statement of Tax Benefits***", "***Industry Overview***", "***Key Regulations and Policies in India***", "***Financial Statements***", "***Outstanding Litigation and Other Material Developments***", "***Government and Other Approvals***", "***Ind AS Financial Information***" and "***Part B***" of "***Offer Procedure***", will have the meaning ascribed to such terms in these respective sections.

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain conventions

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

Unless indicated otherwise, all references to page numbers in this Prospectus are to page numbers of this Prospectus.

Financial data

Unless indicated otherwise or the context requires otherwise, the financial data in this Prospectus is derived from our Restated Financial Information prepared in accordance with the Companies Act, the relevant accounting standards and restated in accordance with the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the ICAI, included elsewhere in this Prospectus.

On February 16, 2015, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Rules, 2015 ("**Ind AS Rules**") for the purpose of enacting changes to Indian GAAP that are intended to align Indian GAAP further with International Financial Reporting Standards ("**IFRS**"). The Ind AS Rules provide that the financial information of the companies to which they apply shall be prepared in accordance with the Ind AS. We have transitioned to the Ind AS accounting standards with effect from April 1, 2016 and have prepared the restated financial statements of our Company as at and for the year ended March 31, 2018, which includes the comparative Ind AS financial statements as at and for the year ended March 31, 2017, prepared in accordance with the Ind AS and restated financial statements for the year ended March 31, 2016 which have been prepared by making Ind AS adjustments to the audited Indian GAAP financial statements and restated financial statements of the Company as at March 31, 2015 and 2014 and for the years ended March 31, 2015 and 2014 prepared in accordance with the Indian GAAP. Accordingly, our financial statements for the period commencing from April 1, 2016 prepared under Ind AS may not be comparable to our historical financial statements prepared under Indian GAAP. See "***Risk Factors – Certain companies in India, including us, are required to prepare financial statements under Ind AS. The transition to Ind AS in India is recent.***" on page 31.

Our Company's financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year, so all references to a particular Fiscal are to the 12 month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.

There are differences between the Ind AS, Indian GAAP, the IFRS and the Generally Accepted Accounting Principles in the United States of America (the "**U.S. GAAP**"). Accordingly, the degree to which the financial information included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with accounting standards in India, the Ind AS, the Indian GAAP, the Companies Act and the SEBI ICDR Regulations, on the financial disclosures presented in this Prospectus should accordingly be limited. We have not attempted to quantify the impact of the IFRS or the U.S. GAAP on the financial data included in this Prospectus, nor have we provided a reconciliation of our financial information to those under the U.S. GAAP or the IFRS and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Certain figures contained in this Prospectus, including financial information, have been subject to rounded off adjustments. All decimals have been rounded off to two decimal points and percentages to two decimal points other than the operational numbers which have been rounded off to one decimal point. Therefore, in certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points or one decimal point (in case of percentages) in their respective sources, such figures appear in this Prospectus may be rounded-off to such number of decimal points as provided in such respective sources.

Industry and market data

We have commissioned a report titled "*Women's Ethnic Wear Market in India*" dated May 2018, prepared by Technopak ("**Technopak Report**"), for the purpose of confirming our understanding of the industry in connection with the Offer.

Aside from the above, unless stated otherwise, industry and market data used throughout this Prospectus has been derived from certain industry sources. Industry publications generally state that the information contained in such publications has been obtained from sources generally believed to be reliable, but their accuracy, adequacy or completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Accordingly, no investment decisions should be made based on such information. Although we believe that the industry and market data used in this Prospectus is reliable, it has not been independently verified by us, the Selling Shareholders, the BRLMs or any of our or their respective affiliates or advisors, and none of these parties, jointly or severally, makes any representation as to the accuracy of this information. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. The extent to which the industry and market data presented in this Prospectus is meaningful depends upon 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 we conduct our business and methodologies and assumptions may vary widely among different market and 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 – We have commissioned a report from Technopak which have been used for industry related data in this Prospectus and such data has not been independently verified by us***" on page 27.

Currency and units of presentation

All references to "**Rupees**" or "**₹**" or "**Rs.**" are to Indian Rupees, the official currency of the Republic of India. All references to "**U.S. Dollar**", "**USD**" or "**U.S. Dollars**" are to United States Dollars, the official currency of the United States of America.

In this Prospectus, our Company has presented certain numerical information. All figures have been expressed in million or in whole numbers, where a figure is too small to express in million. One million represents '10 lakhs' or 1,000,000. However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than million in their respective sources, such figures appear in this Prospectus expressed in such denominations as provided in such respective sources.

Exchange Rates

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Rupee and USD.

(amount in ₹)

	Exchange rate as on				
Currency	**March 31, 2018***	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**	**March 31, 2014****
1 USD	65.04	64.84	66.33	62.59	60.09

Source: RBI Reference Rate

**Exchange rate as on March 28, 2018, as RBI Reference Rate is not available for March 31, 2018 being a Saturday and March 30, 2018 and March 29, 2018 being public holidays.*

***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.*

FORWARD-LOOKING STATEMENTS

This Prospectus contains certain "forward-looking statements". These forward looking statements include statements which can generally be identified by words or phrases such as "***aim***", "***anticipate***", "***believe***", "***expect***", "***estimate***", "***intend***", "***likely to***", "***objective***", "***plan***", "***propose***", "***will continue***", "***seek to***", "***will pursue***" or other words or phrases of similar import. Further, statements that describe our strategies, objectives and plans are also forward looking statements.

These forward-looking statements are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such 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. This may be due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industries in India in which we have our businesses 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 our 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, changes in competition in our industry and incidence of any natural calamities and/or acts of violence. Important factors that would cause actual results to differ materially include, including, but not limited to:

- Inability to anticipate and respond to changes in fashion trends and changing customer preferences in a timely and effective manner;
- Inability to maintain and grow our brand image;
- Inability to identify customer demand accurately and maintain an optimal level of inventory in our stores;
- Inability to effectively manage or expand our retail network;
- Current locations of our exclusive brand outlets becoming unattractive, and suitable new locations not available for reasonable prices;
- Failure to maintain relationships with third parties such as franchised exclusive brand outlets, large format stores, multi brand outlets and online retailers;
- Inability to obtain sufficient quantities or desired quality of products from job workers in a timely manner or at acceptable prices;
- Inability to procure adequate amounts of raw materials, at competitive prices; and
- Inability to compete effectively against existing or potential competitors.

For a further discussion of factors that could cause our actual results to differ, see "***Risk Factors***", "***Our Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 14, 103 and 225, 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 future gains or losses could be materially different from those that have been estimated. Forward-looking statements reflect our current views as of the date of this Prospectus and are not a guarantee of future performance. Although we believe that the assumptions on which such statements are based are reasonable, any such assumptions as well as the statement based on them could prove to be inaccurate.

We cannot assure 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 as a guarantee of future performance.

Neither our Company, nor the Selling Shareholders, nor the Syndicate, 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 requirements of SEBI, our Company and the BRLMs will ensure that investors in India are informed of material developments until the receipt of final listing and trading approvals for the Equity Shares pursuant to the Offer. Each of the Promoter Selling Shareholders and Other Selling Shareholders (severally and not jointly) will ensure that Bidders in India are informed of material developments in relation to the statements relating to and undertakings specifically confirmed or undertaken by such Promoter Selling Shareholder and Other Selling Shareholder in relation to it or its respective portion of the Offered Shares in this Prospectus until the receipt of final listing and trading approvals from the Stock Exchanges. The Investor Selling Shareholder will ensure that Bidders in India are informed of material developments in relation to the statements and undertakings specifically confirmed by the Investor Selling Shareholder in this Prospectus as required under applicable law or as may be relevant to the Offer, until the receipt of final listing and trading approvals from the Stock Exchanges.

SECTION II - RISK FACTORS

*An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares, the industry and segments in which we currently operate or propose to operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also impair our businesses, results of operations, financial condition and cash flows. If any of the following risks, or other risks that are not currently known or are currently deemed immaterial, actually occur, our businesses, results of operations, financial condition and cash flows could suffer, the trading price of our Equity Shares could decline, and you may lose all or part of your investment. To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with "**Our Business**", "**Industry Overview**" and "**Management's Discussions and Analysis of Financial Condition and Results of Operations**" on pages 103, 85 and 225, respectively, as well as the financial, statistical and other information contained in this Prospectus. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Offer including the merits and risks involved. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.*

The industry information contained in this section is derived from a report "Women's Ethnic Wear Industry Report" dated May 2018, prepared by Technopak, and commissioned by our Company in connection with the Offer. Neither we, nor the BRLMs, nor any other person connected with the Offer has independently verified this information.

*This Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Prospectus. For details, see "**Forward-Looking Statements**" on page 12.*

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless the context requires otherwise, the financial information of our Company has been derived from the Restated Financial Information.

Risks Relating to our Business

1. ***If we are unable to anticipate and respond to changes in fashion trends and changing customer preferences in a timely and effective manner, the demand for our products may decline, which may have an adverse effect on our business, results of operations and prospects.***

We are a women's branded apparel company and our business is characterized by rapidly changing customer preferences. Our results of operations are dependent on our ability to anticipate, gauge and respond to such changes in customer preferences and design new products or modify our existing products in line with changes in fashion trends as well as customer demands and preferences. If we are unable to anticipate, gauge and respond to changing customer preferences or fashion trends, or if we are unable to adapt to such changes by modifying our existing products or launch new products on a timely basis, we may lose, or fail to attract customers, our inventory may become obsolete and we may be subject to pricing pressure to sell our inventory at a discount. A decline in demand for our products or a misjudgement on our part could lead to lower sales, excess inventories and higher markdowns, each of which may have an adverse effect on our results of operations and financial condition.

Further, our process for designing our products is a key aspect of our operations for which we rely heavily on data analysis and the study of fashion trends to introduce new and original concepts. We incur expenses in the design and development of our products and we cannot assure you that our current portfolio of designs and any products we launch, will be well received by our customers, or that we will be able to recover costs we incurred in designing and developing such products. If the products that we launch are not as successful as we anticipate, our business, results of operations and prospects may be adversely affected.

2. ***Our business and prospects may be adversely affected if we are unable to maintain and grow the image of our brands.***

We are India's leading women's branded apparel company in terms of total number of exclusive brand outlets as of May 2018, according to Technopak. We sell our products under our brands 'W', 'Aurelia' and 'Wishful', which we believe are well recognized, have been developed to cater to customers across the market for women's apparel and have contributed to the success of our business. We believe our brands serve in attracting customers to our products in preference over those of our competitors.

Maintaining and enhancing the recognition and reputation of these brands is critical to our business and competitiveness. Many factors, some of which are beyond our control, are important to maintaining and enhancing our brands, including maintaining or improving customer satisfaction and the popularity of our products and increasing brand awareness through brand building initiatives. In particular, from time to time we launch new products, and if any of those products do not meet standards for quality and performance or customers' subjective expectations, our brand reputation and the sales of our products may be impacted. If we fail to maintain our reputation, enhance our brand recognition or increase positive awareness of our products, or the quality of our products declines, our business and prospects may be adversely affected.

3. *If we are unable to identify customer demand accurately and maintain an optimal level of inventory in our stores, our business, results of operations and financial condition may be adversely affected.*

The success of our business depends upon our ability to anticipate and forecast customer demand and trends. Any error in our forecast could result in either surplus stock, which we may not be able to sell in a timely manner, or at all, or under stocking, which will effect our ability to meet customer demand. We plan our inventory and commence our design process prior to launch and estimate our sales based on the forecast, demand and requirements for the forthcoming seasons. We have inventory manufactured and stored at our warehouses ahead of an upcoming season. An optimal level of inventory is important to our business as it allows us to respond to customer demand effectively and to maintain a full range of products at our exclusive brand outlets and for sale through our other retail channels.

Ensuring availability of our products requires prompt turnaround time and a high level of coordination across raw material procurement, manufacturers, warehouse management and retail stores and staff. While we aim to avoid under-stocking and over-stocking, our estimates and forecasts may not always be accurate. If we fail to accurately forecast customer demand, we may experience excess inventory levels or a shortage of products available for sale. If we over-stock inventory, our capital requirements may increase and we may incur additional financing costs. Any unsold inventory would have to be sold at a discount or discarded, leading to losses. Under our agreements entered into with our franchised exclusive brand outlets and with large format stores, we generally agree to bear a portion of the amount of discount or reduced price for all end of season sales and in certain instances are obliged take back any unsold stock from such third parties. We cannot assure you that we will be able to sell surplus stock in a timely manner, or at all, which in turn may adversely affect our business, results of operations and financial condition. If we under-stock inventory, our ability to meet customer demand may be adversely affected.

4. *Our inability to effectively manage or expand our retail network may have an adverse effect on our business, results of operations and financial condition.*

We sell our products through exclusive brand outlets, large format stores, multi-brand outlets and online channels such as online retailers and our websites. As of March 31, 2018, our products under W and Aurelia sold through 281 and 183 exclusive brand outlets, respectively. Further, as of March 31, 2018, we retail our products through 1,469 large format store outlets across 203 cities in India and through 1,522 multi-brand outlets (including through distributors) across India. Our ability to expand and grow our sales significantly depends on the reach and effective management of our retail network and the continued cooperation of third parties such as franchisees for our exclusive brand outlets, large format stores, multi-brand outlets and online retailers. We cannot assure you that we will continue to be able to effectively manage our retail network and maintain good relationships with such third parties.

We intend to open approximately 75 to 85 exclusive brand outlets during Fiscal 2019 and 2020. We may be unable to identify suitable locations or properties or enter into agreements with franchisees in order to open additional exclusive brand outlets. Our ability to effectively obtain quality commercial property to relocate existing exclusive brand outlets or open new exclusive brand outlets depends on the availability of commercial property that meets our criteria for customer traffic, square footage, lease economics, demographics and other factors, including our ability to negotiate terms that meet our financial targets. In addition, rising real estate prices may restrict our ability to lease new desirable locations. Further, we cannot assure you that any new exclusive brand outlets we open will be successful or profitable.

In addition, we also plan to increasingly utilize modern trade channels such as large format stores and online platforms. Certain large format stores, multi-brand outlets or online retailers may have exclusivity arrangements with our competitors or they may launch their own competing women's apparel brands, and may be unable to, or decline to, stock and distribute our products, which in turn may limit our ability to expand our retail network. We cannot assure you that we will be able to expand our retail network in accordance with our business plans, or at all, which may adversely affect our business, results of operations and financial condition.

5. *Current locations of our exclusive brand outlets may become unattractive, and suitable new locations may not be available for a reasonable price, if at all.*

The success of any exclusive brand outlet depends in part on its location. We cannot assure you that current locations of our exclusive brand outlets will continue to be attractive or profitable as demographic patterns change. Neighbourhood or economic conditions where exclusive brand outlets are located could decline in the future, thus resulting in reduced sales in those locations. We periodically close exclusive brand outlets which are not profit making or which we determine are not adhering to our internal standards and business plans. For the the Fiscals 2018, 2017 and 2016, we closed 20, 15 and 18 exclusive brand outlets (not including exclusive brand outlets closed for upgrades), respectively. If we are unable to obtain alternate locations at reasonable prices our ability to affect our growth strategy will be adversely affected.

6. *We derive a significant portion of our revenues from sales at franchised exclusive brand outlets, large format stores, multi-brand outlets and through online retailers. Any failure to maintain relationships with such third parties could adversely affect our business, results of operations and financial condition.*

We rely on third parties such as franchisees for our exclusive brand outlets, large format stores, distributors for multi-brand outlets and online retailers, for a significant portion of our sales and revenues. Sales of products through franchised exclusive brand outlets, large format stores, multi-brand outlets and online retailers, accounted, 17.16%, 27.73%, 11.05% and 10.05%, respectively, of our revenue from operations for the Fiscal 2018 and for 16.91%, 29.32%, 11.27% and 10.11%, respectively, of our revenue from operations for the Fiscal 2017.

We operate a significant portion of our exclusive brand outlets through franchisees with whom we enter into franchise agreements. As of March 31, 2018, we had 176 franchised exclusive brand outlets. Agreements with our franchisees are typically for a period of nine years, which are renewable at the end of the term, for additional periods, on terms mutually agreed between the franchisee and our Company. Periodically we may have to discontinue business with certain franchisees, for reasons including delay in payments and inability to meet the expected sales targets, among others. Our ability to terminate our arrangements with certain franchisees may be limited by the terms of our agreements with them. For the Fiscals 2018, 2017 and 2016, we closed 10, 11 and 10 franchised exclusive brand outlets, respectively.

Further, we enter into agreements with large format stores, multi-brand outlets and online retailers to sell our products. The term of such agreements typically ranges from one to three years, and these counter-parties may have the right to terminate agreements without cause. Further, we generally do not have exclusivity arrangements with large format stores, multi-brand outlets and online retailers, and accordingly, they may also retail products of our competitors.

We cannot assure you that we will be able to continue to renew the arrangements with these third parties on terms that are commercially acceptable to us, or at all. We cannot assure you that such third parties shall fulfil their obligations under such agreements entirely, or at all, shall not breach certain terms of their arrangements with us, including with respect to payment obligations or quality standards, or shall not choose to terminate their arrangements with our Company. We may have to initiate litigation in respect of any breach by such third parties, and such litigation could divert the attention of our management from our operations, and be decided against us, which may adversely affect our business, financial condition and results of operations. For example, we are currently involved in an arbitration proceeding with one of our franchisees who has claimed an amount of ₹ 4.40 million in relation to an alleged failure of our Company to partially reimburse a discount offered.

7. *We do not currently own any manufacturing facilities and engage job workers for manufacturing all our products. We may not be able to obtain sufficient quantities or desired quality of products from job workers in a timely manner or at acceptable prices, which may adversely affect our business, financial condition and results of operations.*

We do not own manufacturing facilities and engage job workers for manufacturing all our products, including TCNS Limited, our Group Company and Promoter Group entity. We utilized approximately 78 entities as job workers over the twelve month period ended March 31, 2018, a significant majority of whom are located in the NCR. Expenditure incurred by us in relation to job workers i.e. fabrication charges were ₹ 1,527.94 million, ₹

1,275.12 million and ₹ 844.28 million, or 18.14%, 17.93% and 17.37%, respectively, of our revenue from operations for the Fiscals 2018, 2017 and 2016, respectively. We are dependent on a few key job workers, for example, our top five job workers accounted for 52.79%, 53.08% and 49.74% of our fabrication charges incurred for the Fiscals 2018, 2017 and 2016, respectively. We may be unable to replace our existing job workers at short notice, or at all, and may face delays in production and added costs as a result of the time required to train new job workers to undertake manufacturing in accordance with our standard processes and quality control standards.

We enter into job work agreements with such job workers with a term of one year which is subject to automatic renewal. We pre-book capacity with job workers, based on our demand projections. We, however, cannot assure you that our job workers will be able to fulfil their obligations, including those in relation to maintenance of quality standards, under such agreements entirely, in a manner acceptable to us, or at all. Periodically we may have to discontinue business with certain job workers, for reasons including delay or insufficiency in delivery and quality defects. Any shortfall in supply of products from our job workers, or insufficiency in the quality and consistency of the products supplied may result in decrease in supply of our products, lower stock at our stores and consequently lower sales. In the event we are unable to have our products manufactured in accordance with our supply schedule, or at all, we may not be able to procure alternate sources to manufacture our products, in time to meet the demands of our customers or maintain our inventory levels. We may also be unable to control the costs of production of job workers, which may increase in the future, including due to increase in the cost of labour and other utilities. Our inability to obtain sufficient quantities or desired quality of products from job workers in a timely manner or at acceptable prices may adversely affect our business, financial condition and results of operations.

8. *In the event we are unable to procure adequate amounts of raw materials, at competitive prices our business, results of operations and financial condition may be adversely affected.*

We are dependent on third party suppliers for printed fabric, unprocessed fabric and trim materials, which are the primary raw materials used in the manufacture of our products. Over the twelve month period ended March 31, 2018, we sourced raw materials from approximately 181 suppliers located across India and are dependent on a few key suppliers. For example, our top five fabric suppliers accounted for 45.63%, 44.98% and 40.68% of our expenses towards the purchase of raw materials for the Fiscals 2018, 2017 and 2016, respectively. In addition, our top raw material supplier alone accounted for 24.90%, 20.78% and 20.13% of our expenses towards the purchase of raw materials for the Fiscals 2018, 2017 and 2016, respectively. Thus, if we experience significant increased demand, or need to replace an existing supplier, we cannot assure you that we will be able to meet such demand or find suitable substitutes, in a timely manner and at reasonable costs, or at all.

We have not entered into formal arrangements or contracts with third-party traders, mills or weavers from whom we procure our raw materials. We rely on pre-booking capacity with our suppliers, based on our demand projections. Since we have no formal arrangements with our suppliers, they are not contractually obligated to supply their products to us and may choose to sell their products to our competitors. Further, the amount of raw materials procured and the price at which we procure such materials, may fluctuate from time to time. In addition, the availability and price of our raw materials may be subject to a number of factors beyond our control, including economic factors, seasonal factors, environmental factors and changes in Government policies and regulations, including those relating to the textile industry in general. We cannot assure you that we will always be able to meet our raw material requirements at prices acceptable to us, or at all, or that we will be able to pass on any increase in the cost of raw materials to our customers. Any inability on our part to procure sufficient quantities of raw materials, on commercially acceptable terms, may lead to a decline in our sales volumes and profit margins and adversely affect our results of operations.

9. *Any disruption in operations at the manufacturing facilities of our job workers or raw material suppliers may have an adverse effect on our business, results of operations and financial condition.*

The manufacturing facilities of our job workers and raw material suppliers are subject to various operating risks, including some which are beyond their control, such as the breakdown and failure of equipment, industrial accidents, employee unrest, severe weather conditions and natural disasters. Further, since a significant majority of our job workers' facilities are located in the NCR, any significant disruption, including due to social, political or economic factors or natural calamities or civil disruptions, impacting this region may adversely affect operations at our job workers' facilities. Further, any non-compliance by our suppliers or third-party manufacturers with the applicable laws, including environmental laws, which may result in a shutdown of their facilities and may adversely affect our operations. While we endeavour to have back-up arrangements in place to ensure adequate capacity and sourcing, we cannot assure you that we will always be able to arrange for alternate manufacturing capacity, or alternate sources of our raw materials, at prices acceptable to us, or at all, or that we will be able to pass on any increase in cost to our customers. Any inability on our part to arrange for alternate manufacturing capacity or sources for raw materials, on commercially acceptable terms, may have an adverse effect on our business, results of operations and financial condition.

10. ***We have in the past entered into related party transactions and may do so in the future. We cannot assure you that we could not have achieved more favourable terms if such transactions had not been entered into with related parties.***

We have entered into various transactions with related parties, including our Group Company, TCNS Limited, in relation to production, sale of raw materials and lease of our Registered Office premises. We incurred expenses in relation to transactions with TCNS Limited for fabrication charges, rent and hire expenses, sale of products and purchase of goods, in aggregate amounting to ₹ 392.77 million, ₹ 379.23 million and ₹ 330.81 million, in the Fiscals 2018, 2017 and 2016, respectively, which comprised 5.58%, 5.83% and 6.59% of our total expenses for the respective periods. For details, see "***Related Party Transactions***", "***Our Management – Interest of our Directors***" and "***Financial Statements***" on pages 144, 129 and 146, respectively.

In the event we are unable to maintain our relationship with TCNS Limited for any reason, we may not be able to procure our manufactured goods from TCNS Limited or continue our usage of the Registered Office and we may be required to make alternate arrangements for such activities. While we believe that all such transactions have been conducted on an arm's length basis and contain commercially reasonable terms, we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. It is likely that we may enter into related party transactions in the future. Such related party transactions may potentially involve conflicts of interest. We cannot assure you that such transactions, individually or in the aggregate will not have an adverse effect on our business, results of operations, cash flows and financial condition resulting from potential conflict of interest or otherwise.

11. ***Any failure in our quality control processes may have an adverse effect on our business, results of operations and financial condition. We may face product liability claims and legal proceedings if the quality of our products does not meet our customers' expectations.***

Our products may contain quality issues or undetected errors or defects, especially when first introduced or when new products are developed, resulting from the design or manufacture of the product or raw materials used in the product. We have implemented quality control processes and regularly conduct inspections of raw materials sourced from suppliers and finished products manufactured by job workers on the basis of our internal quality standards. However, we cannot assure you that our job workers will always adhere to such standards and that our quality control processes will not fail or the quality tests and inspections conducted by us are accurate at all times. Any shortcoming in the raw materials procured by us or in the production of our products due to failure of our quality assurance procedures, negligence, human error or otherwise, may damage our products and result in deficient products. We have, from time to time, exchanged products sold to our customers due to quality defects, or otherwise, in accordance with our exchange and returns policy. In the event the quality of our products is not in accordance with our standards or our products are defective, our customers may return our products, we may be required to recall or exchange such products at additional cost to us and our reputation may be impacted, which in turn may adversely affect our business, results of operations and financial condition.

We also face the risk of legal proceedings and product liability claims being brought against us by various entities including customers, large format stores and online retailers, for defective products sold. 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. A product liability claim may adversely affect our reputation and brand image, as well as entail significant costs.

12. ***Majority of our exclusive brand outlets and all our warehouses are utilized by us on a leasehold basis. If we are unable to comply with the terms of these leases, renew our agreements or enter into new agreements on favourable terms, or at all, our business, results of operations and financial condition may be adversely affected.***

As of March 31, 2018, we had 289 leased exclusive brand outlets and four warehouses located in New Delhi on a leasehold basis. We incur rent and hire charges primarily towards payment of rent for our leased exclusive brand outlets and warehouses. Rent, including for our Registered Office and Corporate Office, were ₹ 938.38 million, ₹ 775.80 million and ₹ 568.10 million or 11.14%, 10.91% and 11.69%, respectively, of our revenue from operations, for the Fiscals 2018, 2017 and 2016, respectively. Our rent and hire charges, including as a percentage of our revenue from operations, may increase in the future as we seek to increase the number of our exclusive brand outlets, expand our warehousing operations and due to contractual escalation of rents payable in accordance with the lease agreements entered into by us.

The term of our lease agreements for our warehouses and exclusive brand outlets ranges from three to nine years. We cannot assure you that we will be able to fully comply with all the terms of the lease deeds which we have entered into in relation to such exclusive brand outlets and warehouses, renew such leases or enter into new leases in the future, on terms favourable to us, or at all. We are subject to a lock-in provision under majority of our leases which may restrict our ability to terminate such leases, including in the event the location of the leased premises is no longer profitable. Further, generally the lessors are entitled to terminate the lease deeds prior to the end of their tenure including due to our non-compliance with its terms or non-payment of rent for over a specified period. Additionally, our Corporate Office and all our warehouses are located on '*Lal Dora*' (urban villages) lands in New Delhi. While '*Lal Dora*' lands in Delhi have historically been exempt from certain provisions of the Delhi Municipal Corporation Act, 1957, the use of such land for commercial purposes has been, in recent years, subject to increasing regulation by local municipal authorities. In the event that any lease deed is terminated prior to its tenure or not renewed, for reasons including our lessors not being permitted to use of '*Lal Dora*' lands for commercial purpose, we will be unable to utilize our leases properties and we may be unable to benefit from the existing capital expenditure and investments made by us. Additionally, we may be required to expend time and financial resources to locate suitable premises to set up alternate exclusive brand outlets or warehouses, as applicable. We may also be unable to relocate to an alternate exclusive brand outlet for a particular market or location in a timely manner, or at all. Further, if the vacated premises is leased or sold to a competitor, we may also face increased competition in that geographic area, which could adversely affect, our market share for a particular location, and our business, financial condition and results of operations.

13. *We depend on a few large format stores, online retailers and key franchisees, for a significant portion of our revenue, and any decrease in revenues or sales from any one of our key retailers may adversely affect our business and results of operations.*

A few large format stores, online retailers and key franchisees account for a substantial portion of our sales, and consequently our revenue, and we expect that such key retailers will continue to represent a substantial portion of our revenue from sale of products in the foreseeable future. Our top five large format stores by revenue accounted 81.80% of our revenues from large format stores, or 22.68% of our revenues from operations, for Fiscal 2018. Similarly, our top five online retailers by revenue accounted for 91.12% of our revenues from online channels, or 9.16% of our revenues from operations, for Fiscal 2018. Our top five franchisees by revenue accounted for 21.55% of our revenues from franchised exclusive brand outlets, or 3.70% of our revenues from operations, for Fiscal 2018. The loss of any of our key retailers may have an adverse effect on our sales and consequently on our business and results of operations.

14. *Our business is subject to seasonality. Lower revenues in the festive period of any Fiscal may adversely affect our business, financial condition, results of operations and prospects.*

We are impacted by seasonal variations in sales volumes, which may cause our revenues to vary significantly between different quarters in a Fiscal. Typically, we see an increase in our business before Diwali and during end of season sales. Therefore, our results of operations and cash flows across quarters in a Fiscal may not be comparable and any such comparisons may not be meaningful, or may not be indicative of our annual financial results or our results in any future quarters or periods.

15. *Our inability to effectively manage our growth or to successfully implement our business plan and growth strategy could have an adverse effect on our business, results of operations and financial condition.*

We have experienced considerable growth over the past three years and we have expanded our operations and product portfolio. Our total income grew at a CAGR of 31.89% between Fiscals 2016 and 2018. We cannot assure you that our growth strategies will continue to be successful or that we will be able to continue to expand further, or at the same rate.

Our inability to execute our growth strategies in a timely manner, or within budget estimates, or our inability to meet the expectations of our customers and other stakeholders, could have an adverse effect on our business, results of operations and financial condition. Our future prospects will depend on our ability to grow our business and operations. The development of such future business could be affected by many factors, including general political and economic conditions in India, government policies or strategies in respect of specific industries, prevailing interest rates and price of equipment and raw materials. Further, in order to manage our growth effectively, we must implement, upgrade and improve our operational systems, procedures and internal controls on a timely basis. If we fail to implement these systems, procedures and controls on a timely basis, or if there are weaknesses in our internal controls that would result in inconsistent internal standard operating procedures, we may not be able to meet our customers' needs, hire and retain new employees or operate our business effectively. Failure to manage growth effectively could have an adverse effect on our business and results of operations.

16. ***A significant portion of our revenues is derived from the sale of our products under our brand 'W' and any reduction in sales under this brand may adversely affect our revenues, business, results of operations and prospects***

Our brand 'W' contributed 57.65%, 61.06% and 65.58% of our revenues from operations for the Fiscals 2018, 2017 and 2016, respectively. While we have experienced growth of our operations through our brands 'Aurelia' and 'Wishful', we currently, and expect to continue for the short and medium term to, depend on our revenues from sales of products under our brand 'W'. We may experience reduction in cash flows and liquidity, and our results of operations may be adversely affected, if our sales and revenues in this consumer sub-category are reduced for any reason.

17. ***In the event our marketing initiatives do not yield intended results our business and results of operations may be adversely affected.***

We believe that the recognition and reputation of our brands has contributed to the growth of our business. We intend to continue to enhance the brand recall of our products through the use of targeted marketing and public relations initiatives. In order to maintain and enhance such recognition and reputation, we may be required to invest significant resources towards marketing and brand building exercises, specifically with respect to new products we launch or for geographic markets where we intend to expand our operations. For the Fiscals 2018, 2017 and 2016 our advertisement and sales promotion expenses were ₹ 334.55 million, ₹ 395.06 million and ₹ 246.89 million, or 3.97%, 5.56% and 5.08%, of our revenue from operations, respectively, and we intend to increase this proportion in the future with a focus on Aurelia and Wishful. We incur advertising and marketing expenses to increase brand recall and capture additional demand, and in the event they do not yield their intended results, or we are required to incur additional expenditures than anticipated, our business and results of operations may be adversely affected.

18. ***Our inability to protect or use our intellectual property rights may adversely affect our business.***

We have applied for, but not yet obtained registration with respect to certain trademarks. For example, we are yet to obtain registration for 'Aurelia' (word), 'Aurelia' (logo), 'W Women's Wear' (logo), under several classes, among others. Particularly, our application for registration of our 'W' brand, under classes 25 (Clothing and Garments) and 18 (Leather Goods) has been opposed by the owners of the brand 'Wrangler' on various grounds including prior proprietorship of the 'W' stitch design, prior registration and a claim of a well-known status of their mark in India. While the pleadings in relation to this matter were concluded in 2012, the final hearing has not been conducted so far. In the absence of this trademark registration for the 'W' brand and in the event of misuse of the 'W' logo by a third party, we may not be able to initiate an infringement action against such third party. We cannot assure you that we will be successful in such a challenge nor can we guarantee that eventually our trademark application will be approved, which in turn could result in significant monetary loss or prevent us from selling our products under our brand 'W'. In relation to our other pending applications, third parties may seek to oppose or otherwise challenge these registrations. As a result, we may not be able to prevent infringement of our trademarks and a passing off action may not provide sufficient protection until such time that this registration is granted. For further details, see "***Government and Other Approvals***" on page 248.

We are also exposed to the risk that other entities may pass off their products as ours by imitating our brand name, packaging material and attempting to create counterfeit products. We believe that there may be other companies or vendors which operate in the unorganized segment using our tradename or brand names. Any such activities may harm the reputation of our brand and sales of our products, which could in turn adversely affect our financial performance. We rely on protections available under Indian law, which may not be adequate to prevent unauthorized use of our intellectual property by third parties. Furthermore, the application of laws governing intellectual property rights in India is uncertain and evolving, and could involve substantial risks to us. Notwithstanding the precautions we take to protect our intellectual property rights, it is possible that third parties may copy or otherwise infringe on our rights, which may have an adverse effect on our business, results of operations, cash flows and financial condition.

Further, while we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty whether we are infringing any existing third-party intellectual property rights which may force us to alter our offerings. We may also be susceptible to claims from third parties asserting infringement and other related claims. If similar claims are raised in the future, these claims could result in costly litigation, divert management's attention and resources, subject us to significant liabilities and require us to enter into potentially expensive royalty or licensing agreements or to cease use of certain of our brands. Any of the foregoing could have an adverse effect on our business, results of operations, cash flows and financial condition.

19. ***All our warehouses are currently located in New Delhi. Any disruption in the operation of our warehouses may have an adverse effect on our business and prospect.***

All our warehouses (which are leased) are currently located in New Delhi and any significant disruption, including due to social, political or economic factors or natural calamities or civil disruptions, impacting this region may adversely affect operations. Further, our warehouses maybe are subject to operating risks, such as performance below expected levels of efficiency, labour disputes, natural disasters, industrial accidents and statutory and regulatory restrictions. Our distributors and franchisees rely significantly on the timely delivery of our products and our ability to provide an uninterrupted supply of our products is critical to our business. Any disruption of operations of our warehouses could result in delayed delivery of our product, which in turn may lead to disputes and legal proceedings with them on account of any losses suffered by them or any interruption of their business operations due to such delay or defect. While our strategic objectives include geographical expansion across India, in the event that we are unable to make available our products in a prompt manner and within the requisite timelines or if there is a lapse in coordination across stores located countrywide, our business, financial condition and prospects may be adversely affected.

20. ***We rely on third party logistic providers to transport our raw materials and products. Consequently, any disruption in our transportation arrangements or increases in transportation costs may adversely affect our business, results of operations and financial condition.***

We rely on third party logistics providers to transport our raw materials and products to and from our warehouses and to our retail outlets, with whom we enter into agreements for a period of generally one year. Our reliance on such third party logistics providers may increase as we expand our retail operations and our warehouses. We cannot assure you that third party logistics providers will be able to fulfil their obligations under such agreements entirely, in a manner acceptable to us, or at all. We may also be affected by transport strikes or labour shortages or labour disagreements in the transportation or logistics industry or long term disruption in the national and international transport infrastructures, which may affect our delivery schedules. If we are unable to secure alternate transport arrangements in a timely manner and at an acceptable cost, or at all, our business, results of operations and financial condition may be adversely affected.

21. ***We are dependent on our key personnel, including our business heads, and the loss of or our inability to attract or retain such persons could adversely affect our business, results of operations and financial condition.***

Our performance depends largely on the efforts and abilities of our Promoters and our Managing Director, members of our business team and other key personnel. We believe that the inputs and experience of our key personnel are valuable for the development of business and operations and the strategic directions taken by our Company. We cannot assure you that we will be able to retain these employees or find adequate replacements in a timely manner, or at all. We may require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with our Company. We may also be required to increase our levels of employee compensation and provide bonuses and perquisites more rapidly than in the past to remain competitive in attracting employees that our business requires. The loss of the services of such persons, and the in ability to find suitable replacements in a timely manner, may have an adverse effect on our business and our results of operations.

The continued operations and growth of our business is dependent upon our ability to attract and retain personnel who have the necessary and required experience and expertise. Competition for qualified personnel with relevant industry expertise in India is intense. A loss of the services of our key personnel may adversely affect our business, results of operations and financial condition.

22. ***Any delay or default in payment from our franchisee operated exclusive brand outlets, large format stores, multi-brand stores or online retailers may adversely impact our profits and affect our cash flows.***

Our operations involve extending credit for periods of time, ranging typically from 30 to 60 days, to our franchisee operated exclusive brand outlets, large format stores, multi-brand stores and online retailers, and consequently, we face the risk of the uncertainty regarding the receipt of these outstanding amounts. Accordingly, we may have high levels of outstanding receivables. As on March 31, 2018 our trade receivables were ₹ 1396.29 million. Further trade receivables outstanding for a period of over 180 days as of March 31, 2018 were ₹ 4.49 million.

If our franchisees, large format stores, multi-brand stores and online retailers delay or default in making payments in the future, our profits margins and cash flows may be adversely affected. For example, certain franchisees did not pay sales proceeds due to us, resulting in the termination of our arrangements with such franchisees and to the closure of the exclusive brand outlets that they operated. Further, we have filed a counter claim of ₹ 9.09 million, in an arbitration proceeding against one of our franchise partner's alleging non-payment of dues against stock, interest on default of payment, rent and opportunity loss.

23. *Our efforts at integrating acquired brands or businesses may not yield timely or effective results, which may affect our financial condition and results of operations.*

While continuing to organically grow our brand portfolio, we intend to explore inorganic expansion as well. We intend to evaluate growth opportunities to acquire brands which add to our product categories; enable us to consolidate our market position in existing product categories; strengthen and expand our product portfolio; achieve operating leverage in existing markets by unlocking potential efficiency and synergy benefits; or increase our customer base or geographical reach. Future acquisitions may expose us to potential risks, including risks associated with the integration of new brands or personnel, impact on our results of operations as a result of brands which are not immediately profitable or carry unforeseen or hidden liabilities, the diversion of resources from our existing businesses, our inability to generate sufficient revenue to offset the costs of acquisitions, and potential loss of, or harm to, relationships with employees, suppliers or customers, any of which could significantly disrupt our ability to manage our business and adversely affect our financial condition and results of operations. These strategic acquisitions may require that our management or design team develop expertise in new areas, manage new business relationships and attract new types of customers. We may also experience disputes in relation to such acquisitions and our failure to derive anticipated synergies could affect our business, financial condition and results of operations.

24. *We may be unable to grow our business in additional geographic regions or international markets, which may adversely affect our business prospects and results of operations.*

We have an extensive retail network, which covers 31 states and union territories in India and six outlets in three other countries, as of March 31, 2018. We seek to grow our retail network and product reach to new geographies and intend to grow the sales of our products to customers, particularly in Tier III towns in India, since we believe that these markets offer a significant growth opportunity for us. However, we cannot assure you that we will be able to grow our business in these markets. Infrastructure and logistical challenges in these regions may prevent us from expanding our presence or increasing the penetration of our products. Further, customers may be price conscious and we may be unable to compete effectively with the products of our competitors. If we are unable to grow our business in these new markets effectively, our business prospects, results of operations and financial condition may be adversely affected.

Further, expansion into new international markets such as Saudi Arabia, Kuwait, the UAE, Qatar, Bahrain and Oman is important to our long-term growth. Competing successfully in international markets requires additional management attention and resources to tailor our services to the unique aspects of each new country. We may face various risks, including legal and regulatory restrictions, increased advertising and brand building expenditure, challenges caused by distance, language and cultural differences, our inexperience with such markets and currency exchange rate fluctuations. These and other risks could adversely affect any international expansion or growth, which could have an adverse effect on our business, results of operations and financial condition.

25. *There are outstanding legal proceedings and litigation against our Company our Promoters, our Directors and our Group Company. Any adverse outcome in any of these proceedings may adversely affect our profitability and reputation and may have an adverse effect on our results of operations and financial condition.*

There are certain outstanding legal proceedings involving our Company Promoters and our Group Company, TCNS Limited. These proceedings are pending at different levels of adjudication before various courts, tribunals, authorities, enquiry officers and appellate tribunals. The brief details of such outstanding litigation are as follows:

Nature of litigation	Number of cases	Approximate amount involved (*₹ million*)
Litigation against our Company		
Taxation proceedings	10*	4.60
Pending action by statutory or regulatory authorities against our Company	1	Not ascertainable
Litigation by our Company		
Criminal proceedings	1	0.14
Litigation against TCNS Limited, our Group Company		
Taxation proceedings	4	Nil
Litigation by our Promoters		
Onkar Singh Pasricha		
Criminal proceedings	1	2.50
Arvinder Singh Pasricha		
Criminal proceedings	1	3.00
Litigation against our Promoters		
Onkar Singh Pasricha		
Criminal proceedings	1	Not ascertainable
Taxation proceedings	1	14.34
Arvinder Singh Pasricha		
Criminal proceedings	1	Not ascertainable
Taxation proceedings	1	12.34

** The tax proceedings include an additional income tax demand notice dated March 23, 2018 and two demand notices in relation to Delhi VAT dated March 21, 2018 and May 18, 2018, received by us post filing of the Draft Red Herring Prospectus.*

For further details, see "***Outstanding Litigation and Other Material Developments***" on page 245. Further, as on March 31, 2018, an amount of ₹ 99.98 million was outstanding for payment of statutory dues as provided in "***Financial Statements***" on page 146.

We cannot assure you that these legal proceedings will be decided in favour of our Company, our Directors, our Promoters or our Group Company, as the case may be, or that no further liability will arise out of these proceedings. Further, such legal proceedings could divert management time and attention and consume financial resources. Any adverse outcome in any of these proceedings may adversely affect our reputation.

26. *Our industry is competitive and our inability to compete effectively may adversely affect our business, results of operations, financial condition and cash flows.*

The women's apparel industry in India, particularly for ethnic and non-western apparel, is fragmented and competitive with several regional brands and retailers present in local markets across the country. The women's apparel market in India has historically been dominated by the unorganized sector. Our products compete with local retailers, non-branded products, economy brands and products of other established brands. We also face competition from in-house brands launched by large format stores including those launched by large format stores through which we retail our products. Any increase in sale of such in-house brands launched by large format stores or preference given to such brands by our large format store partners may have an adverse impact on our business and results of operations.

Some of our competitors may be larger than us or develop alliances to compete against us and may have greater resources, market presence and geographic reach and have products with better brand recognition than ours. Some of our competitors may be able to procure raw materials at lower costs than us, and consequently be able to sell their products at lower prices. As a result, our competitors may be able to with-stand industry downturns better than us or provide customers with products at more competitive prices. Some of our international competitors may be able to capitalize on their overseas experience to compete in the Indian market.

Consequently, we cannot assure you that we will be able to compete successfully in the future against our existing or potential competitors or that our business and results of operations will not be adversely affected by increased competition. We cannot assure you that we will be able to maintain our market share. Our competitors may significantly increase their advertising expenses to promote their brands and products, which may require us to similarly increase our advertising and marketing expenses and engage in effective pricing strategies, which may have an adverse effect on our business, results of operations and financial condition. See "***Industry Overview***" on page 85.

27. *The growth of online retailers may adversely affect our pricing ability, which may have an adverse effect on our results of operations and financial condition.*

We sell our products to customers through modern trade channels, which include online retailers. Over the last few years, India has witnessed the emergence and growth of such online retailers and the market penetration of online retail in India is likely to continue to increase according to Technopak. Such online retailers sell multiple brands on their platforms, providing customers the ability to compare products and prices across brands. While we believe this provides us with an opportunity to increase the visibility of our brands, it also increases the negotiating position of such online retailers. We cannot assure you that we will be able to negotiate our agreements with such online retailers, specially our pricing or credit provisions, on terms favourable to us, or at all. In the event these companies continue to gain market share, they may impact our profitability, undermine sales through our websites and may be able to increase commission rates and negotiate other favourable contract terms. Further, our competitors may be able to negotiate better or more favourable terms with such online retailers. Any inability on our part to enter into agreements and on terms favourable to us, may have an adverse effect on our pricing and margins, and consequently adversely affect our results of operations and financial condition.

28. *If any new products or brands that we launch are not as successful as we anticipate, our business, results of operations and financial condition may be adversely affected.*

We operate under three brands W, Aurelia and Wishful catering to distinct categories for women's apparel. We launched our first exclusive brand outlet for our brand Wishful, in September 2017 and intend to expand our product portfolio and outlets for Wishful, targeting women's apparel requirements for evening wear and special occasions such as weddings, events and festivals. We also intend to continue to develop additional products and expand into women's apparel categories such as value ethnic wear. We may launch additional brands in the future in order to effectively market such products. However, we cannot assure you that any new products or brands launched by us will be accepted by our customers or retail partners, or that we will be able to recover costs we incurred in developing such products and brands, or that our new products and brands will be successful. If the products and brands that we launch are not as successful as we anticipate, our image may be tarnished and our business, results of operations and financial condition may be adversely affected. Further, such expanded product offerings place a strain on our management, operational and financial resources, as well as our information systems.

29. *Any failure of our information technology systems could adversely affect our business and our operations.*

We are in the process of implementing an enterprise resource planning solution, which we believe will help standardizing our processes and supply the tools necessary for our management team in aspects of of better sales planning, performance, longevity, collecting information on real-time basis and enhancing profitability. While we have not experienced any such instances in the past, such systems may be susceptible to outages due to fire, floods, power loss, telecommunications failures, natural disasters, break-ins and similar events. Effective response to such disruptions will require effort and diligence on the part of our third-party vendors and employees to avoid any adverse effect to our information technology systems. In addition, our systems and proprietary data stored electronically may be vulnerable to ransomware attacks, computer viruses, cybercrime, computer hacking and similar disruptions from unauthorized tampering. If such unauthorized use of our systems were to occur, data related to our customers, products, product development pipeline and other proprietary information could be compromised. The occurrence of any of these events could adversely affect our business, interrupt our operations and subject us to increased operating costs.

30. *Non-compliance with and changes in, safety, health, labour and environmental laws and other applicable regulations, may adversely affect our business, results of operations and financial condition. If we fail to obtain, maintain or renew our statutory and regulatory licenses, permits and approvals required to operate our business, our business and results of operations may be adversely affected.*

Our operations including manufacturing activities undertaken by us pursuant to arrangements entered into with job workers are subject to extensive laws and government regulations, including in relation to safety, health and environmental protection. See "***Key Regulations and Policies in India***" on page 118. There is a risk that we or such job workers may inadvertently fail to comply with such regulations, which could lead to enforced shutdowns and other sanctions imposed by the relevant authorities. We are also subject to the laws and regulations governing relationships with employees in such areas as minimum wages and maximum working hours, overtime, working conditions, hiring and termination of employees, contract labour and work permits and maintenance of regulatory and statutory records and making periodic payments.

In addition, we are required to obtain and maintain a number of statutory and regulatory permits and approvals under central, state and local government rules in India, generally for carrying out our business. A majority of these approvals are granted for a limited duration and require renewal. We have in the past received show cause notices from local and state authorities in relation to our failure to obtain registration under shops and commercial establishment legislations of relevant states and our failure to update human resource records in accordance with applicable laws. While we have undertaken actions to comply with relevant regulations and currently there are no pending notices against us, we may, in future, be held liable for any regulatory lapses and non compliances and incur increased costs or be subject to penalties. Further, while we have applied for some of these approvals, we cannot assure you that such approvals will be issued or granted to us in a timely manner, or at all. For example, we are required to obtain registration under respective state specific shops and commercial establishments legislation and applicable trade licenses, for our leased stores, warehouses and offices. If we do not receive such approvals or are not able to renew the approvals in a timely manner, our business and operations may be adversely affected. For details of such approvals, including the approvals and registrations that we have applied for and are pending renewal or have not applied for see "***Government and Other Approvals***" on page 248.

If there is any failure by us to comply with the terms of the laws and regulations governing our operations and consents and approvals granted to us, or apply for and renew such approvals in a timely manner, or at all, we may be involved in litigation or other proceedings, or be held liable in any litigation or proceedings, incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business and results of operations.

31. *Our operations are dependent on our ability to attract and retain skilled personnel and any inability on our part to do so, could adversely affect our business, results of operations and financial condition.*

Our business is manpower intensive and our continued growth depends in part on our ability to recruit and retain suitable staff. Our success depends on our ability to attract, hire, train and retain skilled personnel particularly for our design teams and for our retail operations. We had 3,086 employees as of March 31, 2018 including our design team of 37 employees and retail staff at our exclusive brand outlets and large format store outlets of 2,887 employees. As of March 31, 2018, in addition to our full-time employees, we utilized 301 personnel who are engaged on a contractual basis.

We rely on our design team comprising of skilled designers and craftsmen both for textile and fabric design as well as for clothes styling. Further, in the retail industry, the level and quality of sales personnel and customer service are key competitive factors. As we seek to offer new products and designs and expand our retail network, we need experienced manpower that has relevant knowledge of our target customers and of the local market and the retail industry to operate our stores, respectively. Across our operations, including our sales channels, we experienced attrition of 45.81% for Fiscal 2018 and 50.77% for Fiscal 2017. We cannot assure you that we will be able to retain our personnel or find and hire personnel with the necessary experience or expertise. We may need to increase compensation and other benefits in order to attract and retain personnel in the future and that may affect our costs and profitability. In the event that we are unable to retain and hire such personnel or are unable to find suitable replacements in a timely manner, our business, financial condition and results of operations may be adversely affected.

32. *Increased losses due to fraud, employee negligence, theft or similar incidents may have an adverse impact on us.*

Our business and the industry we operate in are vulnerable to the problem of shoplifting by customers, pilferage by employees, damage, misappropriation of cash and inventory management and logistical errors. An increase in product losses due to such factors at our existing and future retail stores or our retail channels may require us to install additional security and surveillance equipment and incur additional expenses towards inventory management and handling. We cannot assure you whether these measures will successfully prevent such losses. Further, there are inherent risks in cash management as part of our operations, which include theft and robbery, employee fraud and the risks involved in transferring cash from our retail stores to banks. We have recently filed a criminal complaint against one of our store managers as a result of dishonour of cheque of ₹ 0.14 million issued by him to discharge his liability in relation to certain shortage of funds found in the concerned store. For further details, see "***Outstanding Litigation and Other Material Developments***" on page 245. Additionally, in case of losses due to theft, financial misappropriation, fire, breakage or damage caused by other casualties, we cannot assure you that we will be able to recover from our insurers the full amount of any such loss in a timely manner, or at all. In addition, if we file claims under an insurance policy it could lead to increases in the insurance premiums payable by us or the termination of coverage under the relevant policy.

33. *Our operations could be adversely affected by strikes, work stoppages or increased wage demands by our employees or any other kind of disputes with our employees.*

We believe our employees and personnel, including personnel at our retail stores are critical to maintain our competitive position. Although we have not experienced any material labour unrest, we cannot assure you that we will not experience disruptions in work or our retail operations due to disputes or other problems with our work force, which may adversely affect our ability to continue our business operations. Any labour unrest directed against us, could directly or indirectly prevent or hinder our normal operating activities, and, if not resolved in a timely manner, could lead to disruptions in our operations. These actions are very difficult for us to predict or control and any such event could adversely affect our business, results of operations and financial condition.

34. *We appoint contract labour for carrying out certain of our operations and we may be held responsible for paying the wages of such workers, if the independent contractors through whom such workers are hired default on their obligations, and such obligations could have an adverse effect on our results of operations and financial condition.*

As of March 31, 2018, in addition to our full-time employees, we utilized 301 personnel who are engaged on a contractual basis, with a majority at our warehouses. In order to retain flexibility and control costs, our Company appoints independent contractors who in turn engage on-site contract labour for performance of certain of our operations. Although our Company does not engage these labourers directly, we may be held responsible for any wage payments to be made to such labourers in the event of default by such independent contractor. 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.

35. *Our inability to meet our obligations, including financial and other covenants under our debt financing arrangements could adversely affect our business and results of operations.*

Our financing agreements contain certain restrictive covenants that limit our ability to undertake certain types of actions, any of which could adversely affect our business and financial condition. Our Company is required to obtain prior approval from and provide prior information to our lenders for, among other things:

- change in effective beneficial ownership or control of our Company;
- material change in the management of the business of our Company;
- declaration or payment of dividend;
- effecting any amalgamation, merger, reconstruction or consolidation;
- raising of new loans or creating of fresh charge on any of our assets;
- change in equity, management or operating structure of our Company;
- change in the shareholding of our Company
- sale of any of our brand; and
- launch of any new scheme of expansion.

Any failure in the future to satisfactorily comply with any condition or covenant under our financing agreements (including technical defaults) may lead to a termination of one or more of our credit facilities, acceleration of amounts due under such facilities, and enforcement of events of default as well as cross-defaults under certain of our other financing agreements, any of which may adversely affect our business, financial condition and results of operations.

Further, we have granted security interests over certain of our assets, including mortgage of certain immovable properties of our Company, charge on all movable fixed assets of our Company, charge on present and future stocks and book debts of our Company and hypothecation of entire current assets of our Company, including plant and machinery, in order to secure our borrowings, and any failure to satisfy our obligations under such borrowings could lead to the forced sale and seizure of such assets, which may adversely affect our business, financial condition and results of operations. For further details of our indebtedness, see "***Financial Indebtedness***" on page 243.

36. *Our insurance coverage may not be sufficient or may not adequately protect us against all material hazards, which may adversely affect our business, results of operations and financial condition.*

We could be held liable for accidents that occur during the course of our operations. In the event of personal injuries, fires or other accidents suffered at our warehouses or by our employees or other people, we could face claims alleging that we were negligent, provided inadequate supervision or be otherwise liable for the injuries. We typically maintain standard fire and burglary policies for our assets and stock of stores and warehouses to cover risks such as fire and other ancillary perils. We also obtain insurance for transit of goods including raw material supplied by us to our job workers. We also have a money insurance policy, marine cargo sales turnover policy, directors and officer's liability insurance policy, public liability policy, several vehicle insurance policies and a group mediclaim policy and group personal accident policy for our employees. As of March 31, 2018, our Company had taken insurance of ₹ 857.85 million and ₹ 2,600.05 million on our fixed assets and inventory, respectively, which amounted to coverage of 161.69% of fixed assets and 112.48% of inventory.

These insurance policies are generally valid for a year and are renewed annually. While we believe that the insurance coverage which we maintain would be reasonably adequate to cover the normal risks associated with the operation of our business, we cannot assure you that each claim under the insurance policies maintained by us will be honoured fully or promptly, or that we have taken out sufficient insurance to cover all our potential losses. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all. For further details on insurance arrangements, see "***Our Business – Insurance***" on page 116.

37. *We have commissioned a report from Technopak which have been used for industry related data in this Prospectus and such data has not been independently verified by us.*

The apparel and textile industries in India are generally fragmented and there is limited reliable information which is available in the public domain. We have commissioned Technopak to produce a report, titled "*Women's Ethnic Wear Industry Report*" dated May 2018 ("**Technopak Report**"). The Technopak Report, which has been used for industry related data that has been disclosed in this Prospectus, uses certain methodologies for market sizing and forecasting. We have not independently verified such data. We cannot assure you that such assumptions are correct or will not change and, accordingly, our position in the market may differ from that presented in this Prospectus. Further, the Technopak Report or any other industry data or sources are not recommendations to invest in our Company. Accordingly, investors should read the industry related disclosure in this Prospectus in this context.

38. *Our registered and corporate offices are not registered in our name and are located on leased premises. There can be no assurance that these lease agreements will be renewed upon termination or that we will be able to obtain other premises on lease on same or similar commercial terms.*

Some of our offices, including our registered office and corporate office, are located on leased premises, and we do not own these premises. Our registered office is situated on premises leased from TCNS Limited, our Group Company and Promoter Group entity, for a period of three years ending on February 14, 2019. Our corporate office is owned by an individual and is leased to us for a period of six years and seven months ending on April 30, 2023. In the event such leases are not renewed or are terminated, it could adversely affect our operation unless we are able to locate suitable alternate premises. If we are unable to continue or renew such leases on same or similar terms, or find alternate premises on lease on similar terms or at all, it may affect our business operations.

39. *We have certain contingent liabilities that have not been provided for in our financial statements, which, if they materialize, may adversely affect our financial condition.*

As of March 31, 2018, our contingent liabilities that have not been provided for are as set out in the table below:

Particulars	As at March 31, 2018 (₹ in million)
Contingent Liabilities	
Demand raised by sales tax authorities	3.89
Demand raised by income tax authorities	1.92
Commitments	
Estimated amount of contracts remaining to be executed on tangible and intangible assets and not provided for (net of advances)	15.36

If a significant portion of these liabilities materialize, it could have an adverse effect on our business, financial condition and results of operations. For details, see "***Financial Statements – Contingent liabilities and commitments***" on page 178.

40. ***We have experienced negative cash flows in relation to our investing and financing activities in recent financial periods. Any operational negative cash flows in the future could adversely affect our results of operations and financial condition.***

We had a negative cash flow from investing activities of ₹ 276.20 million, ₹ 270.60 million and ₹ 279.16 million on a consolidated basis, in the Fiscals 2018, 2017 and 2016 respectively. We also had a negative cash flow from financing activities of ₹ 45.47 million, on a consolidated basis, in Fiscal 2016.

Further, we had a negative cash flow from investing activities of ₹ 144.91 million and ₹ 84.43 million on a consolidated basis, in the Fiscals 2015 and 2014 respectively. We also had a negative cash flow from financing activities of ₹ 14.57 million, on a consolidated basis, in Fiscal 2014.

If we experience any negative cash flows in the future, this could adversely affect our results of operations and financial condition. For further details, see "***Financial Information***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 146 and 225, respectively.

41. ***Our Statutory Auditors have included a matter of emphasis in relation to our Company in the Restated Financial Information.***

Based on the audit report on our financial statements for Fiscal 2016 issued by our previous auditors, our Statutory Auditors have included a matter of emphasis in the examination report issued with respect to our Restated Financial Information in relation to the impact on our financials, including understatement of our profit, on account of introduction of a policy for provision for sales return from Fiscal 2016. For details, see "***Financial Statements***" on page 146. There can be no assurance that similar matters will not form part of our financial statements for future fiscal periods.

42. ***We may require additional equity or debt in the future in order to continue to grow our business, which may not be available on favourable terms or at all.***

Our strategy to grow our business and maintain our market share may require us to raise additional funds or refinance our existing debt for our working capital or long term loans. We cannot assure you that such funds will be available on favourable terms or at all. Additional debt financing may increase our financing costs. Our financing agreements may contain terms and conditions that may restrict our ability to operate and manage our business, such as terms and conditions that require us to maintain certain pre-set debt service coverage ratios and leverage ratios and require us to use our assets, including our cash balances, as collateral for our indebtedness. If we are unable to raise additional funds on favourable terms or at all as and when required, our business, financial condition, results of operations and prospects could be adversely affected.

43. ***Our ability to pay dividends in the future will depend on our future earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.***

We do not have a dividend policy and we have not paid any dividend in the last five fiscal years. Our ability to pay dividends in the future will depend on our future earnings, financial condition, cash flow, working capital requirements, capital expenditure and restrictive covenants of our financing arrangements. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. We cannot assure you that we will be able to pay dividends in the future.

44. ***Our Company will not receive any proceeds from the Offer.***

The Offer comprises of an offer for sale of 15,714,038 Equity Shares (*subject to finalisation of the Basis of Allotment*) by the Selling Shareholders. The proceeds from the Offer (net of applicable expenses) will be paid to the Selling Shareholders, which includes our Promoters and our Managing Director, Anant Kumar Daga, in proportion of the respective portion of the Offered Shares transferred pursuant to the Offer, and our Company will not receive any such proceeds.

45. ***Any conflict of interest which may occur between our business and any other similar business activities pursued by our Promoters could have a material adverse effect on our business and results of operations.***

Our Group Company, TCNS Limited currently undertakes manufacturing activities, however is enabled under its objects to carry on the business of sellers, retailers and traders of all kinds of apparels. Further, while our Promoters do not, as of the date of this Prospectus, engage in any other business activities similar to our business lines and we have entered into a non-compete arrangement to address any such conflict which may arise in a specified restricted period, we cannot assure you that such a conflict will not arise after the expiry of such restricted period, or that we will be able to suitably resolve any such conflict without an adverse effect on our business or operations. Further, we cannot assure you that our Promoters or Group Companies will not undertake or acquire interests in competing ventures in the locations or segments in which we operate.

46. ***The Promoters and certain of our Directors hold Equity Shares in our Company and are therefore interested in our Company's performance in addition to their remuneration and reimbursement of expenses.***

Onkar Singh Pasricha, our Promoter, Chairman and executive Director, Arvinder Singh Pasricha, our Promoter and Anant Kumar Daga, our Managing Director, are interested in our Company to the extent of their shareholding in our Company, in addition to any regular remuneration, sitting fees, benefits or reimbursement of expenses as may be payable to them. We cannot assure you that our Promoters or such Director will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoters and Promoter Group will continue to influence decisions requiring voting of shareholders. 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 our Directors**"* and "***Promoter, Promoter Group and Group Companies - Interest of our Promoters***" on pages 129 and 139, respectively.

47. ***Our Promoter and Promoter Group will continue to hold majority stake in our Company after completion of the Offer, which will allow them to influence the outcome of matters submitted for approval of our shareholders.***

Following the completion of the Offer, our Promoters and Promoter Group will continue to hold majority stake in the Company post-Offer Equity Share capital. As a result, they will have the ability to significantly influence matters requiring shareholders' approval, including the ability to appoint Directors to our Board and the right to approve significant actions at Board and at shareholders' meetings, including the issue of Equity Shares and dividend payments, business plans, mergers and acquisitions, any consolidation or joint venture arrangements, any amendment to our Memorandum of Association and Articles of Association, and any assignment or transfer of our interest in any of our licenses. We cannot assure you that our Promoters will not have conflicts of interest with our other shareholders or with our Company. Any such conflict may adversely affect our ability to execute our business strategy or to operate our business.

48. ***Any future issuance of Equity Shares, or convertible securities or other equity linked securities by us may dilute your shareholding and any sale of Equity Shares by our Promoters or members of our Promoter Group may adversely affect the trading price of the Equity Shares.***

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by us, including through exercise of employee stock options granted pursuant to the ESOP Schemes may dilute your shareholding in our Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. As on the date of this Prospectus, there are an aggregate of 7,358,120 granted options outstanding (including vested options) under our ESOP Schemes, which are subject to vesting at various milestones. Out of the outstanding granted options, 1,421,151 options are vested as on the date of this Prospectus. For details, see "***Capital Structure***" on page 58.

In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our Promoters and Promoter Group, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. We cannot assure you that our Promoters and Promoter Group will not dispose of, pledge or encumber their Equity Shares in the future**.**

49. ***We have presented certain supplemental information of our performance and liquidity which is not prepared under or required by Indian GAAP or Ind AS.***

This Prospectus includes our Adjusted EBITDA and Adjusted Profit after Tax which is a supplemental measure of our performance and liquidity and is not prepared under or required by Ind AS or Indian GAAP. Our Adjusted EBITDA and Adjusted Profit After Tax is prepared by adjusting our profit before interest, tax, depreciation and amortisation, and our profit after tax, respectively, under Ind AS for share based payments expenses recognized under Ind AS.

50. ***We and TCNS Technologies Private Limited, one of our Group Companies, have incurred losses in recent financial years.***

Our Company on a consolidated basis had a loss for the year of ₹ 414.96 million for the Fiscal 2016, in accordance with our restated financial statements prepared under Ind AS on a pro forma basis for the year, and included in this Prospectus. Further, TCNS Technologies Private Limited, one of our Group Companies, has incurred losses in Fiscal 2017, based on its last audited financial statements available. For further details of our loss making Group Companies, see "***Our Promoters, Promoter Group and Group Companies - Group Companies***" on page 138. We cannot assure you that we or our Group Companies will not incur losses in the future.

51. ***We have in the last 12 months issued securities, at a price that could be lower than the Offer Price.***

Except for (i) allotment of an aggregate of 649,066 Equity Shares upon conversion of an aggregate of 1,298,132 CCRDs issued to Onkar Singh Pasricha and Arvinder Singh Pasricha; and (ii) the issuance of Equity Shares pursuant to the exercise of options granted under our ESOP Schemes in the last twelve months prior to filing this Prospectus, our Company has not issued any Equity Shares at prices that could be lower than the Offer Price. For further details regarding such issuances of Equity Shares, see "***Capital Structure—Notes to Capital Structure***" on page 58 of this Prospectus.

Risks Related to India

52. ***The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.***

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. Terrorist attacks and other acts of violence or war may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

53. ***We are subject to regulatory, economic and social and political uncertainties and other factors beyond our control.***

We are incorporated in India and we conduct our corporate affairs and our business in India. Our Equity Shares are to be listed on the BSE and the NSE. Consequently, our business, operations, financial performance and the market price of our Equity Shares will be affected by interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India.

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

- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian customers and Indian corporations;
- epidemic or any other public health in India or in countries in the region or globally, including in India's various neighbouring countries;
- macroeconomic factors and central bank regulation, including in relation to interest rates movements which may in turn adversely impact our access to capital and increase our borrowing costs;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- decline in India's foreign exchange reserves which may affect liquidity in the Indian economy;
- downgrading of India's sovereign debt rating by rating agencies; and
- difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms and/or a timely basis.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy or certain regions in India, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares. For example, all our warehouses are located in New Delhi, hence any significant disruption, including due to social, political or economic factors or natural calamities or civil disruptions, impacting this region may adversely affect our operations.

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

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business, our future financial performance and the prices of the Equity Shares.

55. ***Certain companies in India, including us, are required to prepare financial statements under Ind AS. The transition to Ind AS in India is recent.***

Our Restated Financial Information as of and for the financial year 2018, together with the comparative period as of and for the financial year 2017, included in this Prospectus has been prepared under Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 read with the Companies Act, 2013. The restated financial information as of and for the financial years 2018 (together with the comparative period as of and for the financial year 2017) has been compiled from the audited consolidated financial statements of our Company prepared under Ind AS. Our date of transition to Ind AS was April 1, 2016 and the audited financial statements for the financial year 2018 were the first to be prepared in accordance with Ind AS. The restated financial information as of and for the financial year 2016 has been prepared by making Ind AS adjustments to the audited financial statements prepared under previous generally accepted accounting principles followed in India ("**Indian GAAP**") as of and for the financial year 2016. The restated financial statements as of and for the financial years 2015 and 2014 included in this Prospectus have been prepared under Indian GAAP.

Except as otherwise provided in the Restated Financial Information with respect to Indian GAAP, no attempt has been made to reconcile any information given in this Prospectus to any other accounting principles or to base the information on any other accounting standards. Ind AS differs from other accounting principles with which prospective investors may be familiar, such as Indian GAAP, IFRS and U.S. GAAP. Accordingly, the degree to which the financial statements, which are restated in accordance with the SEBI ICDR Regulations, included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS.

56. ***Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business, prospects and results of operations.***

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. For example, the Government of India implemented a comprehensive national goods and services tax ("**GST**") regime with effect from July 1, 2017 that combines multiple taxes and levies by the Central and State Governments into a unified tax structure. While the Government of India and certain state governments have announced that all committed incentives will be protected following the implementation of the GST, given that the various rules and regulations regarding the new regime are being evaluated in terms of various implications concerning the GST, we cannot provide you with any assurance as to this or any other aspect of the tax regime following implementation of the GST including anti-profiteering regulations of the new tax regime and availability of input tax credit ("**ITC**"). Further, according to Technopak, apparel priced up to ₹ 1,000 attracts 5% GST and GST of 12% is levied on apparel priced above ₹ 1,000. Consequently, for garments priced above ₹ 1,000 there may be a price increase of approximately 2% to 3%, which may not be passed on to the end customer, in light of current competition in the Indian market.

Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

57. *Investors may not be able to enforce a judgment of a foreign court against our Company.*

Our Company is incorporated under the laws of India. Our Company's assets are primarily located in India and a majority of our Directors and Key Managerial Personnel are residents of India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce against them judgments obtained in courts outside India. Moreover, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with Indian public policy.

58. *Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.*

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions), if they comply with the valuation and reporting requirements specified by the RBI. If a transfer of shares is not in compliance with such requirements and fall under any of the exceptions specified by the RBI, then the RBI's prior approval is required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all.

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of Equity Shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to long term capital gains tax in India if Securities Transaction Tax ("**STT**") is paid on the sale transaction and additionally, as stipulated by the Finance Act, 2017, STT had been paid at the time of acquisition of such equity shares, except in the case of such acquisitions where STT could not have been paid, as notified by the Central Government under notification no. 43/2017/F. No. 370142/09/2017-TPL on June 5, 2017. However, Finance Act, 2018 seeks to tax such long term capital gains exceeding ₹ 100,000 arising from sale of Equity Shares on or after April 1, 2018. Accordingly, you may be subject to payment of long term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold.

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

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

Indian legal principles related to 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 including in relation to class actions, 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 shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

Risks Related to the Offer

61. ***The Equity Shares have never been publicly traded, and, after the Offer, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Offer Price, or at all.***

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Offer Price of the Equity Shares has been determined through a book-building process and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

62. ***Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.***

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by equity shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

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

The Offer Price of the Equity Shares has been determined by our Company in consultation with the BRLMs, and through the Book Building Process. This price is based on numerous factors, as described under "***Basis for Offer Price***" on page 79 and may not be indicative of the market price for the Equity Shares after the Offer. The market price of the Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. We cannot assure you that the investor will be able to resell their Equity Shares at or above the Offer Price.

64. ***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 rights 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. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interests in our Company may be reduced.

65. *QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid.*

Pursuant to the SEBI Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors could revise their Bids during the Bid/Offer Period and were permitted to withdraw their Bids until Bid/Offer Closing Date. While our Company is required to complete Allotment pursuant to the Offer within six Working Days from the Bid/Offer Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

Prominent Notes:

i) Initial public offer of 15,714,038 Equity Shares for cash at a price of ₹ 716 per Equity Share aggregating to ₹ 11,251.25 million through an Offer for Sale by the Selling Shareholders of 2,764,841 Equity Shares aggregating to ₹ 1,979.63 million by Onkar Singh Pasricha, 3,039,118 Equity Shares aggregating to ₹ 2,176.01 million by Arvinder Singh Pasricha, 1,256,670 Equity Shares aggregating to ₹ 899.78 million by Anant Kumar Daga, 691,001 Equity Shares aggregating to ₹ 494.76 million by Saranpreet Pasricha, 416,724 Equity Shares aggregating to ₹ 298.37 million by Angad Pasricha, 458,022 Equity Shares aggregating to ₹ 327.94 million by Vijay Kumar Misra, 175,978 Equity Shares aggregating to ₹ 126.00 million by Amit Chand and 6,911,684 Equity Shares aggregating to ₹ 4,948.77 million by Wagner.* The Offerconstitutes 25.63%* of the post-Offer paid up Equity Share capital of our Company. In terms of Rule 19(2)(b)(iii), this is an Offer for 25.63%* of the post-Offer paid-up Equity Share capital of our Company.
**Subject to finalisation of the Basis of Allotment*

ii) As on March 31, 2018, our Company's net worth was ₹ 4,314.68 million as per our Restated Financial Information. See "***Financial Statements***" on page 146.

iii) As on March 31, 2018, our Company's net asset value per Equity Share was ₹ 76.54 as per our Restated Financial Information. See "***Financial Statements***" on page 146.

iv) The average cost of acquisition per Equity Share by our Promoters (also the Promoter Selling Shareholders) as on the date of this Prospectus is:

Name of Promoter	Average cost of acquisition per Equity Share (₹)*
Onkar Singh Pasricha	30.53
Arvinder Singh Pasricha	13.47

**As certified by Ghosh Khanna & Co., Chartered Accountants by their certificate dated June 14, 2018.*

For further details, see "***Capital Structure***" on page 58.

v) The average cost of acquisition per Equity Share of the Selling Shareholders, other than the Promoter Selling Shareholders, as on date of this Prospectus is:

Name of Selling Shareholder	Average cost of acquisition per Equity Share (₹)*
Investor Selling Shareholder	
Wagner	373.26
Other Selling Shareholders	
Anant Kumar Daga	65.50

Name of Selling Shareholder	Average cost of acquisition per Equity Share (₹)*
Saranpreet Pasricha	66.57
Angad Pasricha	66.00
Vijay Kumar Misra	2.00
Amit Chand	4.36

**As certified by Ghosh Khanna & Co., Chartered Accountants by their certificate dated June 14, 2018.*

For further details, see "***Capital Structure***" on page 58.

vi) Other than the change in name of our Company from 'TCNS Clothing Co. Private Limited' to 'TCNS Clothing Co. Limited' subsequent to receipt of fresh certificate of incorporation on January 19, 2018 from the RoC, on account of conversion from a private to a public company, there has been no change of name of our Company at any time during the last three years immediately preceding the date of filing of the Draft Red Herring Prospectus. For details regarding changes in our Memorandum of Association, please see "***History and Certain Corporate Matters***" on page 120.

vii) There has been no financing arrangement whereby our Promoter Group, our Directors and their relatives, have financed the purchase by any other person of securities of our Company, other than in the ordinary course of the business of the financing entity, during the six months preceding the date of the Draft Red Herring Prospectus.

viii) For details of transactions between our Company and our Group Companies during the last financial year, including the nature and cumulative value of the transactions, see "***Related Party Transactions***" on page 144. As on the date of this Prospectus, our Company does not have any subsidiary.

ix) For information regarding the business or other interests of our Group Companies in our Company, see "***Our Promoters, Promoter Group and Group Companies***" and "***Related Party Transactions***" on pages 138 and 144, respectively.

x) There are no auditor qualifications in the financial statements for last five Fiscals included in this Prospectus, however, the Statutory Auditors have included a matter of emphasis in the examination report issued with respect to the Restated Financial Information for Fiscal ended March 31, 2016, as provided below:

"T*he company has introduced Policy for 'Provision for Sales Return' from the financial year and due to this an additional impact of Rs 6.58 Crore (Net of 12.85 Crore for FY 15) and the profit is understated to the extent of this amount (Ref Note no 27.13 of notes forming part of financial statement)*".

For details, see "***Financial Statements***" on page 146.

xi) Pursuant to our Shareholders' resolution dated January 5, 2018, the existing equity share of our Company of face value of ₹ 1 each in the authorised share capital of our Company were consolidated into Equity Shares of face value of ₹ 2 each. For details, see "***Capital Structure***" and "***History and Certain Corporate Matters - Amendments to our Memorandum of Association***" on pages 58 and 121, respectively.

xii) Investors may contact the BRLMs or the Registrar to the Offer, for any complaints pertaining to the Offer.

xiii) All grievances, in relation to the Bids through ASBA process, may be addressed to the Registrar to the Offer, with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, quoting the full name of the sole or First Bidder, ASBA Form number, Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, date of submission of ASBA Form, address of Bidder, the name and address of the relevant Designated Intermediary, where the ASBA Form was submitted by the Bidder and ASBA Account number in which the amount equivalent to the Bid Amount was blocked. Further, the Bidder shall enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove. Further, all grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the BRLM where the Bid cum Application Form was submitted by the Anchor Investor.

SECTION III – INTRODUCTION

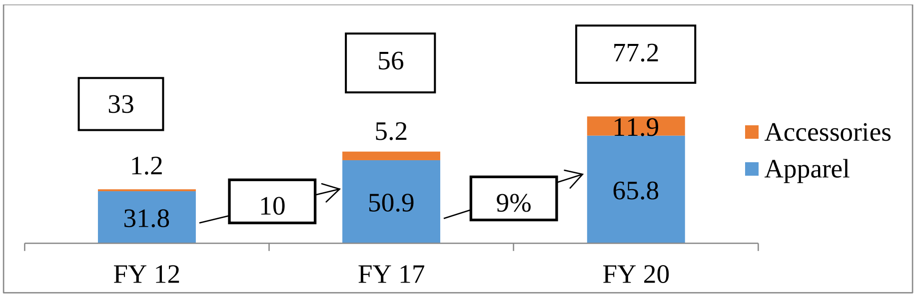
SUMMARY OF INDUSTRY

The information contained in this section is derived from a research report titled "Women's Ethnic Wear Market in India" dated May 2018 prepared by Technopak which has been commissioned by our Company. Neither we, nor 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 generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

*Investors should note that this is only a summary description of the industry in which we operate 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 the entire Red Herring Prospectus, including the information in the sections "**Risk Factors**", "**Industry Overview**", "**Our Business**", "**Financial Information**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operation**" on pages 14, 85, 103, 146 and 225, respectively. An investment in the Equity Shares involves a high degree of risk.*

Apparel Market in India

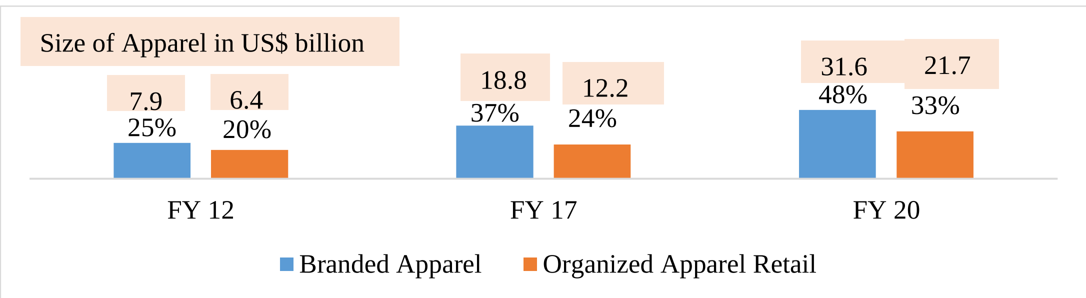
Apparel and Accessories Market Size in India (in US$ billion)



Source: Technopak analysis

The apparel & accessories market in India was estimated to be US$ 56.1 billion in Fiscal 2017 and is expected to reach US$ 77.2 billion by Fiscal 2020, growing at a CAGR of 11.3%. Of this, the apparel segment was estimated to be US$ 50.9 billion in Fiscal 2017 and is expected to grow at a CAGR of 9% between Fiscal 2017 and Fiscal 2020 to reach US$ 65.8 billion, on the back of factors such as greater purchasing power, in turn driving growth in primary discretionary spends, better access and availability of products, higher brand consciousness, increasing urbanization and increasing digitization.

Share of Organized Retail and Branded Apparel as a %age of Total Apparel



Note: Branded apparel signify registered trademarks that are regularly patronized by customers and that are sold through both organized retail and trade channels. Organized retail signifies formal retail channels of Exclusive Brand Outlets (EBOs), Large Format Stores (LFS), E-commerce etc. Apparel retailed through these organized retail point of sales is necessarily branded. Therefore, organized share is less than the share of Branded apparel in total share.
Source: Secondary Research, Technopak Analysis

The organized apparel market is expected to grow from US$ 12.2 billion in Fiscal 2017 to US$ 21.7 billion in Fiscal 2020 at a CAGR of 21%. The share of organized retail in the apparel segment has increased from 14% in

Fiscal 2007 to 24% in Fiscal 2017 and is expected to constitute 33% in Fiscal 2020. Over the past ten years, organized retail has not only captured new and incremental demand, but has also succeeded in moving demand away from unorganized retail.

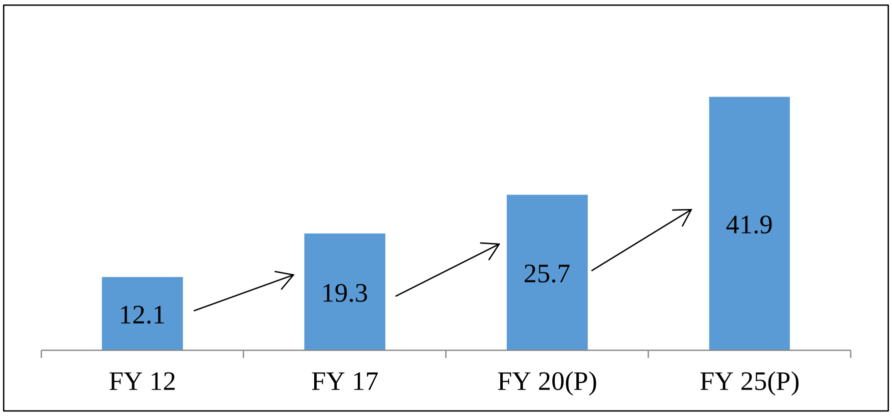
The branded apparel market is expected to grow from US$18.8 billion in Fiscal 2017 to US$ 31.6 billion by Fiscal 2020 at CAGR of 19%. The share of branded apparel within the total apparel market is expected to increase from 37% in Fiscal 2017 to 48% in Fiscal 2020. Favorable demographics, urbanization and rapid growth of organized retailing models for apparel are the key drivers of growth of branded apparel.

Men's apparel constituted more than 41% of the total apparel market, with women's apparel constituting approximately 38% in Fiscal 2017 with the balance being contributed by children's Apparel. In comparison, across other countries, the women's apparel segment has a share of 55% to 60%.

Women's Apparel Market in India

The women's apparel market in India, as at Fiscal 2017, is pegged at US$ 19 billion and expected to reach US$ 42 billion by Fiscal 2025, growing at a rate of approximately 10%. The women's wear market in India is growing faster than the men's largely due to: a) an increase in the number of working women, b) a shift towards aspiration rather than need based buying c) design innovations that appeal to Indian sensibilities and d) emergence of home grown national brands in a market where Indian wear contributes 71%.

The following chart sets forth the growth of the women's apparel market in India (US$ billion):



Source: Secondary Research, Technopak Analysis

Indian wear accounts for approximately 71% of the women's wear market. Whilst this segment has a large number of brands and formats, a few national brands dominate along with popular regional players. While most players tend to be focused on a specific women's apparel category and single price positioning, players such as TCNS have differentiated themselves through a multi-brand platform strategy straddling price points and consumer segments, to capture a larger share of the overall market.

Women's Ethnic Wear Market in India

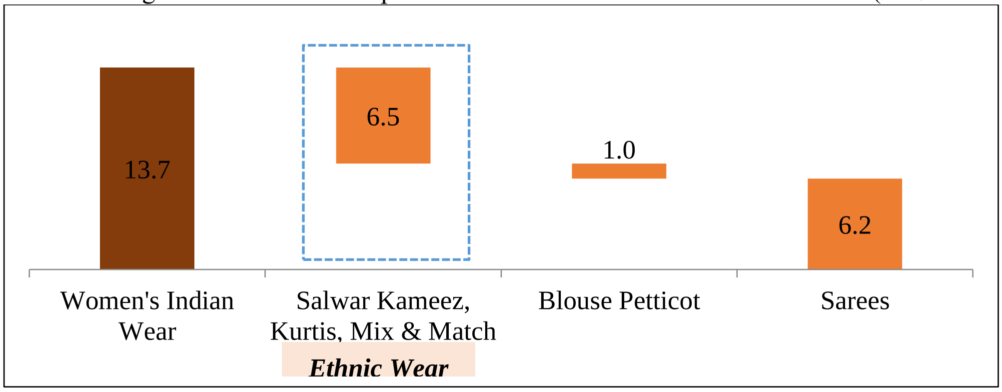
Brief Overview of Indian Wear market

Of the total apparel market (including men's, women's and children's), Indian wear accounts for approximately 30% or US$ 15.27 billion (Fiscal 2017) and western wear accounts for the balance 70% of the market. However, the share of Indian wear is very different between men's wear and women's wear. In the men's segment, Indian wear accounts for a 6.6% share of the US$ 21.2 billion market, whereas, in the women's segment, Indian wear holds a significantly larger share of 70.6% i.e. US$ 13.7 billion of the total market of US$ 19.3 billion in Fiscal 2017. Consequently, women's Indian wear accounts for approximately 90% share of the total Indian wear market in India.

The disproportionate size of Indian wear for women is attributable to the distinct positioning of Indian wear for women compared to that of men in India. For Indian women, Indian and ethnic fashion is a mainstream daily wear use requirement (in addition to strong occasion wear utility), whereas for men it is currently largely restricted to occasion wear alone i.e. weddings and festivals. Ethnic wear categories have maintained salience across geographies as well as across consumer segments of varying socio-economic strata, age groups and lifestyles, in spite of the increasing penetration of western wear.

Overview of Women's Ethnic Wear market

The following chart sets forth the Split of Women's Ethnic Wear market in India (US$ billion):

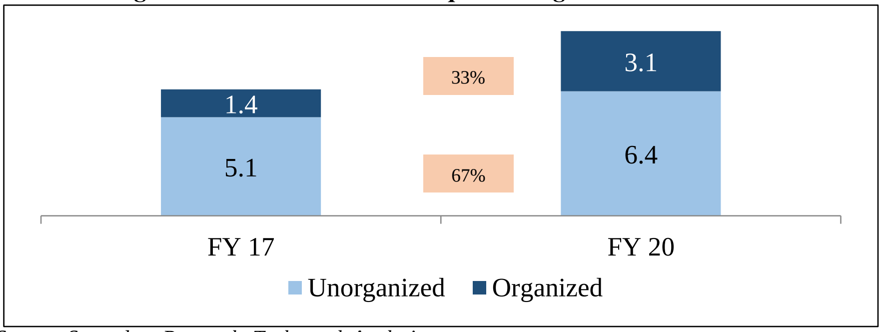


Note: Further analysis and commentary of this report Salwar Kameez, Kurtis, Mix & Match, etc. is referred to as Ethnic wear Category
Source: Secondary Research, Technopak analysis

The Women's Ethnic wear market in India stands at US$ 6.5 billion for the Fiscal 2017, which is approximately 47% of the women's Indian wear market, and is projected to reach US$ 9.5 billion by Fiscal 2020, growing at a CAGR of approximately 14%. As of Fiscal 2017, the share of organized retail in women's Ethnic wear was 22%, but it is projected to account for approximately 33% by Fiscal 2020, growing at a CAGR of approximately 29.4%. This growth of organized retail in women's Ethnic wear will be approximately three times that of unorganized retail.

The following chart shows the split of women's Ethnic wear market – Organized vs. Unorganized Retail (US$ billion)

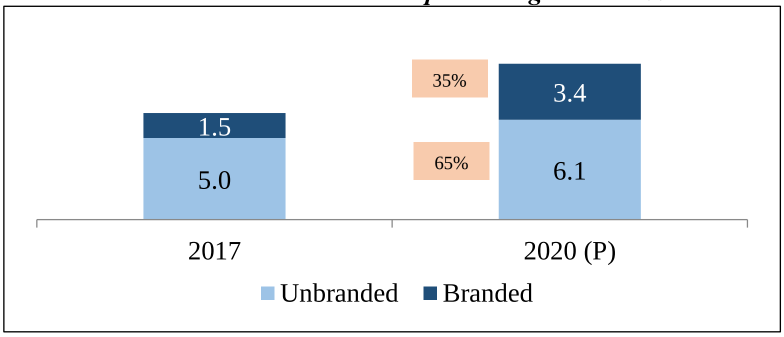
Women's Organized Ethnic wear market poised to grow at 29.4% CAGR till Fiscal 2020



Source: Secondary Research, Technopak Analysis

The following chart sets forth split of Women's Ethnic wear Market - Branded vs. Unbranded (US$ billion)

Women's Branded Ethnic wear market poised to grow at 30% CAGR till Fiscal 2020



Source: Secondary Research, Technopak Analysis

The branded Ethnic wear market, valued at US$ 1.5 billion for Fiscal 2017, is projected to grow at a CAGR of approximately 30% till Fiscal 2020. This implies that the branded segment is growing 4x faster than that of the unbranded Ethnic wear market, which is projected to grow at 7%. The branded Ethnic wear market is expected to reach US$ 3.4 billion by the Fiscal 2020 by which time it will constitute 35% of the women's Ethnic wear market.

Competitive Landscape for Women's Ethnic Wear market

The Ethnic wear segment in India tends to be dominated by certain large national players like TCNS (W, Aurelia and Wishful), BIBA, Global Desi and Fabindia and a few regional players like Neeru's and Soch. Due to its popularity and traction amongst consumers across socio-economic levels, Ethnic wear has seen penetration of brands across a wide spectrum ranging from value to luxury.

- **National Brands:** National brands are categorized into two types of retailers. ***Ethnic Lifestyle Led Fashion Retailers*** *such as* Fabindia and Anokhi, which started out as single outlet businesses, but over time succeeded in building out a national footprint of retail stores selling multiple Ethnic Fashion ethos-based categories. The second category is that of ***Ethnic Apparel Led Retail Brands*** that predominantly (>85%) sell women's Ethnic wear. These brands include Biba, W, Aurelia and Global Desi. Product design differentiation and pan-India retail reach through a combination of own stores (EBOs) and complimentary channels, signify the strengths of these players.
- **Regional Brands:** These players, in many respects, mimic national Ethnic wear brands on EBO channels and product offering. While they have an advantage of being closer to the regional consumer tastes consumers, either their design positioning or their retail reach or both restrict their expansion beyond the regions in which they operate. Mebaaz, Harra, Prafull, Ibadat and Kiara are some brands that signify such players.
- **Private Labels (in-store Ethnic wear brands of Large Format Lifestyle Retailers):** Leading large formal lifestyle retailers have created in-store labels that focus on women's Ethnic wear. Stop and Haute Curry of Stoppers Stop, Melange of Lifestyle, Rangmanch, Akriti and Trisha of Pantaloons, Morpankh, Navras and Ateesha of Central are leading private labels in Women's Ethnic wear.

As of Fiscal 2017, national retail brands such as W, Aurelia, BIBA, Global Desi and Fabindia accounted for approximately 39% of the total organized women's Ethnic wear market. National brands are expected to increase their market dominance with a CAGR of 36% to account for 44% of the branded Ethnic wear market by Fiscal 2020.

Formats of Retailing in Women's Ethnic Wear

The key formats in the women's Ethnic wear retailing include, a) Exclusive Brand Outlets, b) Large Format Lifestyle Retailers : Lifestyle, Central, Shoppers Stop, Pantaloons, c) Standalone Multi Brand Outlets : Traditional Market, and d) Online Channel/E-tail. With increasing acceptance of alternative retail channels, brands and retailers not only have to ensure presence in multiple retail channels, they also have to integrate various channels to provide a seamless shopping experience to Ethnic wear consumers. Omni-channel retailing has the potential to increase fulfillment rates, reduce inventory costs as well as enhance customer experience and retention.

The following table sets forth the format share split across branded and organized women's Ethnic wear market for Fiscal 2017:

Format	Channel-wise share of branded women's ethnic wear (%)
Exclusive Brand Outlet	41.0
Large Format Lifestyle Retailers	46.8
Traditional Market	6.5
Online	5.7

(Source: Technopak)

SUMMARY OF BUSINESS

The industry information contained in this section is derived from a report "Women's Ethnic Wear Industry Report" dated January 2018 and updated on May 2018, prepared by Technopak, and commissioned by our Company in connection with the Offer. Neither we, nor the BRLMs, nor any other person connected with the Offer has independently verified this information.

*Investors should note that this is only a summary description 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 the entire Red Herring Prospectus, including the information in the sections "**Risk Factors**", "**Industry Overview**", "**Our Business**", "**Financial Information**" and "M**anagement's Discussion and Analysis of Financial Condition and Results of Operation**" on pages 14, 85, 103, 146 and 225, respectively. An investment in the Equity Shares involves a high degree of risk.*

Overview

We are India's leading women's branded apparel company in terms of total number of exclusive brand outlets as of May 2018, according to Technopak. We design, manufacture, market and retail a wide portfolio of women's branded apparel across multiple brands. We sell our products across India and through multiple distribution channels. As of March 31, 2018, we sold our products through 465 exclusive brand outlets, 1,469 large format store outlets and 1,522 multi-brand outlets, located in 31 states and union territories in India. As of March 31, 2018, we also sold our products through six exclusive brand outlets in Nepal, Mauritius and Sri Lanka. In addition, we sold our products through our own website and online retailers.

Our product portfolio includes top-wear, bottom-wear, drapes, combination-sets and accessories that caters to a wide variety of the wardrobe requirements of the Indian woman, including every-day wear, casual wear, work wear and occasion wear.

We have a track record of developing home-grown brands leveraging our deep understanding of the needs and aspirations of Indian women. Over the years, we have expanded our brand portfolio to three brands, each positioned to cater to well-defined needs of their respective target consumers:

- W is a premium fusion wear brand, which merges Indian and western sensibilities with an emphasis on distinctive design and styling. This brand is targeted primarily at the modern Indian woman's work and casual wear requirements. W has been recognized as the 'IMAGES Most Admired Fashion Brand of the Year: Women's Indianwear' by India Fashion Forum consecutively for past four years between 2014 to 2017. As of March 31, 2018, W had 281 exclusive brand outlets and 717 large format store outlets located across 157 cities in India and five outlets outside India. Revenue from sales of products under brand W grew at a CAGR of 23.43% during Fiscals 2016 to 2018 and accounted for ₹ 4,856.30 million, or 57.65% of our revenue from operations for the Fiscal 2018;

- Aurelia is a contemporary ethnic wear brand targeted at women looking for great design, fit and quality for their casual and work wear requirements. As of March 31, 2018, Aurelia had 183 exclusive brand outlets and 752 large format store outlets located across 184 cities in India and one outlet outside India. Revenue from sales of products under brand Aurelia grew at a CAGR of 47.80% during Fiscals 2016 to 2018 and accounted for ₹ 2,837.13 million, or 33.68% of our revenue from operations, for the Fiscal 2018; and

- Wishful is a premium occasion wear brand, with elegant designs catering to women's apparel requirements for evening wear and occasions such as weddings, events and festivals. We have been leveraging our W store network for selling Wishful products, however, we recently launched our first exclusive brand outlet for Wishful, in September 2017. Revenue from sales of products under brand Wishful grew at a CAGR of 39.73% during Fiscals 2016 to 2018 and accounted for ₹ 730.82 million, or 8.68% of our revenue from operations, for the Fiscal 2018.

We focus on creating innovative designs and optimizing fit and sizing, while emphasizing higher quality. For example, across two seasons in a twelve month period ending March 31, 2018, we launched approximately 1,600 products in various sizes across product categories. We presently seek to refresh our product offerings at an average interval ranging from two to three weeks. We are able to achieve these parameters through an institutionalized product development process which relies on team-work across functions and includes research and trend forecasting, concept or story development, fabric and textile design, clothes styling, sample development, presentations to internal teams and roadshows for our sales partners. We utilize in-depth market research and data analysis to emphasize the fit and comfort of our products and to introduce new and niche concepts. For example, we have commissioned anthropometric studies of Indian women in the past to assess apparel sizes.

Over the twelve month period ended March 31, 2018, we sourced raw materials, such as printed fabrics, unprocessed fabrics and trim materials from approximately 181 suppliers, located across India. We believe one of our competitive strengths lies in building and managing an extensive sourcing network to support the requirements of our product development teams. We have also implemented several quality control mechanisms and regularly conduct inspections of fabrics sourced from our suppliers. Further, we manufacture our products through agreements with job workers of whom a significant majority are located in the National Capital Region. We exercise control and regular supervision over the manufacturing of our products at the facilities of such job workers through our personnel, who are either stationed at such facilities or periodically visit these facilities for inspections.

We endeavour to utilize novel and distinctive marketing, advertising and customer engagement initiatives such as creating new fashion trends which combine western and ethnic apparel and introducing products in seasonal thematic collections. We use digital and print advertisements, email communications, public relations initiatives, in-store communication and store facades and shutters, in order to increase brand awareness, acquire new customers, drive customer traffic across our retail channels and strengthen and reinforce our brand image.

Our Promoters, Mr. Onkar Singh Pasricha and Mr. Arvinder Singh Pasricha, each have over 40 years of experience in the apparel industry, and our Managing Director, Anant Kumar Daga, leads an experienced and professional management team. Our management team, including Anant Kumar Daga currently has a significant ownership stake in our Company. Together, they have demonstrated an ability to manage and grow our sales and expand our distribution and retail network. Our shareholders also include a fund affiliated with TA Associates, a marquee private equity group.

Our total income was ₹ 8,491.57 million for the Fiscal 2018, and our total income grew at a CAGR of 31.89% between Fiscals 2016 and 2018. Our comprehensive income for the year and adjusted EBITDA was ₹ 977.67 million and ₹ 1,837.18 million, respectively, for the Fiscal 2018.

Our Strengths

- Strongly positioned to leverage growth in the women's apparel industry in India
- Leading women's apparel company in India with a portfolio of established brands
- Innovative and institutionalized product design process
- Widespread distribution network and presence across a variety of retail channels
- Longstanding relationships with suppliers and job workers
- Capital efficient and scalable business model
- Experienced, aligned and professional management team with strong organizational culture

Our Strategies

- Expand our physical retail and online presence
- Leverage marketing initiatives to increase brand recognition
- Expand and strengthen our brand portfolio
- Increase the range of our products under existing brands
- Improve operational efficiencies

SUMMARY FINANCIAL INFORMATION

Restated Statement of Assets and Liabilities

(All amount in ₹ million except otherwise specified)

	Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016 (Proforma)
A.	**ASSETS**			
1.	**Non-current assets**			
	(a) Plant and equipment	505.68	458.16	379.34
	(b) Capital work-in-progress	24.88	8.41	2.17
	(c) Intangible assets	12.89	10.60	13.57
	(d) Intangible assets under development	56.30	24.57	-
	(e) Financial assets			
	(i) Investments	-	17.16	13.17
	(ii) Other financial assets	393.06	347.44	201.21
	(f) Deferred tax assets (net)	115.01	97.00	155.48
	(g) Non-current tax assets (net)	94.73	126.02	-
	(h) Other non-current assets	71.81	42.83	101.09
	Total non-current assets	**1,274.36**	**1,132.19**	**866.03**
2.	**Current assets**			
	(a) Inventories	2,311.50	1,940.25	1,371.41
	(b) Financial assets			
	(i) Investments	20.77	-	-
	(ii) Trade receivables	1,396.29	997.02	641.52
	(iii) Cash and cash equivalents	366.93	19.75	27.61
	(iv) Bank balances other than (iii) above	123.91	112.61	75.67
	(v) Other financial assets	5.66	10.13	14.67
	(c) Other current assets	264.17	46.09	90.93
	Total current assets	**4,489.23**	**3,125.85**	**2,221.81**
	Total assets	**5,763.59**	**4,258.04**	**3,087.84**
B.	**EQUITY AND LIABILITIES**			
1.	**Equity**			
	(a) Equity share capital	112.74	111.24	91.74
	(b) Instruments entirely equity in nature	242.27	-	-
	(c) Other equity	3,959.67	2,708.02	391.52
	Total equity	**4,314.68**	**2,819.26**	**483.26**
2.	**Liabilities**			
	Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	2.18	2.66	78.18
	(ii) Other financial liabilities	59.15	38.36	44.82
	(b) Provisions	55.73	37.33	24.69
	(c) Other non-current liabilities	4.09	5.41	3.64
	Total non-current liabilities	**121.15**	**83.76**	**151.33**
3.	**Current liabilities**			
	(a) Financial liabilities			
	(i) Borrowings	0.04	83.32	278.47
	(ii) Trade payables	1,144.32	1,093.28	846.08
	(iii) Other financial liabilities	68.52	90.86	1,181.74
	(b) Provisions	1.22	0.99	0.66
	(c) Current tax liabilities (net)	-	-	95.94
	(d) Other current liabilities	113.66	86.57	50.36
	Total current liabilities	**1,327.76**	**1,355.02**	**2,453.25**
	Total liabilities	**1,448.91**	**1,438.78**	**2,604.58**
	Total equity and liabilities	**5,763.59**	**4,258.04**	**3,087.84**

Restated Statement of Profit and Loss

(All amount in ₹ million except otherwise specified)

	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016 (Proforma)
1.	Revenue from operations	8,424.25	7,110.32	4,860.74
2.	Other income	67.32	19.41	20.61
3.	**Total income (1+2)**	**8,491.57**	**7,129.73**	**4,881.35**
4.	**Expenses**			
	(a) Cost of materials consumed	2,198.54	1,803.95	1,438.00
	(b) Purchase of stock-in-trade	-	6.10	5.63
	(c) Changes in inventories of finished goods and work-in-progress	(351.48)	(486.30)	(405.41)
	(d) Excise duty on sale of goods	39.37	100.97	6.87
	(e) Employee benefits expense	1,236.14	1,534.41	1,576.20
	(f) Finance costs	6.71	24.68	29.46
	(g) Depreciation and amortisation expense	166.71	134.05	88.74
	(h) Other expenses	3,747.30	3,388.26	2,278.24
	Total expenses	**7,043.29**	**6,506.12**	**5,017.73**
5.	**Restated profit / (loss) before tax (3-4)**	**1,448.28**	**623.61**	**(136.38)**
6.	**Tax expense:**			
	- Current tax	483.58	406.39	389.70
	- Deferred tax	(16.27)	59.25	(111.12)
	Total tax expense	**467.31**	**465.64**	**278.58**
7.	**Restated profit / (loss) for the year (5-6)**	**980.97**	**157.97**	**(414.96)**
8.	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	- Re-measurement of the defined benefit plans	(5.04)	(2.23)	(1.68)
	- Tax related to above item	1.74	0.77	0.58
	Total other comprehensive income / (expense) for the year (net of tax)	**(3.30)**	**(1.46)**	**(1.10)**
9.	**Total restated comprehensive income / (expense) for the year (7+8)**	**977.67**	**156.51**	**(416.06)**
	Earnings per equity share (Face value of ₹ 2 each):			
	Basic (in ₹)	16.12	2.67	(8.09)
	Diluted (in ₹)	15.36	2.61	(7.90)

Restated Statement of Cash Flow

(All amount in ₹ million except otherwise specified)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016 (Proforma)
A. CASH FLOW FROM OPERATING ACTIVITIES			
Restated profit / (loss) for the year	**980.97**	**157.97**	**(414.96)**
Adjustments for			
Tax expense	467.31	465.64	278.58
Depreciation and amortisation expense	166.71	134.05	88.74
Re-measurement of defined benefit plan	(5.04)	(2.23)	(1.68)
Interest income	(13.22)	(8.99)	(6.19)
Finance costs	6.71	24.68	29.46
Plant and equipment written off	9.50	18.43	6.23
Allowance for doubtful trade receivables	9.28	-	0.19
Allowance for investment in subsidiary company	-	0.10	-
Fair Valuation of investment	(0.62)	(0.99)	2.18
Share based payments	215.48	736.48	898.36
Operating profit before Working Capital Changes	**1,837.08**	**1,525.14**	**880.91**
Changes in working capital:			
Adjustments for (increase) / decrease in operating assets:			
Inventories	(371.25)	(568.84)	(468.69)
Trade receivables	(408.55)	(355.50)	(8.19)
Other financial assets	(39.65)	(144.30)	(58.77)
Other assets	(249.56)	99.40	(95.60)
Adjustments for increase / (decrease) in operating liabilities:			
Other financial liabilities	2.10	25.33	10.56
Other liabilities	25.77	37.98	8.00
Provisions	18.63	12.97	8.44
Trade payables	51.04	247.20	392.74
Cash generated from operations	**865.61**	**879.38**	**669.40**
Less: Income tax paid	(452.29)	(628.35)	(325.11)
NET CASH GENERATED BY OPERATING ACTIVITIES (A)	**413.32**	**251.03**	**344.29**
B. CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on plant and equipment including capital advances	(244.91)	(199.14)	(270.59)
Capital expenditure on intangible assets including capital advances	(40.09)	(24.57)	-
Proceeds from sale of plant and equipment	11.38	(18.43)	-
Purchase of long term investments	(3.00)	(3.00)	(3.00)
Investment in bank deposits (having original maturity of more than three months)	(11.30)	(36.94)	(14.97)
Investment in subsidiary	-	(0.10)	-
Interest received	11.72	11.58	9.40
NET CASH USED IN INVESTING ACTIVITIES (B)	**(276.20)**	**(270.60)**	**(279.16)**
C. CASH FLOW FROM FINANCING ACTIVITIES			
Repayment from short-term borrowing	(83.28)	(195.15)	(30.93)
Repayment from long-term borrowing	(2.22)	(99.00)	15.18
Shares issued on exercise of employee stock options	60.00	330.54	-
Proceeds from issue of Convertible Redeemable Debentures (CRDs)	242.27	-	-
Finance costs	(6.71)	(24.68)	(29.72)
NET CASH (USED) IN / GENERATED BY FINANCING ACTIVITIES (C)	**210.06**	**11.71**	**(45.47)**
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	347.18	(7.86)	19.66
Cash and cash equivalents at the beginning of the year	19.75	27.61	7.95
Cash and cash equivalents at the end*	**366.93**	**19.75**	**27.61**
* Cash and cash equivalents at the year-end comprises			
- Cash on hand	10.04	10.86	6.84
- Balances with banks			
In current accounts	106.89	8.89	20.77
In deposits	250.00	-	-
	366.93	**19.75**	**27.61**

Restated Statement of Assets and Liabilities

(All amount in ₹ million except otherwise specified)

Particulars	As at March 31, 2015	As at March 31, 2014
A. EQUITY AND LIABILITIES		
1. Shareholders' funds		
(a) Share capital	103.76	103.76
(b) Reserves and surplus	1,000.16	730.47
	1,103.92	**834.23**
2. Non-current liabilities		
(a) Long-term borrowings	64.50	24.12
(b) Other long-term liabilities	51.09	43.01
(c) Long-term provisions	13.57	9.52
	129.16	**76.65**
3. Current liabilities		
(a) Short-term borrowings	309.40	303.79
(b) Trade payables		
(i) Total outstanding dues of micro and small enterprises	-	-
(ii) Total outstanding dues other than micro and small enterprises	454.37	278.96
(c) Other current liabilities	108.29	94.87
(d) Short-term provisions	38.77	21.44
	910.83	**699.06**
TOTAL	**2,143.91**	**1,609.94**
B. ASSETS		
1. Non-current assets		
(a) Fixed assets		
(i) Tangible assets	203.09	117.64
(ii) Intangible assets	7.57	6.09
(iii) Capital work-in-progress	0.94	-
(b) Non-current investments	9.00	6.00
(c) Deferred tax assets (net)	50.30	36.00
(d) Long-term loans and advances	233.42	149.37
	504.32	**315.10**
2. Current assets		
(a) Inventories	891.91	592.60
(b) Trade receivables	652.01	610.30
(c) Cash and cash equivalents	68.65	70.26
(d) Short-term loans and advances	17.06	16.32
(e) Other current assets	9.96	5.36
	1,639.59	**1,294.84**
TOTAL	**2,143.91**	**1,609.94**

Restated Statement of Profit and Loss

(All amount in ₹ million except otherwise specified)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
REVENUE		
1. Revenue from operations (gross)	3,009.59	1,695.90
2. Other income	9.67	6.78
3. Total revenue (1+2)	**3,019.26**	**1,702.68**
4. EXPENSES		
(a) Cost of materials consumed	989.27	519.94
(b) Purchase of stock-in-trade (traded goods)	3.30	5.86
(c) Changes in inventories of finished goods and work-in-progress	(278.64)	(80.20)
(d) Employee benefits expense	354.17	219.79
(e) Other expenses	1,430.54	815.61
Total expenses	**2,498.64**	**1,481.00**
5. Restated profit before interest, tax, depreciation and amortisation (EBITDA) (3 - 4)	**520.62**	**221.68**
6. Finance costs	48.80	48.97
7. Depreciation and amortisation expense	62.27	39.89
8. Restated profit before tax (5-6-7)	**409.55**	**132.82**
9. Tax expense		
(a) Current tax	161.05	52.59
(b) Deferred tax	(14.31)	(7.27)
Net tax expense	**146.74**	**45.32**
10. Restated profit for the year (8-9)	**262.81**	**87.50**
11. Earnings per share (of Rs. 2 each)		
(a) Basic	**5.13**	**1.71**
(b) Diluted	**5.01**	**1.67**

Restated Statement of Cash Flow

(All amount in ₹ million except otherwise specified)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
CASH FLOW FROM OPERATING ACTIVITIES		
Restated profit before tax	409.55	132.82
Adjustments for		
Finance costs	48.80	48.97
Interest income	(5.59)	(5.60)
Profit on sale of fixed assets	(0.15)	-
Depreciation and amortisation expense	62.27	39.89
Provision for lease equalisation reserve	3.50	5.08
Provision for loss of margin on estimated sales returns	(3.93)	(1.18)
Operating profit before working capital changes	**514.45**	**219.98**
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(299.31)	(82.67)
Trade receivables	(41.71)	(61.50)
Short-term loans and advances	(0.74)	(1.99)
Long-term loans and advances	(80.32)	(43.77)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	175.41	84.45
Other current liabilities	0.05	21.41
Other long-term liabilities	8.08	7.86
Short-term provisions	0.17	0.08
Long-term provisions	4.05	0.88
Cash generated from operations	**280.13**	**144.73**
Net income tax paid	(139.96)	(64.44)
NET CASH GENERATED FROM OPERATING ACTIVITIES (A)	**140.17**	**80.29**
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure on fixed assets including capital advances	(148.17)	(80.94)
Proceeds from sale of fixed assets	1.27	-
Purchase of long term investments in unit linked insurance plans	(3.00)	(3.00)
Net proceeds from / (investment in) bank deposits	4.00	(3.98)
Interest received	0.99	3.49
NET CASH USED IN INVESTING ACTIVITIES (B)	**(144.91)**	**(84.43)**
CASH FLOW FROM FINANCING ACTIVITIES		
Net proceeds from issue of equity shares	-	0.70
Net proceeds from long-term borrowings	50.32	11.33
Net proceeds from short-term borrowings	5.61	22.37
Finance costs paid	(48.80)	(48.97)
NET CASH GENERATED FROM / (USED) IN FINANCING ACTIVITIES (C)	**7.13**	**(14.57)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**2.39**	**(18.71)**
Cash and cash equivalents at the beginning of the year	5.56	24.27
Cash and cash equivalents at the end of the year	**7.95**	**5.56**
Notes:		
Components of cash and cash equivalents:		
Cash on hand	3.82	4.55
Balances with banks - in current accounts	4.13	1.01
Total cash and cash equivalents	**7.95**	**5.56**

THE OFFER

The following table summarizes details of the Offer*:

Offer(1)	15,714,038 Equity Shares aggregating up to ₹ 11,251.25 million
Of which:	
A. QIB Category(2)	Not more than 7,857,018 Equity Shares
Of which:	
Anchor Investor Portion(3)	4,714,210 Equity Shares
Balance available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)	3,142,808 Equity Shares
Of which	
Available for allocation to Mutual Funds only (5% of the QIB Category (excluding the Anchor Investor Portion))	392,851 Equity Shares
Balance for all QIBs including Mutual Funds	2,749,957 Equity Shares
B. Non-Institutional Category(2)	Not less than 2,357,106 Equity Shares
C. Retail Category(2)	Not less than 5,499,914 Equity Shares
Pre and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer	61,318,124 Equity Shares*
Equity Shares outstanding after the Offer	61,318,124 Equity Shares*
Use of proceeds of the Offer	As the Offer comprises of only an Offer for Sale (without any fresh issue of Equity Shares by our Company), our Company will not receive any proceeds from the Offer. For details, see "***Objects of the Offer***" on page 77.

* *Subject to finalisation of the Basis of Allotment*

(1) *The Offer has been authorised by our Board pursuant to its resolution dated December 14, 2017 and the Shareholders pursuant to their resolution dated January 5, 2018. The Selling Shareholders have authorized their respective participation in the Offer for Sale, as stated under "**– Notes**" below.*

(2) *Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category, except the QIB Category, is 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.*

(3) *Our Company, the Promoter Selling Shareholders and the Investor Selling Shareholder, in consultation with the BRLMs, allocated 60% of the QIB Category to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion was made available for allocation to domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation was made to Anchor Investors, which price was determined by the Company, the Promoter Selling Shareholders and the Investor Selling Shareholder in consultation with the BRLMs. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion are added back to the QIB Category. For further details, see the "**Offer Procedure**" on page 273.*

Notes:

- The Selling Shareholders have severally and not jointly specifically confirmed and approved the offer for sale and transfer of their respective proportion of the Offered Shares as set out below:

Sl. No.	Name of the Selling Shareholder	Date of board resolution/ Consent letter	Number of Equity Shares offered for sale
1.	Onkar Singh Pasricha	February 16, 2018	2,764,841
2.	Arvinder Singh Pasricha	February 16, 2018	3,039,118
3.	Anant Kumar Daga	January 19, 2018	1,256,670
4.	Saranpreet Pasricha	February 16, 2018	691,001
5.	Angad Pasricha	February 5, 2018	416,724
6.	Vijay Kumar Misra	January 19, 2018	458,022
7.	Amit Chand	January 19, 2018	175,978
8.	Wagner	Board resolution dated January 5, 2018 and consent letter dated February 19, 2018	6,911,684

- Pursuant to Rule 19(2)(b)(iii) of the SCRR, the Offer is being made for 25.63% (*subject to finalisation of the Basis of Allotment)* of the post-Offer paid-up Equity Share capital of our Company.

GENERAL INFORMATION

Our Company was incorporated as 'TCNS Clothing Co. Private Limited' on December 3, 1997, as a private limited company under the Companies Act 1956, at New Delhi, with a certificate of incorporation granted by the RoC. On the conversion of our Company to a public limited company pursuant to a resolution passed by our Shareholders on January 5, 2018, our name was changed to 'TCNS Clothing Co. Limited' and a fresh certificate of incorporation dated January 19, 2018 was issued by the RoC. For details of changes in name and registered office of our Company, see "***History and Certain Corporate Matters***" on page 120.

Registration Number: 090978

Corporate Identity Number: U99999DL1997PLC090978

Registered Office

Unit No. 112, F/F Rectangle 1
D-4, Saket, District Centre
New Delhi 110 017
India
Tel: +91 11 4057 8384
Fax: +91 11 4079 3114
Website: www.wforwoman.com

Corporate Office

W-House, 119, Neelagagan Towers
Mandi Road, Sultanpur, Mehrauli
New Delhi 110 030
India
Tel: +91 11 4219 3193
Fax: +91 11 4219 3194

Address of the Registrar of Companies

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

Registrar of Companies, National Capital Territory of Delhi and Haryana

4th Floor, IFCI Tower
61, Nehru Place
New Delhi 110 019, India
Tel: +91 11 2623 5707
Fax: +91 11 2623 5702

Board of Directors

The following table sets out the details regarding our Board as on the date of this Prospectus:

Name and Designation	Age (years)	DIN	Address
Onkar Singh Pasricha *Designation:* Chairman and executive Director	67	00032290	W-155, Greater Kailash-II, New Delhi-110 048
Anant Kumar Daga *Designation:* Managing Director	41	07604184	1702, Tower-15, The Close South, Nirvana Country, Gurgaon, Haryana – 122 018
Naresh Patwari *Designation:* Non-executive Director	40	03319397	13th Floor, Birla Aurora, Dr. Annie Besant Road, Worli, Mumbai – 400 030

Name and Designation	Age (years)	DIN	Address
Neeru Abrol *Designation:* Independent Director	63	01279485	K-3, Lajpat Nagar Part-3, New Delhi - 110 024
Sangeeta Talwar *Designation:* Independent Director	62	00062478	S-373, Greater Kailash-II, New Delhi - 110 048
Bhaskar Pramanik *Designation*: Independent Director	67	00316650	01 Phe, Skycourt, Laburnum, Sushant Lok, Sector 28, Gurgaon- 122 002

For brief profiles and further details in respect of our Directors, see "***Our Management***" on page 126.

Chief Financial Officer

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

Venkatesh Tarakkad
W-House, 119, Neelagagan Towers
Mandi Road, Sultanpur, Mehrauli
New Delhi 110 030
India
Tel: +91 11 4219 3193
Fax: +91 11 4219 3194
E-mail: investors@tcnsclothing.com

Company Secretary and Compliance Officer

Piyush Asija is the Company Secretary and Compliance Officer of our Company. His contact details are as follows:

Piyush Asija
W-House, 119, Neelagagan Towers
Mandi Road, Sultanpur, Mehrauli
New Delhi 110 030
India
Tel: +91 11 4219 3193
Fax: +91 11 4219 3194
E-mail: investors@tcnsclothing.com

Investors can contact the Company Secretary and 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 orders or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, investors may also write to the BRLMs.

All grievances, other than of Anchor Investors may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary with whom the Bid-cum Application Form was submitted, giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked, date of Bid cum Application Form and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the BRLMs where the Bid cum Application Form was submitted by the Anchor Investor.

Book Running Lead Managers

Kotak Mahindra Capital Company Limited	**Citigroup Global Markets India Private Limited**
1st Floor, 27 BKC, Plot No. C-27 "G" Block, Bandra Kurla Complex Bandra (East), Mumbai 400 051 Maharashtra, India **Tel:** +91 22 4336 0000 **Fax:** +91 22 6713 2447 **E-mail:** tcns.ipo@kotak.com **Investor Grievance E-mail:** kmccredressal@kotak.com **Website:** www.investmentbank.kotak.com **Contact Person:** Ganesh Rane **SEBI Registration No.:** INM000008704	1202, 12th Floor, First International Financial Center G-Block C54 & 55, Bandra Kurla Complex, Bandra (East) Mumbai 400 098 Maharashtra, India **Tel:** +91 22 6175 9999 **Fax:** +91 22 6175 9898 **E-mail:** tcns.ipo@citi.com **Investor Grievance E-mail:** investors.cgmib@citi.com **Website:** www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm **Contact Person:** Rajesh Kamal **SEBI Registration No.:** INM000010718

Statement of inter-se allocation of responsibilities among the BRLMs

The responsibilities and coordination by the BRLMs for various activities in this Offer are as follows:

Sr. No.	**Activity**	**Responsibility**	**Co-ordinator**
1.	Capital structuring, positioning strategy and due diligence of the Company including its operations/management/business plans/legal etc. Drafting and design of the Draft Red Herring Prospectus and of statutory advertisements including a memorandum containing salient features of the Prospectus. The Managers shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalisation of Prospectus and RoC filing	Kotak and Citi	Kotak
2.	Drafting and approval of all statutory advertisements	Kotak and Citi	Kotak
3.	Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertising, brochure, etc. and filing of media compliance report	Kotak and Citi	Citi
4.	Appointment of Intermediaries - Registrar to the Offer, Advertising Agency, Printers and Banker(s) to the Offer	Kotak and Citi	Kotak
5.	Marketing and road-show presentation and preparation of frequently asked questions for the road show team	Kotak and Citi	Citi
6.	Non-institutional and Retail marketing of the Offer, which will cover, *inter alia*, • Finalising media, marketing and public relations strategy; • Finalising centres for holding conferences for brokers, etc.; • Follow-up on distribution of publicity and Offer material including form, the Prospectus and deciding on the quantum of the Offer material; and • Finalising collection centres	Kotak and Citi	Kotak
7.	Domestic Institutional marketing of the Offer, which will cover, *inter alia*: • Institutional marketing strategy; • Finalizing the list and division of domestic investors for one-to-one meetings; and • Finalizing domestic road show and investor meeting schedule	Kotak and Citi	Kotak
8.	International Institutional marketing of the Offer, which will cover, *inter alia*: • Institutional marketing strategy;	Kotak and Citi	Citi

Sr. No.	Activity	Responsibility	Co-ordinator
	• Finalizing the list and division of international investors for one-to-one meetings; and • Finalizing international road show and investor meeting schedule		
9.	Coordination with Stock-Exchanges for book building software, bidding terminals and mock trading and payment of STT on behalf of Selling Shareholders	Kotak and Citi	Citi
10.	Managing the book and finalization of pricing in consultation with the Company	Kotak and Citi	Citi
11.	Post-Bidding activities including management of escrow accounts, co-ordinating, underwriting, co-ordination of non-institutional allocation, announcement of allocation and dispatch of refunds to Bidders, etc. The post-Offer activities will involve essential follow up steps, including the finalization of trading, dealing of instruments, and demat of delivery of shares with the various agencies connected with the work such as the Registrar to the Offer, the Bankers to the Offer, the bank handling refund business and SCSBs	Kotak and Citi	Citi

Syndicate Member

Kotak Securities Limited
12-BKC, Plot No. C-12
G Block, Bandra Kurla Complex
Bandra (E), Mumbai 400 051
Maharashtra, India
Tel: +91 22 6218 5470
Fax: + 91 22 6661 7041
E-mail: umesh.gupta@kotak.com
Website: www.kotak.com
Contact Person: Umesh Gupta
SEBI Registration No.: INB010808153 (BSE); INB230808130 (NSE)

Legal Counsel to the Company as to Indian Law

Shardul Amarchand Mangaldas & Co
Amarchand Towers
216, Okhla Industrial Estate Phase – III
New Delhi 110 020
India
Tel: +91 11 4159 0700
Fax: +91 112692 4900

Legal Counsel to the BRLMs as to Indian Law

AZB & Partners
AZB House
Plot No. A8, Sector-4
Noida 201 301
India
Tel: +91 120 417 9999
Fax: +91 120 417 9900

International Legal Counsel to the BRLMs

Sidley Austin LLP
Level 31
Six Battery Road
Singapore 049909

Tel: +65 6230 3900
Fax: +65 6230 3939

Legal Counsel to the Investor Selling Shareholder as to Indian Law

Cyril Amarchand Mangaldas
4th Floor, Prius Platinum
D-3, District Centre, Saket
New Delhi 110 017
Tel: +91 11 6622 9000
Fax: +91 11 6622 9009

Legal Counsel to the Promoters as to Indian Law

J. Sagar Associates
Vakils House
18 Sprott Road, Ballard Estate
Mumbai 400 001
Tel: +91 22 4341 8600
Fax: +91 22 4341 8617

Registrar to the Offer

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

Escrow Bank/ Public Offer Account Bank/ Refund Bank

ICICI Bank Limited
Capital Market Division, First Floor
122 Mistry Bhawan, Dinshaw Vachha Road
Backbay Reclamation, Churchgate
Mumbai 400 020
Tel: +91 22 6681 8932/23/24
Fax: +91 22 2261 1138
E-mail: shweta.surana@icicibank.com
Website: www.icicibank.com
Contact Person: Shweta Surana
SEBI Registration No.: INBI00000004

Self Certified Syndicate Banks

The list of SCSBs is available at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes on the website of SEBI, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which a Bidder (other than an Anchor Investor), not bidding through Syndicate/Sub Syndicate or through a Registered Broker, CRTA or CDP may submit the Bid cum Application Forms is available at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes on the website of SEBI, and at such other websites as may be prescribed by SEBI from time to time.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investor) 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 (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 http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes as updated from time to time.

Broker Centres/ Designated CDP Locations/ Designated RTA Locations

In accordance with SEBI Circulars CIR/CFD/14/2012 dated October 4, 2012 and CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, Bidders (other than Anchor Investors) can submit Bid cum Application Forms with the Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the CRTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone number, are available at the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com. The list of branches of the SCSBs at the Broker Centres, named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Registered Brokers is available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

Auditors to our Company

Deloitte Haskins & Sells LLP, Chartered Accountants
7th Floor, Building, Tower B
DLF Cyber City Complex
DLF Cyber City, Phase-II
Gurugram 122 002
Haryana, India
Tel: +91 12 4679 2000
Fax: +91 12 4679 2012
E-mail: satsingh@deloitte.com
ICAI Firm Registration Number: 117366W/W - 100018
Peer Review Number: 009919

Bankers to our Company

HDFC Bank Limited S-24, Green Park, Main Street New Delhi 110 016 **Tel:** +91 84482 09829 **Fax:** N.A. **E-mail:** vishesh.kapoor@hdfcbank.com **Website:** www.hdfcbank.com **Contact Person:** Vishesh Kapoor	**Citibank N. A.** 9th Floor, DLF Square, Jacaranda Marg, M Block NH -8, DLF City Phase – II, Gurgaon 122 002 **Tel:** +91 12 4418 6912 **Fax:** +91 12 4489 3998 **E-mail:** shrey.agarwal@citi.com **Website:** www.citibank.co.in **Contact Person:** Shrey Agarwal

Grading of the Offer

No credit agency registered with SEBI has been appointed for grading for the Offer.

Appraising Entity

The Offer being an Offer for Sale, the objects of the Offer have not been appraised.

Monitoring Agency

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

Expert

Except as stated below, our Company has not obtained any expert opinion.

(i) As required under Section 26(1)(a)(v) of the Companies Act 2013, our Company has received a written consent from the Statutory Auditors namely, Deloitte Haskins & Sells LLP, Chartered Accountants, to include their name in this Prospectus and as an "expert", as defined under Section 2(38) read with Section 26(5) of the Companies Act 2013, to the extent and in their capacity as Statutory Auditors and in respect of their (a) examination report dated June 14, 2018 on our Restated Financial Information, and their (b) report dated June 14, 2018 on the Statement of Tax Benefits available to our Company and Shareholders.

    The term "experts" and consent thereof does not represent an expert or consent within the meaning under the U.S. Securities Act. Such consent has not been withdrawn as of the date of this Prospectus.

(ii) Our Company has received a written consent from Technopak to include their name in this Prospectus as required under the relevant provisions of the Companies Act, 2013 and to be named as an "expert" as defined under Section 2(38) read with Section 26(5) of the Companies Act, 2013 in respect to the Technopak Report and any extract thereof, included in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus.

Credit Rating

As the Offer is of Equity Shares, credit rating is not required.

Trustees

As the Offer is of Equity Shares, the appointment of trustees is not required.

Book Building Process

Book building, in the context of the Offer, refers to the process of collection of Bids from the Bidders on the basis of the Red Herring Prospectus and the Bid cum Application Forms within the Price Band, which was decided by our Company, the Promoter Selling Shareholders and the Investor Selling Shareholder, in consultation with the BRLMs, and advertised in all editions of Financial Express (a widely circulated English national daily newspaper) and all editions of Jansatta (a widely circulated Hindi national daily newspaper, Hindi also being the regional language in the place where our Registered Office is located), at least five Working Days prior to the Bid/Offer Opening Date and was made available to the Stock Exchanges for the purposes of uploading on their websites. The Offer Price has been determined by our Company in consultation with the BRLMs after the Bid/Offer Closing Date.

All Investors (other than Anchor Investors) were mandatorily required to participate in this Offer only through the ASBA process. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

In terms of the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors could revise their Bid(s) during the Bid/ Offer Period and withdraw their Bid(s) until Bid/ Offer Closing Date. Anchor Investors were not allowed to withdraw their Bids after the Anchor Investor Bidding Date. Except for Allocation to Retail Individual Investors and the Anchor Investors, Allocation in the Offer will be on a proportionate basis. For further details on method and process of Bidding, see "*Offer Structure*" on page 266.

The Book Building Process is subject to change. Bidders are advised to make their own judgment about an investment through this process prior to submitting a Bid.

Investors should note that the Offer is also subject to obtaining (i) final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment; and (ii) the final approval of the RoC after this Prospectus is filed with the RoC.

Illustration of Book Building Process and the Price Discovery Process

For an illustration of 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 307.

Underwriting Agreement

Our Company and the Selling Shareholders have entered into the Underwriting Agreement with the Underwriters for the Equity Shares offered through the Offer. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions to closing, as specified therein.

The Underwriting Agreement is dated July 24, 2018. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

Name, address, telephone, facsimile and e-mail of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten *(₹ in million)*
Kotak Mahindra Capital Company Limited 1st Floor, 27 BKC, Plot No. C-27 "G" Block, Bandra Kurla Complex Bandra (East), Mumbai 400 051 Maharashtra, India **Tel:** +91 22 4336 0000 **Fax:** +91 22 6713 2447 **E-mail:** tcns.ipo@kotak.com	7,856,919	5,625.55
Citigroup Global Markets India Private Limited 1202, 12th Floor, First International Financial Center G-Block C54 & 55, Bandra Kurla Complex, Bandra (East) Mumbai 400 098 Maharashtra, India **Tel:** +91 22 6175 9999 **Fax:** +91 22 6175 9898 **E-mail:** tcns.ipo@citi.com	7,857,019	5,625.63
Kotak Securities Limited 12-BKC, Plot No. C-12 G Block, Bandra Kurla Complex Bandra (East), Mumbai 400 051 Maharashtra, India **Tel:** +91 22 6218 5470 **Fax:** + 91 22 6661 7041 **E-mail:** umesh.gupta@kotak.com	100	0.07

The abovementioned amounts are provided for indicative purposes only and would be finalized after actual allocation and subject to the provisions of Regulation 13(2) of the SEBI ICDR Regulations.

In the opinion of our Board of Directors (based on representations made to our Company by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with the SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s).

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitments set forth in the table above. Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them.

CAPITAL STRUCTURE

Details of the share capital of our Company, as of the date of this Prospectus, are set forth below.

	Particulars	Aggregate nominal value *(in ₹)*	Aggregate value at Offer Price *(in ₹)*
A)	**AUTHORISED SHARE CAPITAL***		
	180,000,000 Equity Shares	360,000,000	-
	20,000,000 Preference Shares	20,000,000	-
B)	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL PRIOR TO THE OFFER**		
	61,318,124 Equity Shares	122,636,248	43,903,776,784
C)	**OFFER****		
	Offer of 15,714,038 Equity Shares aggregating up to ₹ 11,251.25 million^	31,428,076	11,251,251,208
D)	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER**		
	61,318,124 Equity Shares	122,636,248	43,903,776,784
E)	**SECURITIES PREMIUM ACCOUNT**		
	Prior to the Offer		2,439.59 million
	After the Offer		2,439.59 million

* *For details of the changes in the authorised share capital of our Company, see "**History and Certain Corporate Matters – Amendments to our Memorandum of Association**" on page 121.*

** *The Offer has been authorised by our Board pursuant to its resolution dated December 14, 2017 and the Shareholders pursuant to their resolution dated January 5, 2018. The Selling Shareholders have specifically confirmed and authorized their respective participation in the Offer for Sale. For details see, "**Other Regulatory and Statutory Disclosures**" on page 251.*

^ *Subject to finalisation of the Basis of Allotment*

Notes to Capital Structure

1. Share Capital History

(a) History of Equity Share Capital of our Company

The following table sets forth the history of the equity share capital of our Company.

Date of allotment	No. of equity shares	Face value (₹)	Issue/ Exercise price per Equity Share (₹)	Nature of consideration	Reason/ Nature of allotment	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)
December 3, 1997	200	10.00	10.00	Cash	Subscription to the MoA(1)	200	2,000
January 20, 1998	29,800	10.00	10.00	Cash	Further issue(2)	30,000	300,000
March 31, 2004	2,720,000	10.00	30.00	Cash	Further issue(3)	2,750,000	27,500,000
March 30, 2005	433,330	10.00	30.00	Cash	Further issue(4)	3,183,330	31,833,300
October 31, 2005	1,355,332	10.00	30.00	Cash	Conversion of loan into equity shares of face value of ₹ 10 each (5)	4,538,662	45,386,620
February 16, 2009	2,364,080	10.00	10.00	Cash	Conversion of loan into equity shares of the Company of ₹ 10 each (6)	6,902,742	69,027,420
	112,705	10.00	10.00	Cash	Further issue(7)	7,015,447	70,154,470
March 16, 2009	60,000	10.00	10.00	Cash	Further issue(8)	7,075,447	70,754,470
February 5, 2010	300,000	10.00	10.00	Cash	Further issue(9)	7,375,447	73,754,470
March 31, 2010	253,580	10.00	10.00	Cash	Further issue(10)	7,629,027	76,290,270
March 31, 2011	916,590	10.00	21.82	Cash	Further issue(11)	8,545,617	85,456,170
August 20, 2011	628,289	10.00	21.82	Cash	Further issue(12)	9,173,906	91,739,060
Pursuant to Shareholders' resolution dated September 30, 2011, each equity share of the Company of face value of ₹ 10 each was split in equity shares of the Company of ₹ 1 each, therefore 9,173,906 equity shares of the Company of ₹ 10 each were split into 91,739,060 equity shares of the Company of ₹ 1 each.							
August 19, 2016	8,171,943	1.00	38.00	Cash	Allotment upon exercise of options under TCNS Employee Stock Option Plan 2014 (**"TCNS ESOP 2014"**)(13)	99,911,003	99,911,003

Date of allotment	No. of equity shares	Face value (₹)	Issue/ Exercise price per Equity Share (₹)	Nature of consideration	Reason/ Nature of allotment	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)
	500,000	1.00	40.00	Cash	Allotment upon exercise of options under TCNS ESOP 2014(14)	100,411,003	100,411,003
October 6, 2016	10,792,830	1.00	N.A.	Cash	Conversion of compulsorily convertible preference shares (**"CCPS"**) into equity shares(15)	111,203,833	111,203,833
	36,966	1.00	N.A.	Cash	Conversion of CCPS into equity shares(16)	111,240,799	111,240,799
November 9, 2017	1,500,000	1.00	40.00	Cash	Allotment upon exercise of options under TCNS ESOP 2014(17)	112,740,799	112,740,799
Pursuant to Shareholders' resolution dated January 5, 2018, each equity share of the Company of face value of ₹ 1 each was consolidated to Equity Shares of ₹ 2 each, therefore 112,740,799 equity shares of the Company of ₹ 1 each were consolidated into 56,370,398 Equity Shares of ₹ 2 each (post giving effect to fractional adjustment).							
May 28, 2018	649,066	2.00	373.26	Cash	Conversion of compulsorily convertible and redeemable debentures ("**CCRDs**") into Equity Shares(18)	57,019,464	114,038,928
June 14, 2018	1,781,029	2.00	76.00	Cash	Allotment upon exercise of options under TCNS ESOP-I(19)	58,800,493	117,600,986
	2,517,631	2.00	100.00	Cash	Allotment upon exercise of options under TCNS ESOP-I(20)	61,318,124	122,636,248
Total						**61,318,124**	**122,636,248**

(1) Initial subscription to the MoA by Onkar Singh Pasricha and Arvinder Singh Pasricha for 100 equity shares each.

(2) 9,900 equity shares each to Onkar Singh Pasricha and Arvinder Singh Pasricha and 10,000 equity shares of the Company of ₹ 10 to Gurmeet Singh Pasricha.

(3) 1,360,000 equity shares to Onkar Singh Pasricha, 1,088,000 equity shares to Arvinder Singh Pasricha and 272,000 equity shares to Gurmeet Singh Pasricha.

(4) 313,330 equity shares to Ashok Mahendru and 120,000 equity shares to Achala Mahendru.

(5) Conversion of loans amounting to ₹ 5,059,980, ₹ 13,219,980 and ₹ 22,380,000 received from Onkar Singh Pasricha, Arvinder Singh Pasricha and Gurmeet Singh Pasricha, respectively, into equity shares and subsequently, allotment of 168,666 equity shares, 440,666 equity shares and 746,000 equity shares was made to Onkar Singh Pasricha, Arvinder Singh Pasricha and Gurmeet Singh Pasricha, respectively, in compliance with Companies Act 1956.

(6) Conversion of loans amounting to ₹ 9,552,410 and ₹ 14,088,390 received from Onkar Singh Pasricha and Arvinder Singh Pasricha respectively, into equity shares and subsequently, allotment of 955,241 equity shares and 1,408,839 equity shares was made to Onkar Singh Pasricha and Arvinder Singh Pasricha, respectively, in compliance with Companies Act 1956.

(7) 112,705 equity shares to Vijay Kumar Misra.

(8) 60,000 equity shares to Vijay Kumar Misra.

(9) 300,000 equity shares to Vijay Kumar Misra.

(10) 253,580 equity shares to Vijay Kumar Misra.

(11) 426,214 equity shares to Onkar Singh Pasricha, 426,214 equity shares to Arvinder Singh Pasricha, 45,830 equity shares to Anant Kumar Daga and 18,332 equity shares to Amit Chand.

(12) 68,100 equity shares to Anitha Gopinath Kumar, 90,800 equity shares to Indus Quality Foundation, 40,816 equity shares to Dhruv Prakash, 306,123 equity shares to Anant Kumar Daga and 122,450 equity shares to Amit Chand.

(13) 6,295,943 equity shares to Anant Kumar Daga, 335,000 equity shares to Lalit Raghuvanshi, 268,000 equity shares each to Sreyashee Halder, Dharmendar Kumar, Anil Chauhan and Arindam Chakravorty, 201,000 equity shares to Aarti Ahuja and 134,000 equity shares each to Pallavi Vatsa and Neeraj Kumar Tyagi.

(14) 500,000 equity shares to Vijay Kumar Thadani.

*(15) 10,792,830 equity shares allotted to Wagner upon conversion of 10,792,830 CCPS in the ratio of 1:1, pursuant to a share purchase agreement dated August 8, 2016 entered into among Wagner, Matrix Partners India Investment Holdings LLC (**"Matrix Holdings"**), Matrix Partners India Investment LLC (**"Matrix India"**) and the Company ("**Share Purchase Agreement**"). For details see "- **History of preference share capital of our Company**".*

*(16) 36,966 equity shares allotted to Wagner upon conversion of 1,232,200 CCPS in the ratio of 0.03:1, pursuant to the Share Purchase Agreement. For details see "- **History of preference share capital of our Company**".*

(17) 1,500,000 equity shares allotted to Vijay Kumar Thadani.

(18) 324,533 Equity Shares each were allotted to Onkar Singh Pasricha and Arvinder Singh Pasricha upon conversion of an aggregate of 1,298,132 CCRDs in the ratio of 2:1.

(19) 1,352,029 Equity Shares to Anant Daga, 66,000 Equity Shares each to Sreyashee Halder, Dharmendar Kumar, Anil Chauhan and Arindam Chakaravorty, 82,500 Equity Shares to Lalit Raghuvanshi, 49,500 Equity Shares to Aarti Ahuja and 33,000 Equity Shares to Pallavi Vatsa.

(20) *1,750,000 Equity Shares to Anant Daga, 125,000 Equity Shares each to Sreyashee Halder, Dharmendar Kumar, Lalit Raghuvanshi and Arindam Chakaravorty, 117,631 Equity Shares to Anil Chauhan and 75,000 Equity Shares each to Aarti Ahuja and Pallavi Vatsa.*

(b) History of preference share capital of our Company

The following table sets forth the history of the preference share capital of our Company.

Date of allotment	Number of Preference Shares	Face value (₹)	Issue price (₹)	Nature of consideration	Reasons for/ Nature of allotment	Cumulative number of preference shares	Cumulative paid-up Preference Share capital (₹)
October 19, 2011	10,792,830	1.00	37.06	Cash	Further issue(1)	10,792,830	10,792,830
July 9, 2013	1,232,200	1.00	1.00	Cash	Further issue(2)	12,025,030	12,025,030
Total	**Nil**					**Nil**	**Nil**

(1) *Allotment of 10,792,830 CCPS to Matrix Holdings, which were transferred to Wagner pursuant to the Share Purchase Agreement subsequently converted by Wagner into equity shares, on October 6, 2016.*
(2) *Allotment of 1,232,200 CCPS to Matrix Holdings (together with Matrix India defined as "**Matrix**"), which were transferred to Wagner pursuant to the Share Purchase Agreement and subsequently converted by Wagner into equity shares, on October 6, 2016.*

(c) Equity Shares issued for consideration other than cash

Our Company has not issued any Equity Shares for consideration other than cash since incorporation. Further, our Company has not issued any bonus shares out of the revaluation reserves.

For further details, see "***Notes to Capital Structure – Share Capital History***" on page 58.

2. Issue of securities in the last one year

Except as disclosed under "***Notes to Capital Structure – Share Capital History***" on page 58, our Company has not issued Equity Shares in one year immediately preceding the date of this Prospectus.

Further, our Company has not issued any Equity Shares out of revaluation reserves since incorporation.

(a) Employee Stock Option Scheme

I. TCNS ESOP SCHEME/ PLAN 2014-2017 ("TCNS ESOP – I")

Pursuant to resolutions of our Board dated December 14, 2017 and February 2, 2018 and resolutions of our Shareholders dated January 5, 2018 and February 2, 2018, our Company has instituted an employee stock option scheme, TCNS ESOP – I. TCNS ESOP – I has consolidated all previous employee incentive plans introduced by the Company, namely, TCNS ESOP 2014, TCNS Senior Management Stock Option Plan 2015, TCNS Senior Executive Stock Option Plan 2015, TCNS Employee Stock Option Plan 2015 and TCNS Employee Stock Option Plan 2017, as amended from time to time, (collectively the "**Previous ESOPs**") existing as on December 14, 2017 and the options granted under the Previous ESOPs shall continue to vest under the TCNS ESOP – I. As on the date of this Prospectus, under the TCNS ESOP – I, our Company has granted 11,795,000 options convertible into 11,795,000 Equity Shares to eligible employees, of which 125,000 have lapsed and 9,384,631 have been exercised and 1,421,151 options have vested.

TCNS ESOP – I is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended.

Details pertaining to the TCNS ESOP – I:

Particulars	Details				
	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019 (until date)	Cumulatively as on the date of this Prospectus*
Total options outstanding as at the beginning of the period	6,900,000	9,962,500	2,125,000	2,676,718	Nil
Increase in number of options granted on account of bonus	Nil	Nil	Nil	Nil	Nil
Total pool size (maximum options to be issued under the plan)	4,775,000	Nil	107,500	62,500	11,845,000

Particulars	Details				
	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019 (until date)	Cumulatively as on the date of this Prospectus*
Total options granted	3,950,000	175,000	707,500	62,500	11,795,000
Vesting period	Refer Note 1 below	Refer Note 2 below	Refer Note 3 below	Refer Note 4 below	-
Pricing formula	At a price as recommended by the Board of Directors and approved by Shareholders				
Exercise price of options in ₹ (as on the date of grant of options)**	100	100	300	372	76,80,100,300 and 372
Total options vested	887,500	7,887,500	155,782	1,875,000	10,805,782
Options exercised	Nil	4,335,971	750,000	4,298,660	9,384,631
The total number of Equity Shares arising as a result of exercise of granted options (including options that have been exercised)	Nil	4,335,971	750,000	4,298,660	9,384,631
Options lapsed	Nil	125,000	Nil	Nil	125,000
Options cancelled not eligible for re-issue	Nil	Nil	107,500	62,500	170,000
Variation of terms of vesting condition	None	None	None	None	None
Money realized by exercise of options	Nil	330,533,834	60,000,000	387,121,304	777,655,138
Total number granted options excluding vested/ exercised/ lapsed/ ungranted	9,962,500	2,125,000	2,676,718	864,218	864,218
Total number granted options including vested but excluding exercised/ lapsed/ ungranted	10,850,000	6,564,029	6,521,529	2,285,369	2,285,369
Total number of options including vested/ ungranted but excluding exercised/ cancelled	11,675,000	7,339,029	6,589,029	2,290,369	2,290,369

**The figures given include the cumulative details since commencement of each of the relevant Previous ESOPs until the date of this Prospectus*

Employee wise details of options granted to:

(i) Directors

Name of the Director	Options		
	Granted	Exercised	Outstanding
Anant Kumar Daga	7,666,500	6,250,000	1,416,500

(ii) Senior management personnel

Name of employee	Options		
	Granted	Exercised	Outstanding
Venkatesh Tarakkad	107,500	-	107,500
Piyush Asija	12,500	-	12,500

(iii) Any other employee who receives a grant in any one year of options amounting to 5% or more of the options granted during the year

Name of employee (Year of Grant)	Options		
	Granted (as on the date of grant)	Exercised	Outstanding
Vijay Kumar Thadani (Fiscal 2015)	1,000,000	1,000,000	-
Anant Kumar Daga (Fiscal 2015 and 2016)	7,666,500	6,250,000	1,416,500

(iv)Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant

No other employees were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant other than those mentioned in point (iii) above.

Lock-in	For the TCNS Senior Management Stock Option Plan issued in Fiscal 2016 (now consolidated in TCNS ESOP – I), all the shares issued under this plan are locked-in till March 31, 2019 or until the IPO of the Company, whichever is earlier.
Fully diluted earnings per share pursuant to issue of equity shares	The reported diluted earnings per equity share calculated in accordance with relevant accounting standards is as follows:

on a pre-offer basis on exercise of options in accordance with relevant accounting standard

Particulars	March 31, 2016	March 31, 2017	March 31, 2018
Reported Diluted EPS as per Restated Financial Information[#]	(7.90)	2.61	15.36

[#]The options being anti-dilutive, are ignored in the calculation of diluted EPS.

Where the Company has calculated the employee compensation cost using the intrinsic value of stock options, difference, if any, between employee compensation cost calculated according using the intrinsic value of stock options and the employee compensation cost calculated on the basis of fair value of stock options and impact of this difference on the profits of the Company and on the earnings per share of the Company

Particulars	31-Mar-16	31-Mar-17	31-Mar-18
Restated profit as reported (₹ in Mn)	(414.96)	157.97	980.97
Less: Effect of employee compensation using fair value the stock option (₹ in Mn) (Refer Note below)	-	-	-
Restated proforma loss / profits (₹ in Mn)	48.68	-	-
(Loss) / Earnings per share			
Basic			
- As reported based on restated profits	(8.09)	2.67	16.12
- Based on restated proforma (losses) / profits	-	-	-
Diluted			
- As reported based on restated profits	(7.90)	2.61	15.36
- Based on restated proforma (losses) / profits	-	-	-

Weighted average exercise price and the weighted average fair value of stock whose exercise price either equals or exceeds or is less than the market price of the stock

Fiscal	Weighted average exercise price as on the date of grant	Weighted average fair value as on the date of grant
March 31, 2016	100.00	137.80
March 31, 2017	100.00	225.34
March 31, 2018	300.00	261.28

Method and significant assumptions used to estimate the fair value of options granted during the year including weighted average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends, and the price of the underlying share in market at the time of grant of the option

Particulars	Fiscal 2015		Fiscal 2016		Fiscal 2017	Fiscal 2018	Fiscal 2019 (until date)
	TCNS ESOP 2014		TCNS Senior Management Stock Option Plan 2015	TCNS Senior Executive Stock Option Plan 2015	TCNS Senior Management Stock Option Plan 2015	TCNS Employees Stock Option Plan 2017 & TCNS Employees Stock Option Plan 2015 amended in June 2017	
Grant Date	**July 1, 2014**	**March 16, 2015**	**November 19, 2015**		**April 1, 2016**	**June 27, 2017**	**May 28, 2018**
Weighted average share price	59.64	59.64	137.80	137.80	225.34	261.28	288.68
Exercise Price	76.00	80.00	100.00	100.00	100.00	300.00	372.00
Volatility	49.24%	48.51%	47.96%	49.21%	50.77%	45.83%	45.17%
Life of the options granted in years	4 years	4 years	3.36 years	2.5 years	3 years	5 years	5 years

	Average risk-free interest rate	8.57%	7.81 %	7.54%	7.45%	7.37%	6.68%	7.76%

Intention of the holders of Equity Shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Offer	Employees holding Equity Shares issued upon exercise of options granted under TCNS ESOP-I, may sell such Equity Shares within a period of three months from the date of listing of the Equity Shares.
Intention to sell Equity Shares arising out of the TCNS ESOP- I within three months after the listing of Equity Shares by directors, senior management personnel and employees having Equity Shares arising out of the TCNS ESOP- I, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)	Employees holding Equity Shares issued upon exercise of options granted under TCNS ESOP-I, may sell such Equity Shares within a period of three months from the date of listing of the Equity Shares.
Impact on the profits and on the Earnings Per Share of the last three years if the accounting policies prescribed in the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 had been followed, in respect of options granted in the last three years.	Employee stock options granted in terms of employee stock option plan issued in Fiscal 2014 (now consolidated in TCNS ESOP – I) is accounted under the “Intrinsic Value Method” stated in the Guidance Note on Accounting for Employee Share-based Payments, issued by the Institute of Chartered Accountants of India. The same is in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended.

Note:

(i) With effect from 1 April 2017, the Company is required to prepare its financial statements in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (‘the Act’) (including subsequent amendments thereto) and other relevant provisions of the Act for the purpose of submission its annual financial I with Ministry of Corporate Affairs. As a result, the Company has obtained fair valuation of employee stock options as required under Ind AS, which has been used for computing the effect of employee compensation using fair value the stock option.

(ii) With effect from January 5, 2018, the Company has changed the face value of its equity shares from ₹ 1 to ₹ 2 per equity share. Accordingly, above information pertaining to pool size, options, exercise price per equity share and fair value per equity share is presented after giving effect of consolidation retrospectively.

Note-1:

Date of Vesting	Vesting condition	Total Options (of face value of ₹ 2 each)
April 1, 2017	EBITDA of the Company for FY 2016-17 exceeds ₹1,500 Mn#	1,875,000
April 1, 2018	EBITDA of the Company for FY 2017-18 exceeds ₹1,900 Mn#	1,875,000
April 1, 2017	4.5% * (Incremental EBIDTA i.e. EBIDTA 16-17 minus EBIDTA 15-16) / 15* EBIDTA/Number of shares (Value per share) – Exercise Price.	200,000
April 1, 2018	4.5% * (Incremental EBIDTA i.e. EBIDTA 17-18 minus EBIDTA 16-17) / 15* EBIDTA/Number of shares (Value per share) – Exercise Price.	
Total options granted		**3,950,000**

 # With a flexibility of 5% on lower side, subject to approval. In case of a Liquidity Event, the next tranche of Options due, if any for Vesting shall be deemed to have been vested on the date of Liquidity Event or one from the date of grant, whichever is later.

Note-2:

Date of Vesting	Vesting condition	Total Options (of face value of ₹ 2 each)
On completion of one year from the date of Grant or the date of achieving the vesting condition, whichever is later	Launch of website as well as the mobile application for online sales	50,000
	Monthly sales via online platforms on or before June 30, 2016 exceeds ₹ 60 Million	25,000

	Monthly sales via online platforms on or before September 30, 2016 exceeds ₹10 Million but not more than ₹90 Million	25,000
	Monthly sales via online platforms on or before September 30, 2016 exceeds ₹90 Million	50,000
	Monthly sales via online platforms on or before December 31, 2016 exceeds ₹50 Million	50,000
Total options granted		**200,000**

Note-3:

Date of Vesting	Vesting condition	Total Options (of face value of ₹ 2 each)
July 1, 2018	Continuing in employment of the Company until completion of Vesting Period of one year from the Grant Date	26,875
May 15, 2019	Continuing in employment of the Company until date of Vesting	26,875
May 15, 2020	Continuing in employment of the Company until date of Vesting	26,875
Date of listing of shares of the Company post IPO or the date of completion of 1 year of Vesting Period, whichever is later	Continuing in employment of the Company until successful IPO of the Company	26,875
July 1, 2018	Continuing in employment of the Company until completion of Vesting Period of one year from the Grant Date	150,000
July 1, 2019	Continuing in employment of the Company until completion of Vesting Period of two years from the Grant Date	150,000
July 1, 2020	Continuing in employment of the Company until completion of Vesting Period of three years from the Grant Date	150,000
July 1, 2021	Continuing in employment of the Company until completion of Vesting Period of four years from the Grant Date	150,000
Total options granted		**707,500**

Note-4:

Date of Vesting	Vesting condition	Total Options (of face value of ₹ 2 each)
May 28, 2019	Continuing in employment of the Company until date of Vesting	15,625
May 28, 2020	Continuing in employment of the Company until date of Vesting	15,625
May 28, 2021	Continuing in employment of the Company until date of Vesting	15,625
May 28, 2022	Continuing in employment of the Company until date of Vesting	15,625
Total options granted		**62,500**

II. TCNS ESOP SCHEME/PLAN 2018-2023 (“TCNS ESOP – II”)

Pursuant to resolutions of our Board of Directors dated December 14, 2017 and February 2, 2018 and resolutions of our Shareholders dated January 5, 2018 and February 2, 2018, our Company has instituted an employee stock option scheme, TCNS ESOP – II. In accordance with the TCNS ESOP – II, the aggregate number of options to be granted cannot exceed 6,467,817. As on the date of this Prospectus, under the TCNS ESOP – II, our Company has granted 5,072,751 options convertible into 5,072,751 Equity Shares to eligible employees of which none have been exercised or lapsed. The vesting of employee stock options granted under the TCNS ESOP – II is subject to occurrence of the following three milestones, (i) the upfront ESOP pool (where options granted shall vest automatically upon the expiry of a period of one year from the date of grant), (ii) threshold-1 ESOP pool (where the options granted shall vest upon the occurrence of specified liquidity events by Wagner) and (iii) threshold-2 ESOP pool (where the options granted shall vest upon occurrence of specified liquidity events by Wagner). For further details of the tranches, please see the table below and “***Restated Financial Information***” on page 147.

TCNS ESOP – II is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended.

Details pertaining to the TCNS ESOP – II:

<table>
<tr><th>Particulars</th><th colspan="2">Details</th></tr>
<tr><th></th><th>As at Fiscal 2018</th><th>As on the date of this Prospectus</th></tr>
<tr><td>Total options outstanding as at the beginning of the period</td><td>Nil</td><td>Nil</td></tr>
<tr><td>Increase in number of options granted on account of bonus</td><td>Nil</td><td>Nil</td></tr>
<tr><td>Total pool size</td><td>6,467,817</td><td>6,467,817</td></tr>
<tr><td>Total options granted</td><td>5,072,751</td><td>5,072,751</td></tr>
<tr><td>Vesting period</td><td colspan="2"><table>
<tr><th>Vesting condition</th><th>Total Options (of face value of ₹ 2 each)</th></tr>
<tr><td>(i) Upfront ESOP Pool: Vest automatically upon expiry of a period of 1 (one) year from the date of grant i.e. by February 1, 2019</td><td>1,028,770</td></tr>
<tr><td>(ii) Threshold 1 ESOP Pool: Threshold 1 ESOP Pool shall vest upon the occurrence of Threshold 1 liquidity event or deemed Threshold 1 liquidity event or IPO full exit event. “Threshold 1 Liquidity Event” means:
(a) a sale by the Investor of all or any part of the Shares; or
(b) the Investor having received a confirmed offer from a third party for the purchase of all Shares held by the Investor, at a price per Share which is more than the Threshold 1 Sale Price i.e. ₹ 947.36.</td><td>1,432,811</td></tr>
<tr><td>(iii) Threshold 2 ESOP Pool: Threshold 2 ESOP Pool shall vest upon the occurrence of Threshold 2 liquidity event or deemed Threshold 2 liquidity event or IPO full exit event. “Threshold 2 Liquidity Event” means:
(a) a sale by the Investor of all or any part of the Shares; or
(b) the Investor having received a confirmed offer from a third party for the purchase of all Shares held by the Investor, at a price per Share which is more than the Threshold 2 Sale Price i.e. ₹ 1,171.72.</td><td>2,611,171</td></tr>
<tr><td>Total options granted</td><td>5,072,751</td></tr>
</table></td></tr>
<tr><td>Pricing formula</td><td>At a price as recommended by the Board of Directors and approved by Shareholders.</td><td>At a price as recommended by the Board of Directors and approved by Shareholders.</td></tr>
<tr><td>Exercise price of options in ₹ (as on the date of grant of options)**</td><td>373.26</td><td>373.26</td></tr>
<tr><td>Total options vested (excluding the options that have been exercised)</td><td>-</td><td>-</td></tr>
</table>

Options exercised	-	-
The total number of Equity Shares arising as a result of exercise of granted options (including options that have been exercised)	Nil	Nil
Options lapsed	Nil	Nil
Options cancelled not eligible for re-issue	Nil	Nil
Variation of terms of vesting condition	None	None
Money realized by exercise of options	-	-
Total number granted options including vested but excluding exercised/ lapsed/ ungranted	5,072,751	5,072,751
Total number granted options including vested but excluding exercised/ lapsed/ ungranted	5,072,751	5,072,751
Total number of Options including vested/ ungranted but excluding exercised/ forfeited	6,467,817	6,467,817

Employee wise details of options granted to:

(i) Directors

Name of employee	**Options**		
	Granted	**Exercised**	**Outstanding**
Anant Kumar Daga	3,106,210	-	3,106,210

(ii) Senior management personnel

Name of employee	**Options**		
	Granted	**Exercised**	**Outstanding**
Venkatesh Tarakkad	302,544	-	302,544

(iii) Any other employee who receives a grant in any one year of options amounting to 5% or more of the options granted during the year

Name of employee (Year of Grant)	**Options**		
	Granted (as on the date of grant)	**Exercised**	**Outstanding**
Anant Kumar Daga (Fiscal 2018)	3,106,210	-	3,106,210

(iv)Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant

No other employees were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant other than those mentioned in point (iii) above.

Lock-in	None
Fully diluted earnings per share pursuant to issue of equity shares on a pre-offer basis on exercise of options in accordance with relevant accounting standard	N.A
Where the Company has calculated the employee compensation cost using the intrinsic value of stock options, difference, if any, between employee compensation cost calculated according using the intrinsic value of stock options and the employee compensation cost calculated on the basis of fair value of stock options and impact of this difference on the profits of the Company	N.A

and on the earnings per share of the Company	
Weighted average exercise price and the weighted average fair value of stock whose exercise price either equals or exceeds or is less than the market price of the stock	<table><tr><th>Fiscal</th><th>Weighted average exercise price as on the date of grant</th><th>Weighted average fair value as on the date of grant</th></tr><tr><td>As on the date of this Prospectus</td><td>₹ 373.26</td><td>₹ 288.68</td></tr></table>

Method and significant assumptions used to estimate the fair value of options granted during the year including weighted average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends, and the price of the underlying share in market at the time of grant of the option	**Particulars**	**As on the date of this Prospectus**
		TCNS Employees Stock Option Plan 2017 (Grant Date – February 2, 2018)
	Weighted average share price	₹ 288.68
	Exercise Price	₹ 373.26
	Volatility	44.57%
	Life of the options granted in years	2.75 year
	Average risk-free interest rate	7.08%

Intention of the holders of Equity Shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Offer	Employees holding Equity Shares issued upon exercise of options granted under TCNS ESOP-II, may sell such Equity Shares within a period of three months from the date of listing of the Equity Shares.
Intention to sell Equity Shares arising out of the TCNS ESOP-II within three months after the listing of Equity Shares by directors, senior management personnel and employees having Equity Shares arising out of the TCNS ESOP-II, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)	Employees holding Equity Shares issued upon exercise of options granted under TCNS ESOP-II, may sell such Equity Shares within a period of three months from the date of listing of the Equity Shares.
Impact on the profits and on the Earnings Per Share of the last three years if the accounting policies prescribed in the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 had been followed, in respect of options granted in the last three years.	N.A

Note:
(i) With effect from April 1, 2017, the Company is required to prepare its financial statements in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, ('the Act') (including subsequent amendments thereto) and other relevant provisions of the Act for the purpose of submission its annual financial statements with Ministry of Corporate Affairs. As a result, the Company has obtained fair valuation of employee stock options as required under Ind AS, which has been used for computing the effect of employee compensation using fair value the stock option.

(ii) With effect from January 5, 2018, the Company has changed the face value of its equity shares from ₹ 1 to ₹ 2 per equity share. Accordingly, above information pertaining to pool size, options, exercise price per equity share and fair value per equity share is presented after giving effect of consolidation retrospectively.

3. History of Build-up, Contribution and Lock-in of Promoters' Shareholding

(a) Build-up of Promoters' shareholding in our Company

As on the date of this Prospectus, our Promoters hold, in aggregate, 22,027,311 Equity Shares, constituting 35.92% of the issued, subscribed and paid-up Equity Share capital of our Company.

Set forth below is the build-up of the equity shareholding of our Promoters, since incorporation of our Company.

Date of allotment / transfer	No. of Equity Shares	Face value (₹)	Issue/ purchase/ sale price per Equity Share (₹)	Consideration	Nature of acquisition/ transfer	Percentage of pre-Offer Equity Share capital (%)	Percentage of post-Offer Equity Share capital (%)*
(A) Onkar Singh Pasricha							
December 3, 1997	100	10.00	10.00	Cash	Subscription to the MoA	Negligible	Negligible
January 20, 1998	9,900	10.00	10.00	Cash	Further issue	0.08	0.08
March 31, 2004	1,360,000	10.00	30.00	Cash	Further issue	11.09	11.09
October 31, 2005	168,666	10.00	30.00	Cash	Conversion of loan into equity shares of face value of ₹ 10 each	1.38	1.38
October 21, 2008	(236,676)	10.00	10.00	Cash	Transfer(1)	(1.93)	(1.93)
February 16, 2009	955,241	10.00	10.00	Cash	Conversion of loan into equity shares of face value of ₹ 10 each	7.79	7.79
March 31, 2011	426,214	10.00	21.82	Cash	Further issue	3.48	3.48
August 20, 2011	34,503	10.00	21.82	Cash	Acquisition(2)	0.28	0.28
	27,606	10.00	21.82	Cash	Acquisition(3)	0.23	0.23
Pursuant to Shareholders' resolution dated September 30, 2011, each equity share of the Company of face value of ₹ 10 each was split in equity shares of the Company of ₹ 1 each, therefore 9,173,906 equity shares of the Company of ₹ 10 each were split into 91,739,060 equity shares of ₹ 1 each.							
October 19, 2011	(2,428,390)	1.00	37.06	Cash	Transfer(4)	(1.98)	(1.98)
October 13, 2014	(1,538,924)	1.00	57.05	Cash	Transfer(5)	(1.25)	(1.25)
April 8, 2015	221,212	1.00	33.00	Cash	Acquisition(6)	0.18	0.18
September 7, 2016	(7,690,220)	1.00	186.63	Cash	Transfer(7)	(6.27)	(6.27)
March 23, 2017	2,366,760	1.00	130.98	Cash	Acquisition(8)	1.93	1.93
Pursuant to Shareholders' resolution dated January 5, 2018, each equity share of the Company of face value of ₹ 1 each was consolidated to Equity Shares of ₹ 2 each, therefore 112,740,799 equity shares of the Company of ₹ 1 each were consolidated into 56,370,398 Equity Shares of ₹ 2 each (post giving effect to fractional adjustment).							
May 28, 2018	324,533	2.00	373.26	Cash	Conversion of CCRDs into Equity Shares	0.53	0.53
Total (A)	**9,517,522**					**15.52**	**15.52**
(B) Arvinder Singh Pasricha							
December 3, 1997	100	10.00	10.00	Cash	Subscription to the MoA	Negligible	Negligible
January 20, 1998	9,900	10.00	10.00	Cash	Further issue	0.08	0.08
March 31, 2004	1,088,000	10.00	30.00	Cash	Further issue	8.87	8.87
October 31, 2005	440,666	10.00	30.00	Cash	Conversion of loan into	3.59	3.59

Date of allotment / transfer	No. of Equity Shares	Face value (₹)	Issue/ purchase/ sale price per Equity Share (₹)	Consideration	Nature of acquisition/ transfer	Percentage of pre-Offer Equity Share capital (%)	Percentage of post-Offer Equity Share capital (%)*
					equity shares of face value of ₹ 10 each		
February 16, 2009	1,408,839	10.00	10.00	Cash	Conversion of loan into equity shares of face value of ₹ 10 each	11.49	11.49
March 31, 2011	426,214	10.00	21.82	Cash	Further issue	3.48	3.48
August 20, 2011	34,503	10.00	21.82	Cash	Acquisition(2)	0.28	0.28
	27,606	10.00	21.82	Cash	Acquisition(3)	0.23	0.23
Pursuant to Shareholders' resolution dated September 30, 2011, each Equity Share of the Company of face value of ₹ 10 each was split in Equity Shares of ₹ 1 each, therefore 9,173,906 equity shares of the Company of ₹ 10 each were split into 91,739,060 Equity Shares of ₹ 1 each.							
October 19, 2011	(2,428,390)	1.00	37.06	Cash	Transfer(4)	(1.98)	(1.98)
October 13, 2014	(1,538,924)	1.00	57.05	Cash	Transfer(5)	(1.25)	(1.25)
April 8, 2015	1,669,766	1.00	33.00	Cash	Acquisition(6)	1.36	1.36
September 7, 2016	(7,690,220)	1.00	186.63	Cash	Transfer(7)	(6.27)	(6.27)
Pursuant to Shareholders' resolution dated January 5, 2018, each equity share of the Company of face value of ₹ 1 each was consolidated to Equity Shares of ₹ 2 each, therefore 112,740,799 equity shares of the Company of ₹ 1 each were consolidated into 56,370,398 Equity Shares of ₹ 2 each (post giving effect to fractional adjustment).							
May 28, 2018	324,533	2.00	373.26	Cash	Conversion of CCRDs into Equity Shares	0.53	0.53
Total (B)	**12,509,789**					**20.40**	**20.40**
Grand Total (A+B)	**22,027,311**					**35.92**	**35.92**

* *Assuming full subscription in the Offer.*

(1) Transfer of 236,676 equity shares from Onkar Singh Pasricha to Princy Singh.

(2) Transfer of 34,503 equity shares each from Gurmeet Singh to Onkar Singh Pasricha and Arvinder Singh Pasricha. While the transfer was undertaken for a consideration of ₹ 21.82 per equity share, however, in the annual return filed by it, the Company has inadvertently mentioned the consideration to be ₹ 10 per equity share.

(3) Transfer of 27,606 equity shares each from Vijay Kumar Misra to Onkar Singh Pasricha and Arvinder Singh Pasricha.

(4) Transfer of 2,428,390 equity shares from Onkar Singh Pasricha and Arvinder Singh Pasricha each to Matrix India.

(5) Transfer of 1,538,924 equity shares from Onkar Singh Pasricha and Arvinder Singh Pasricha each to Matrix Holdings.

(6) Transfer of 221,212 equity shares and 1,669,766 equity shares from Gurmeet Singh to Onkar Singh Pasricha and Arvinder Singh Pasricha, respectively.

(7) Transfer of 7,690,220 equity shares from Onkar Singh Pasricha and Arvinder Singh Pasricha each to Wagner.

(8) Transfer of 2,366,760 equity shares from Princy Singh to Onkar Singh Pasricha.

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, as on the date of this Prospectus.

(b) Shareholding of our Promoters and Promoter Group

Set forth below is the shareholding of our Promoters and Promoter Group as on the date of this Prospectus and post completion of the Offer.

Name of Shareholder	Pre-Offer		Post-Offer	
	Number of Equity Shares	Percentage of Equity Share capital (%)	Number of Equity Shares	Percentage of Equity Share capital (%)
Promoters (A)*				

Name of Shareholder	Pre-Offer		Post-Offer	
	Number of Equity Shares	Percentage of Equity Share capital (%)	Number of Equity Shares	Percentage of Equity Share capital (%)
Onkar Singh Pasricha	9,517,522	15.52	6,752,681	11.01
Arvinder Singh Pasricha	12,509,789	20.40	9,470,671	15.45
Total (A)	**22,027,311**	**35.92**	**16,223,352**	**26.46**
Promoter Group (B)*				
Parmeet Pasricha	3,203,405	5.22	3,203,405	5.22
Saranpreet Pasricha	1,141,001	1.86	450,000	0.73
Angad Pasricha	416,724	0.68	Nil	Nil
Total (B)	**4,761,130**	**7.76**	**3,653,405**	**5.96**
Grand Total (A+B)	**26,788,441**	**43.68**	**19,876,757**	**32.42**

** The Promoters have entered into an upside sharing agreement with Wagner pursuant to which, the Promoters/members of the Promoter Group are entitled to receive from Wagner certain additional Equity Shares as are determined under the agreement, upon occurrence of sale of all or any of the Equity Shares held by Wagner pursuant to an initial public offering or otherwise. For details, see "**History and Certain Corporate Matters – Material Agreements**" on page 123.*

Other than as mentioned above, none of the other members of the Promoter Group, directly or indirectly, hold any Equity Shares as of the date of this Prospectus.

(c) Details of Promoters' contribution and lock-in for three years

Pursuant to Regulation 36(a) of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held our Promoters shall be provided towards minimum promoters' contribution and locked-in for a period of three years from the date of Allotment ("**Promoters' Contribution**").

The lock-in of the Promoters' Contribution would be created as per applicable laws and procedures and details of such lock-in shall also be provided to the Stock Exchanges before the listing of the Equity Shares. The Equity Shares held by our Promoters are eligible for inclusion in the Promoters' Contribution, in terms of Regulation 33 of the SEBI ICDR Regulations.

Set forth below are the details of the Equity Shares that will be locked up as Promoters' Contribution for a period of three years from the date of Allotment of Equity Shares in the Offer.

Name of the Promoter	No. of Equity Shares locked-in	Date of allotment	% of pre-Offer Equity Share capital	% of the fully diluted post- Offer Equity Share capital*
Onkar Singh Pasricha	2,803,153	February 16, 2009	4.57	4.45
	2,131,070	March 31, 2011	3.48	3.39
	138,030	August 20, 2011	0.23	0.22
	172,515	August 20, 2011	0.28	0.27
Total (A)	**5,244,768**		**8.55**	**8.33**
Arvinder Singh Pasricha	6,704,523	February 16, 2009	10.93	10.65
	639,314	March 31, 2011	1.04	1.02
Total (B)	**7,343,837**		**11.98**	**11.67**
Total (A+B)	**12,588,605**		**20.53**	**20.00**

** Calculated assuming full conversion of 1,624,901 outstanding options which have vested and may be vested under the ESOP Schemes prior to Allotment.*

For details on the build-up of the Equity Share capital held by our Promoters, see "***- Build-up of our Promoters' shareholding in our Company***" on page 68.

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

The Promoters' Contribution has been brought in to the extent of not less than the specified minimum lot and from persons identified as 'promoters' under the SEBI ICDR Regulations.

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

1. the Equity Shares offered as part of the Promoters' Contribution do not comprise Equity Shares acquired during the three years preceding the date of this Prospectus for consideration other than cash and wherein revaluation of assets or capitalisation of intangible assets was involved or bonus issue out of revaluations reserves or unrealised profits or against Equity Shares that are otherwise ineligible for computation of Promoters' Contribution;

2. the Promoters' Contribution does not include Equity Shares acquired during the one year preceding the date of this Prospectus at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;

3. our Company has not been formed by conversion of a partnership firm into a company and hence, no Equity Shares have been issued in the one year immediately preceding the date of this Prospectus pursuant to conversion of a partnership firm; and

4. the Equity Shares held by our Promoters and offered as part of the Promoters' Contribution shall not be subject to any pledge as on the date of Allotment.

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

In terms of Regulation 37 of the SEBI ICDR Regulations, the entire pre-Offer Equity Share capital will be locked-in for a period of one year from the date of Allotment in the Offer, except (a) the Promoters' Contribution which shall be locked in as above; (b) any Equity Shares held by the employees of our Company (who continue to be employees of our Company as on the date of Allotment) which have been and may be allotted to them under the relevant employees stock option schemes of our Company, prior to the Offer; and (c) Equity Shares which are successfully transferred as part of the Offer for Sale.

(e) Additional Lock-in of Equity Shares

In addition to the Promoter's Contribution and Equity Shares locked-in for one year as described above, our Promoters, members of the Promoter Group and Anant Kumar Daga, our Managing Director, who hold Equity Shares have further agreed that (i) all Equity Shares held by them shall be locked in for a period of two years from date on which the Equity Shares are admitted to trading following the completion of the Offer ("**Offer Completion Date**"); and (ii) 50% of the Equity Shares that are held by them, and in case of the Promoters such 50% shall be calculated in excess of the Promoter Contribution, shall be locked in for a period of three years from the Offer Completion Date, and have agreed not to transfer any Equity Shares held by them during such periods described in (i) and (ii) above.

(f) Lock-in of Equity Shares Allotted to Anchor Investors

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

(g) Other requirements in respect of lock-in

Pursuant to Regulation 39 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in for one year 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 the loan. Equity Shares locked-in as Promoters' Contribution for three years can be pledged only if in addition to fulfilling the aforementioned requirements, such loans have been granted by such banks or financial institutions for the purpose of financing one or more of the objects of the Offer, which will not apply in the context of this Offer, being an Offer for Sale.

In terms of Regulation 40 of the SEBI ICDR Regulations, Equity Shares held by our Promoters may be transferred between our Promoters and Promoter Group or a new promoter or persons in control of our Company, subject to continuation of lock-in applicable to the transferee for the remaining period and compliance with provisions of the Securities and Exchange Board of India (Substantial Acquisition of

Shares and Takeovers) Regulations, 2011, as amended (the "**Takeover Regulations**").

Further, in terms of Regulation 40 of the SEBI ICDR Regulations, Equity Shares held by persons other than our Promoters prior to the Offer and locked-in for a period of one year, may be transferred to any other person holding Equity Shares which are locked in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock in applicable to the transferee and compliance with the provisions of the Takeover Regulations.

4. As on the date of this Prospectus, our Company has 17 Shareholders.

5. Our shareholding pattern

Set forth below is the shareholding pattern of our Company as on the date of this Prospectus.

Category (I)	Category of the 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. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2) (VIII)	No. of Voting Rights held in each class of securities (IX)				No. of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full conversion of convertible securities (as a % of diluted share capital (XI)=(VII)+ (X) as a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized from (XIV)
								No. of Voting Rights			Total as a % of total voting rights			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
								Class e.g.: X	Class e.g.: Y	Total								
(A)	**Promoter & Promoter Group**	5	26,788,441	0	0	26,788,441	43.69	26,788,441	NA	26,788,441	43.69	0	43.69	0	0	0	0	26,788,441
(B)	**Public**	12	34,529,683	0	0	34,529,683	56.31	34,529,683	NA	34,529,683	56.31	0	56.31	0	0	NA	NA	34,529,683
(C)	**Non Promoter-Non Public**	0	0	0	0	0	0	0	NA	0	0	0	0	0	0	NA	NA	0
(1)	**Shares underlying Custodian/Depository Receipts**	0	0	0	0	0	0	0	NA	0	0	0	0	0	0	NA	NA	0
(2)	**Shares held by Employee Trust**	0	0	0	0	0	0	0	NA	0	0	0	0	0	0	NA	NA	0
	Total (A)+(B)+(C)	**17**	**61,318,124**	**0**	**0**	**61,318,124**	**100**	**61,318,124**	**NA**	**61,318,124**	**100**	**0**	**100**	**0**	**0**	**0**	**0**	**61,318,124**

6. The BRLMs and their respective associates do not hold any Equity Shares as on the date of this Prospectus. The BRLMs and their respective affiliates may engage in transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company and/or our Subsidiaries, for which they may in the future receive customary compensation.

7. Shareholding of our Directors and Key Managerial Personnel in our Company

The following table sets forth the shareholding of the Directors and the Key Managerial Personnel of our Company.

Name	No. of Equity Shares held pre-Offer	% of pre-Offer Equity Share capital
Onkar Singh Pasricha	9,517,522	15.52
Anant Kumar Daga	4,861,794*	7.93*

*[*] Anant Kumar Daga will be entitled to additional Equity Shares upon vesting of 3,106,210 outstanding options granted to him under TCNS ESOP-II, as on the date of this Prospectus. For details, see "**- Details Pertaining to TCNS ESOP-II**", above.*

8. 10 largest Shareholders of our Company

(a) Our top 10 Shareholders as on the date of this Prospectus and the number of Equity Shares held by them, are set forth below.

S. No.	Shareholder	Number of Equity Shares held	Percentage of Equity Share capital (%)
1.	Wagner Limited*	24,931,803	40.66
2.	Arvinder Singh Pasricha*	12,509,789	20.40
3.	Onkar Singh Pasricha*	9,517,522	15.52
4.	Anant Kumar Daga	4,861,794	7.93
5.	Parmeet Pasricha	3,203,405	5.22
6.	Vijay Kumar Misra	2,085,545	3.40
7.	Saranpreet Pasricha	1,141,001	1.86
8.	Vijay Kumar Thadani	750,000	1.22
9.	Amit Chand	703,910	1.15
10.	Angad Pasricha	416,724	0.68
	Total	**60,121,493**	**98.05**

The Promoters have entered into an upside sharing agreement with Wagner pursuant to which, the Promoters/members of the Promoter Group are entitled to receive from Wagner certain additional Equity Shares as are determined under the agreement, upon occurrence of sale of all or any of the Equity Shares held by Wagner pursuant to an initial public offering or otherwise. For details, see "History and Certain Corporate Matters – Material Agreements**" on page 123.*

(b) We had 10 Shareholders ten days prior to the date of this Prospectus and the number of Equity Shares held by them, are set forth below.

S. No.	Shareholder	Number of Equity Shares held	Percentage of Equity Share capital (%)
1.	Wagner Limited	24,931,803	43.73
2.	Arvinder Singh Pasricha	12,509,789	21.94
3.	Onkar Singh Pasricha	9,517,522	16.69
4.	Parmeet Pasricha	3,203,405	5.62
5.	Vijay Kumar Misra	2,085,545	3.66
6.	Anant Kumar Daga	1,759,765	3.09
7.	Saranpreet Pasricha	1,141,001	2.00
8.	Vijay Kumar Thadani	750,000	1.32
9.	Amit Chand	703,910	1.23
10.	Angad Pasricha	416,724	0.73
	Total	**57,019,464**	**100.00**

(c) Our 10 largest equity Shareholders two years prior to the date of this Prospectus and the number of equity shares of ₹ 1 each held by them, are set forth below.

S. No.	Shareholder	Number of Equity Shares held	Percentage of Equity Share capital (%)
1.	Arvinder Singh Pasricha	32,060,732	34.95
2.	Onkar Singh Pasricha	23,709,438	25.84
3.	Matrix Holdings	7,126,008	7.77
4.	Matrix India	5,396,420	5.88
5.	Parmeet Pasricha	4,535,980	4.94
6.	Princy Singh	4,237,590	4.62
7.	Vijay Kumar Misra	4,171,090	4.55
8.	Anant Kumar Daga	3,519,530	3.84
9.	Saranpreet Pasricha	2,282,003	2.49
10.	Amit Chand	1,407,820	1.53
	Total	**88,446,611**	**96.41**

For details relating to the cost of acquisition of Equity Shares by our Promoters, see "***Risk Factors – Prominent Notes***" on page 34.

9. The details of Equity Shares being offered by each Selling Shareholder and the respective percentage of pre-Offer Equity Share capital, are set forth below:

Sr. No.	Name of the Selling Shareholder	Number of Equity Shares offered for sale	Percentage of the pre-Offer Equity Share capital (%)
(A)	**Promoter Selling Shareholders**		
1.	Onkar Singh Pasricha	2,764,841	4.51
2.	Arvinder Singh Pasricha	3,039,118	4.96
(B)	**Investor Selling Shareholder**		
3.	Wagner	6,911,684	11.27
(C)	**Other Selling Shareholders**		
4.	Anant Kumar Daga	1,256,670	2.05
5.	Saranpreet Pasricha	691,001	1.13
6.	Angad Pasricha	416,724	0.68
7.	Vijay Kumar Misra	458,022	0.75
8.	Amit Chand	175,978	0.29

10. None of our Promoters, members of our Promoter Group or our Directors or their immediate relatives, have sold or purchased, or financed the sale or purchase of, Equity Shares by any other person, during the six months immediately preceding the date of the Draft Red Herring Prospectus and until the date of this Prospectus. However, Princy Singh gifted 935,415 Equity Shares to his wife, Parmeet Pasricha (member of our Promoter Group).

11. Our Company, our Promoters, members of our Promoter Group, Directors and the BRLMs have not entered into any buy-back and/or standby arrangements for the purchase of Equity Shares offered through this Offer from any person.

12. No person connected with the Offer, including, but not limited to, our Company, the members of the Syndicate, our Directors, Promoters or the members of our Promoter Group, offered in any manner whatsoever any incentive, whether direct or indirect, in cash, in kind or in services or otherwise to any Bidder for making a Bid.

13. No payment, direct or indirect benefit in the nature of discount, commission and allowance or otherwise were offered or paid either by our Company or our Promoters to any person in connection with making an application for or receiving any Equity Shares pursuant to this Offer.

14. None of the Equity Shares held by the Promoters and other members of our Promoter Group are pledged or otherwise encumbered. None of the Equity Shares being offered for sale through the Offer for Sale are pledged or otherwise encumbered.

15. An oversubscription to the extent of 10% of the Offer can be retained for the purpose of rounding-off to the nearest multiple of minimum Allotment lot while finalizing the Basis of Allotment.

16. Under-subscription, if any, in any category, except the QIB Category, is allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange in accordance with applicable law.

17. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Prospectus.

18. The Equity Shares to be issued pursuant to the Offer are and shall be fully paid-up at the time of Allotment.

19. Other than the options granted under the ESOP Schemes, there are no outstanding warrants, options or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Prospectus.

20. Our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act 1956 or Sections 230 to 234 of the Companies Act 2013.

21. Except for any Equity Shares issued on any exercise of options granted pursuant to the ESOP Schemes and conversion of the 1,298,132 CCRDs, allotted to our Promoters into 649,066 Equity Shares, there have been and will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing of the Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges or all application monies have been refunded or unblocked, as the case may be.

22. Except for any Equity Shares issued on exercise of options granted pursuant to the ESOP Schemes, our Company presently does not intend or propose to alter the 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 further issue of Equity Shares (including issue of securities convertible into or exchangeable for, directly or indirectly into Equity Shares), whether on a preferential basis or issue of bonus or rights or further public issue of Equity Shares.

23. Except for Offer for Sale by our Promoters and Saranpreet Pasricha and Angad Pasricha, members of our Promoter Group, none of our Promoters or members of our Promoter Group have participated in the Offer.

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

25. The Syndicate Member and any persons related to the BRLMs or Syndicate Member were not permitted to apply in the Offer under the Anchor Investor Portion, except for Mutual Funds sponsored by entities related to the BRLMs.

26. Our Company shall ensure that any transactions in the Equity Shares by our Promoters and the Promoter Group during the period between the date of registering this Prospectus filed in relation to this Offer with the RoC and the date of closure of the Offer shall be reported to the Stock Exchanges within 24 hours of the transactions.

27. A Bidder cannot make a Bid exceeding the number of Equity Shares offered through this Offer and subject to the investment limits or maximum number of Equity Shares that can be held by them under applicable law. For more information, see "***Offer Procedure***" on page 273.

OBJECTS OF THE OFFER

The objects of the Offer are to achieve the benefits of listing the Equity Shares on the Stock Exchanges and for the sale of 15,714,038 Equity Shares by the Selling Shareholders*. Further, our Company expects that listing of the Equity Shares will enhance our visibility and brand image and provide liquidity to our shareholders. Listing will also provide a public market for the Equity Shares in India. Our Company will not receive any proceeds from the Offer and all the proceeds will go to the Selling Shareholders, in proportion to the Equity Shares offered and sold by the respective Selling Shareholders in the Offer for Sale. For further details, see the section titled *"**The Offer**"* on page 48.

* *Subject to finalisation of the Basis of Allotment*

Offer Related Expenses

The total Offer related expenses are estimated to be approximately ₹ 470.90 million. The Offer related expenses consist of listing fees, selling commission and brokerage, fees payable to the BRLMs, legal counsels, Registrar to the Offer, Banker to the Offer including processing fee to the SCSBs for processing ASBA Forms submitted by ASBA Bidders procured by the Syndicate and submitted to SCSBs, brokerage and selling commission payable to Registered Brokers, SCSBs, CRTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental expenses for listing the Equity Shares on the Stock Exchanges. The break-up for the estimated Offer expenses are as follows:

Activity	Amount (₹ in million)	As a % of total estimated Offer related expenses(1)	As a % of Offer size
Fees payable to the BRLMs and brokerage and selling commission for members of the Syndicate, SCSBs, RTAs and CDPs (1)	199.10	42.30	1.77
Processing fees to SCSBs for ASBA Forms procured by the Syndicate, Sub-Syndicate, Registered Brokers, CRTAs or CDPs and submitted with the SCSBs; and Bidding charges to members of the Syndicate, CRTAs and CDPs (2)	7.40	1.60	0.07
Selling commission for Registered Brokers (3)	19.40	4.10	0.17
Fees payable to Registrar to the Offer	0.90	0.20	0.01
Printing and stationery expenses	22.00	4.70	0.20
Advertising and marketing expenses	52.70	11.20	0.47
Others: i. Listing fees; ii. SEBI, BSE and NSE processing fees; iii. Fees payable to legal counsels; and iv. Miscellaneous.	169.20	35.90	1.50
Total estimated Offer expenses	**470.90**	**100.00**	**4.19**

(1) SCSBs will be entitled to a processing fee of ₹ 10 (plus applicable taxes) per valid Bid cum Application Form for processing the Bid cum Application Form procured by the members of the Syndicate, the Registered Brokers, RTAs or CDPs from Retail Individual Investors and Non-Institutional Investors and submitted to the SCSBs.

(2) Selling commission on the portion for Retail Individual Investors and Non-Institutional Investors which are procured by Members of the Syndicate, SCSBs, RTAs and CDPs would be as follows:

Portion for Retail Individual Investors	0.35% of the amount allotted* (plus applicable taxes)
Portion for Non-Institutional Investors	0.20% of the amount allotted* (plus applicable taxes)

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

Further, the members of the Syndicate, RTAs and CDPs will be entitled to bidding charges of ₹ 10 (plus applicable taxes) per valid ASBA Form. The terminal from which the Bid has been uploaded will be taken into account in order to determine the total bidding charges payable to the relevant RTA/ CDP and members of the Syndicate.

(3) Registered Brokers will be entitled to a commission of ₹ 10 (plus applicable taxes) per valid ASBA Form directly procured by the Registered Brokers from the Retail Individual Investors and Non-Institutional Investors and submitted to SCSBs for processing.

Other than listing fees, which shall be borne by our Company, the fees and expenses relating to the Offer shall be borne by the Selling Shareholders, on a pro-rata basis, in proportion to the respective Offered Shares sold by each Selling Shareholder pursuant to the Offer, in accordance with applicable law, upon completion of the Offer.

Monitoring of Utilization of Funds

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

BASIS FOR OFFER PRICE

The Offer Price has been determined by our Company 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 ₹ 2 each and the Offer Price is 358 times the face value. Investors should also refer to "***Our Business***", "***Risk Factors***", "***Financial Statements***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 103, 14, 146 and 225, respectively, to have an informed view before making an investment decision.

Qualitative Factors

Some of the qualitative factors which form the basis for computing the Offer Price are:

1. Strongly positioned to leverage growth in the women's apparel industry in India
2. Leading women's apparel company in India with a portfolio of established brands
3. Innovative and institutionalized product design process
4. Widespread distribution network and presence across a variety of retail channels
5. Longstanding relationships with suppliers and third party manufacturers
6. Capital efficient and scalable business model
7. Experienced, aligned and professional management team with strong organizational culture

For further details, see "***Our Business – Our Strengths***" on page 104.

Quantitative Factors prepared based on Indian GAAP financials

The information presented below relating to our Company is based on the Restated Financial Information prepared as per Ind AS. For further details, see "***Financial Statements***" on page 146.

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

I. Basic and Diluted Earnings per Share ("EPS") (Face value of ₹ 2 each)

Financial Year ended	Basic EPS (₹)	Diluted EPS (₹)	Weight
March 31, 2018	16.12	15.36	3
March 31, 2017	2.67	2.61	2
March 31, 2016	(8.09)	(7.90)	1
Weighted Average	**7.60**	**7.23**	

$$\text{Basic earnings per share (₹)} = \frac{\text{Net profit after tax attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the year}}$$

$$\text{Diluted earnings per share (₹)} = \frac{\text{Net profit/(loss) after tax, as restated}}{\text{Weighted average number of potential equity shares outstanding during the year}}$$

Notes:

(1) Earnings per share calculations are in accordance with Accounting Standard 20 "Earnings per Share" notified under section 133 of the Companies Act 2013, read together along with paragraph 7 of the Companies (Accounts) Rules, 2014. ESOP being anti-dilutive in nature are not considered for calculation of diluted earnings per share.

*(2) The above statement should be read with significant accounting policies and notes on Restated Financial Information as appearing in the **Financial Statements** on page 146.*

II. Price/Earning ("P/E") ratio in relation to Price Band of ₹ 714 to ₹ 716 per Equity Share:

Particulars	P/E at the lower end of the Price Band (number of times)	P/E at the higher end of the Price Band (number of times)
Based on basic EPS for the year ended March 31, 2018	44.29	44.42

Particulars	P/E at the lower end of the Price Band (number of times)	P/E at the higher end of the Price Band (number of times)
Diluted EPS for the year ended March 31, 2018	46.48	46.61

III. Return on Net Worth ("RoNW")

As per Restated Financial Information:

Financial Year ended	RoNW (%)	Weight
March 31, 2018	22.74	3
March 31, 2017	5.60	2
March 31, 2016	(85.87)	1
Weighted Average	**(1.08)**	

$$\text{Return on net worth (\%)} = \frac{\text{Net profit/(loss) after tax, as restated}}{\text{Net worth as restated as at year end}}$$

IV. Net Asset Value per Equity Share (Face value of ₹ 2 each)

NAV per Equity Share	Restated Financial Information
As on March 31, 2018	76.54
At Offer Price	76.54

Net Asset Value Per Equity Share = *Net Worth at the end of the year divided by Total Number of Equity Shares outstanding at the end of year*

There will be no change in Net Asset Value per Equity Share post Offer as the Offer is by way of an Offer for Sale

V. Comparison with Listed Industry Peers

	Name of the company		For the year ended March 31, 2018					
		Face Value (₹)	Total Income (₹ Million)	Basic EPS (₹)	Diluted EPS (₹)	P/E (based on Diluted EPS)	RoNW (%)	NAV (₹)
1.	TCNS Clothing Co. Limited	2	8,491.57	16.12	15.36	46.61	22.74%	76.54
	Peer Group							
2.	Page Industries	10	25,734.98	311.08	311.08	81.01	40.95%	759.65
3.	Aditya Birla Fashion and Retail	10	72,142.20	1.52	1.52	97.70	10.78%	14.17
4.	Future Lifestyle Fashions	2	45,323.20	6.63	6.61	67.59	8.24%	80.33
5.	Kewal Kiran Clothing Limited	10	4,830.10	59.38	59.38	25.26	18.33%	323.89
	Industry Composite					67.89		

* Based on consolidated financial results for Fiscal 2018 and BSE website

Notes:

1. *Total Income is as sourced from the financial results reports of the companies.*
2. *Basic EPS and Diluted EPS refer to the basic and diluted EPS sourced from the financial results of the companies.*
3. *P/E Ratio has been computed as the closing market prices of the companies sourced from the BSE website as on May 31, 2018 as divided by the Diluted EPS provided under Note 2.*
4. *RoNW (%) has been computed as net profit after tax divided by the net worth of these companies. Net worth has been computed as sum of share capital and other equity.*

5. *NAV is computed as the closing net worth of these companies, computed as per Note 4, divided by the total number of equity shares outstanding as on March 31, 2018.*

VI. The Offer price is 358 times of the face value of the Equity Shares.

The Offer Price of ₹ 716 has been determined by our Company in consultation with the BRLMs, on the basis of 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 "***Financial Statements***" on pages 14, 103, 225 and 146, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the "***Risk Factors***" and you may lose all or part of your investments.

STATEMENT OF TAX BENEFITS

STATEMENT OF SPECIAL DIRECT TAX BENEFITS

The Board of Directors
TCNS Clothing Co. Limited (Formerly known as TCNS Clothing Co. Private Limited)

Dear Sir / Madam,

Subject: STATEMENT OF POSSIBLE SPECIAL DIRECT TAX BENEFITS AVAILABLE TO TCNS CLOTHING CO. LIMITED (FORMERLY KNOWN AS TCNS CLOTHING CO. PRIVATE LIMITED) ("THE COMPANY") AND ITS SHAREHOLDERS

We refer to the proposed initial public offering of equity shares ("Offer") of **TCNS Clothing Co. Limited (Formerly known as TCNS Clothing Co. Private Limited)** (the "Company", and such offering, the "Offer"). We enclose herewith the statement showing the current position of possible special direct tax benefits available to the Company and to its shareholders as per the provisions of the Income-tax Act, 1961 ("Act"), as applicable to the assessment year 2019-20 relevant to the financial year 2018-19, for inclusion in the Red Herring Prospectus ("RHP") and Prospectus ("Prospectus" and together with RHP, "Offer Documents") for the proposed Offer, as required under the provisions of 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")

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act presently in force in India. Hence, the ability of the Company or its shareholders to derive these tax benefits is dependent upon their fulfilling such conditions. It may also kept in mind that the Company or its shareholders may or may not choose to fully utilise the benefits.

The benefits discussed in the enclosed statement are neither exhaustive nor conclusive. The contents stated in the Annexure are based on the information and explanations obtained from the Company. This statement is only intended to provide general information to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. The Statement of possible direct tax benefits set 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. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the Offer. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

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

- The Company or its shareholders will continue to obtain these benefits in future;
- The conditions prescribed for availing the benefits have been / would be met;
- The revenue authorities / courts will concur with the views expressed herein.

We hereby give our consent to include the enclosed statement regarding the possible special direct tax benefits available to the Company and to its shareholders in the Offer Documents for the Offer which the Company intends to file and/or submit to the Securities and Exchange Board of India, Registrar of Companies and stock exchanges, provided that the below statement of limitation is included in the offer document.

LIMITATIONS

The Contents stated in the annexure are based on the facts, information, explanation and assumptions indicated to us. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on the statement is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in the Offer relying on the statement.

This statement has been prepared solely in connection with the Offer under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended.

We are not responsible to any person who makes or refrains from making investments relying on the contents of this report. This report discusses only income-tax implications and not implications under any other laws outside India.

Any tax information included in this written communication was not intended or written to be used, and it cannot be used by the Company or the investor, for the purpose of avoiding any penalties that may be imposed by any governmental taxing authority or agency.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W / W-100018)

Satpal Singh Arora
Partner
(Membership No. 098564)

Place: New Delhi
Date: June 14, 2018

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL DIRECT TAX BENEFITS AVAILABLE TO TCNS CLOTHING CO. LIMITED (FORMERLY KNOWN AS TCNS CLOTHING CO. PRIVATE LIMITED) ("THE COMPANY") AND ITS SHAREHOLDERS

The information provided below sets out the possible direct tax benefits available to the Company and its shareholders in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of the equity shares of the Company ("Equity Shares"), under the current tax laws presently in force in India. Several of these benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which, based on commercial imperatives a shareholder faces, may or may not choose to fulfill. The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice.

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

Our views expressed in this statement are based on the facts and assumptions as indicated in the statement. No assurance is given that the revenue authorities / courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on this statement is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in the proposed issue relying on this statement.

This statement has been prepared solely in connection with the offering of Equity Shares by the Company under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended.

STATEMENT OF POSSIBLE DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY AND TO ITS SHAREHOLDERS

TAX BENEFITS AVAILABLE UNDER THE INCOME TAX ACT, 1961

A. Special tax benefits available to the Company

There are no special tax benefits available to the Company under the provisions of the Income Tax Act, 1961.

B. Special tax benefits available to Shareholders of the Company

Apart from the tax benefits available to each class of shareholders as such, there are no special tax benefits available to the shareholders under the provisions of the Income Tax Act, 1961.

NOTES:

1. The above is position as per the current tax law as amended by the Finance Act, 2018.

2. This statement does not discuss any tax consequences under any law for the time being in force, as applicable of any country outside India. The shareholders / investors are advised to consult their own professional advisors regarding possible Income tax consequences that apply to them in any country other than India.

SECTION IV: ABOUT THE COMPANY

INDUSTRY OVERVIEW

The information contained in this section is derived from a research report titled "Women's Ethnic Wear Market in India" dated May 2018 prepared by Technopak which has been commissioned by our Company. Neither we, nor 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 generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

The Indian Economy

India ranks seventh in the world in terms of nominal GDP and is the third largest economy in the world in PPP terms. It is estimated that India will be in the top five global economies by Fiscal 2020 and in the top three by Fiscal 2050. India's Gross Domestic Product ("**GDP**") in Fiscal 2017 stands at approximately US$ 2,464 billion and is projected to reach US$ 3,555 billion, in nominal terms, by Fiscal 2020. With a projected real GDP growth of 7% to 8% till Fiscal 2020, India is now among the fastest growing major economies in the world. The growth is driven by growth in private consumption, favourable demographics, improving dependency ratio, rising education levels and steady urbanization.

Consumption in India

Globally, India is seen as one of the key consumer markets from where future growth is likely to emerge. The growth in consumption will be driven by both services and private consumption. Key sectors that will drive this growth in private consumption are retail, food services, consumer goods, healthcare, education, entertainment.
Private consumption is estimated at 59% of GDP for Fiscal 2017, and is expected to continue to be the main driver of growth, growing at a robust Compound Annual Growth Rate ("**CAGR**") of approximately 11% between Fiscals 2017 and 2025. It is estimated that India's private consumption expenditure will increase from US$ 1,453 billion in Fiscal 2017 to US$ 2,062 billion by Fiscal 2020 and will surpass the private consumption expenditure of developed economies like Italy, France and UK.

Retail Market in India

The retail market in India accounts for 49% of private consumption in Fiscal 2017 and is expected to be 48% in Fiscal 2021. Though the share seems to decrease in percentage terms, it is expected to grow in absolute terms, from US$ 710 billion in Fiscal 2017 to US$ 990 billion by Fiscal 2020, at a CAGR of approximately 12%. The share of organized brick and mortar retail in Fiscal 2017 is US$ 66.7 billion and is expected to increase to US$ 119 billion by Fiscal 2020, representing a CAGR of 21%.
While organized retail, primarily brick and mortar, has been in India for two decades now, its contribution to total retail is low at 9% (approximately US$ 67 billion) in Fiscal 2017 and is expected to grow to 21% (approximately US$ 252 billion) by Fiscal 2025.

The following table sets forth the share of various retail markets in the overall Indian retail basket (in US$ billion):

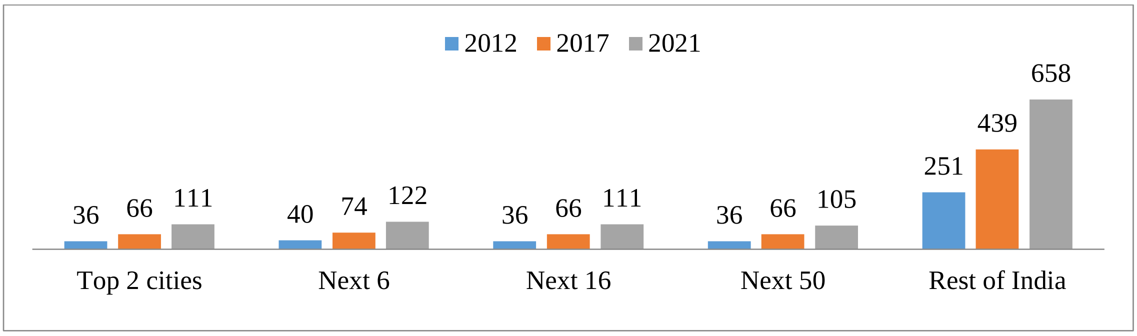
Channel (US$ billion)	Fiscal 2012	Fiscal 2017	Fiscal 2020	Fiscal 2025	CAGR (Fiscals 2012-2017)	CAGR (Fiscals 2017-2020)	CAGR (Fiscals 2020-2025)
Unorganized Retail	370.1	631.9	821.7	1,222.2	11%	9%	8%
Organized B&M Retail	27.5	66.7	118.8	252.3	19%	21%	16%
E-tail	0.6	16.3	49.5	102.5	94%	45%	16%
Total	**398**	**710**	**990**	**1577**	**12%**	**12%**	**10%**

(Source: Technopak)

Share of Retail in Top Cities

The retail market in major Indian states that contribute to more than 80% of India's retail is expected to grow at a CAGR of more than 11% in the next four years (between Fiscals 2017 to 2021). The growth is expected to uniformly spread out across regions and cities. Delhi and Mumbai contribute about 9% of India's total retail spending. Top 22 cities account for 29% of total retail, and top 72 cities account for almost 39%.

The following chart sets forth India's retail spending (US$ 710 billion) across different cities for Fiscal 2017:



Notes: 1 US$ = ₹ 65. Top 2 Cities: Delhi and Mumbai, Next 6 Cities: Bangalore, Chennai, Hyderabad, Ahmedabad, Pune, Kolkata Next 16 Cities: Surat, Jaipur, Lucknow, Nagpur, Patna, Indore, Coimbatore, Vadodara, Ludhiana, Bhopal. Kochi, Vishakhapatnam, Madurai, Nashik, Jamshedpur, Guwahati, Next 50 Cities (indicative): Mostly Tier III cities such as Kanpur, Kozhikode, Thrissur, Agra, Trivandrum, Varanasi, Rajkot, Meerut, Vijayawada, Jamshedpur, Amritsar, Jodhpur, Ranchi.
(Source: Technopak)

Composition of Retail Basket across Key Categories

As of Fiscal 2017, the food and grocery category forms a majority of the retail market at 67% and is expected to maintain its position as the dominant contributor in the retail market for the next eight years, accumulating approximately a 65% share in the market by Fiscal 2025. Decline in share of the food and grocery category always favours a rising share of discretionary retail, and apparel and accessories is a primary discretionary category in the Indian retailing basket. The apparel and accessories category formed 8% of the overall retail segment and was the second largest retail category in Fiscal 2017. It is likely to remain one of the top three categories in retail in Fiscal 2020 and Fiscal 2025.

The following table sets forth the share of various categories in the overall retail market:

Type of Categories	Categories	Fiscal 2007	Fiscal 2012	Fiscal 2017	Fiscal 2021	Fiscal 2025
	Total Retail (US$ billion)	**259**	**398**	**710**	**1106**	**1577**
Need based	Food and Grocery	70%	67.5%	66.7%	65.8%	65%
Primary Discretionary	Apparel and Accessories[1]	8%	8.3%	7.9%	7.7%	7.6%
	Jewellery and Watches	6%	7.3%	7.7%	8.2%	8.5%
	Consumer Electronics	6%	5.2%	5.9%	6.8%	7.3%
Other Discretionary	Home and Living	2%	4.2%	4.3%	4.4%	4.4%
	Pharmacy and Wellness	2%	2.8%	2.9%	3.0%	3.1%
	Foot apparel	1%	1.2%	1.2%	1.2%	1.3%
	Others[2]	5%	3.6%	3.2%	3.1%	2.8%
	Total	**100%**	**100%**	**100%**	**100%**	**100%**

Notes: 1 US$ = ₹ 65. 1) Accessories includes Bags, Belts, and Wallets 2) Others include Books and Stationery, Toys, Eye apparel, Sports Goods, Alcoholic Beverages and Tobacco.
(Source: Technopak)

Category wise split of organized retail in India and its evolution

The following table sets forth the share of organized brick and mortar retail in various retail categories:

Fiscal 2017	Share of Retail (%)	Retail Size (US$ Billion)	% Of Organized Retail	Organized Market Size (US$ Billion)	Key Retailers
Food and Grocery	66.7	474	3.4	16.1	Big Bazaar, DMart, Reliance Fresh, More

Fiscal 2017	Share of Retail (%)	Retail Size (US$ Billion)	% Of Organized Retail	Organized Market Size (US$ Billion)	Key Retailers
Apparel and Accessories[1]	7.9	56	24.3	13.7	W, Aurelia, BIBA, Fabindia, Shoppers Stop, Lifestyle, Raymond, Van Heusen
Foot apparel	1.2	8	26.7	2.2	Bata India, Metro Shoes, Adidas, Clarks
Jewelry and Watches	7.7	55	27.7	15.2	Kalyan Jewellers, Tanishq, Malabar
Pharmacy and Wellness	2.9	21	10.5	2.2	Apollo, MedPlus
Consumer Electronics	5.9	42	26.6	11.2	Samsung, Vijay Sales, Croma, Reliance Digital
Home and Living	4.3	31	10.5	3.2	Home Centre, Home Stop, at Home
Others[2]	3.2	23	12.5	2.9	
Total	**100**	**710**	**9.4**	**66.7**	

Notes: 1) Accessories include Bags, Belts, and Wallets, 2) Others include Books and Stationery, Toys, Eye apparel, Sports Goods, Alcoholic Beverages and Tobacco.
(Source: Technopak)

Jewellery and watches, foot apparel, consumer durables and information technology peripherals (TV, AC, refrigerator, laptops, and mobile phones) and apparel and accessories are among the categories with highest organized penetration at approximately 28%, 27%, 27% and 24%, respectively, whereas food and grocery is the least penetrated with a share of organized retail at 3.4%.

The apparel and accessories category is estimated to be US$ 56 billion in Fiscal 2017, of which the organized market was US$ 13.7 billion. The apparel and accessories category is expected to grow from US$ 56 billion in Fiscal 2017 to US$ 120 billion by Fiscal 2025, representing a CAGR of 10% and the organized portion of apparel and accessories category is estimated to grow from US$ 13.7 billion in Fiscal 2017 to US$ 30.7 billion in Fiscal 2025 at a CAGR of 22%.

The following table sets forth the penetration of organized retail across key categories:

Categories	Fiscal 2007	Fiscal 2017	Fiscal 2021
Total Organized Retail (US$ billion)	**10.4**	**66.6**	**148**
Food and Grocery	1%	3%	5.7%
Apparel and Accessories[1]	14%	24%	36%
Foot apparel	10%	27%	34%
Jewelry and Watches	6%	28%	34.8%
Pharmacy and Wellness	21%	11%	30%
Consumer Electronics	3%	27%	12.6%
Home and Living	6%	11%	12.6%
Others[2]	14%	13%	14.6%

Notes: 1) Accessories include Bags, Belts, and Wallets; 2) Others include Books and Stationery, Toys, Eye apparel, Sports Goods, Alcoholic Beverages and Tobacco.
(Source: Technopak)

The total organized retail market in India is expected to grow from US$ 66.6 billion in Fiscal 2017 to US$ 148 billion by Fiscal 2021, at a CAGR of approximately 22%. The penetration of organized retail is expected to increase from 9.4% to 15% in the same period. Apparel and accessories have one of the highest percentages of organized penetration at approximately 24% in Fiscal 2017, which is expected to reach 36% by Fiscal 2021 due to prominent and major apparel brands scaling up their store penetration and the growth of complimentary organized channels like online retail.

Apparel Market in India

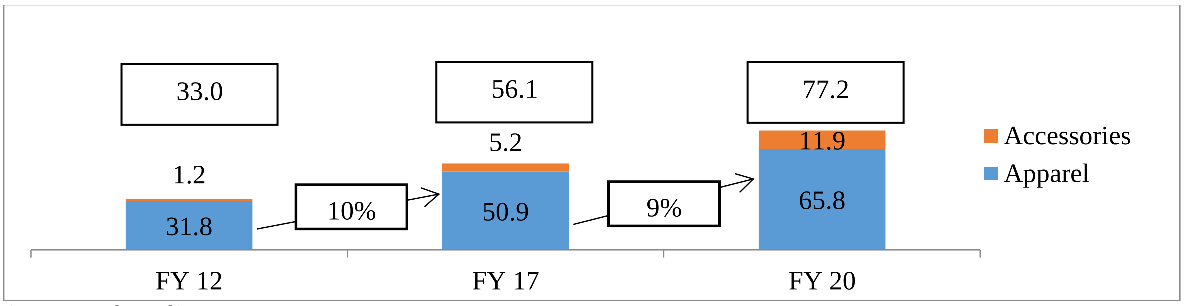
Overview of Indian Apparel market

Out of the total apparel market in India, Indian apparel accounts for approximately 30% or US$ 15.27 billion (Fiscal 2017) and the balance 70% of the market is made up of western apparel. The high share of Indian apparel in the apparel market is a unique feature of the Indian apparel market. In any other major apparel markets (China, Japan, South East Asia) nearly all the market is made up of western apparel categories. The appeal of apparels inspired by local/ regional designs, raw material, styles is restricted to occasion apparel and does not extend to daily apparel use like work apparel. However, in India, Ethnic fashion has succeeded in retaining its mainstream appeal for daily apparel for women, and that makes its construct distinctive to India.

Indian apparel accounts for very different shares of men's apparel and women's apparel in India. It accounts for 6.6% of the total men's apparel market of US$ 21.2 billion. However, it accounts for a 70.6% of the total US$ 19.3 billion women's apparel market or US$ 13.7 billion in Fiscal 2017. Hence, the women's wear portion of Indian apparel accounts for approximately a 90% share of the overall Indian apparel market in India. This implies that the women's Indian (and Ethnic) apparel is the foundation for Indian (and Ethnic) apparel in India. The disproportionate size of Indian apparel for women is an outcome of the distinct positioning of Indian apparel for women as compared to that of men in India. For Indian women, Indian and Ethnic fashion has a mainstream need for daily apparel use (in addition to strong occasion apparel) whereas for men it is currently largely restricted to occasion apparel like weddings and festivals. Ethnic apparel categories have maintained salience across geographies as well as across consumer segments of varying socio-economic strata, age groups and lifestyles, in spite of the increasing penetration of western apparel.

Apparel and Accessories Market Size in India

The following chart sets forth the market size of the apparel and accessories category in India (in US$ billion):

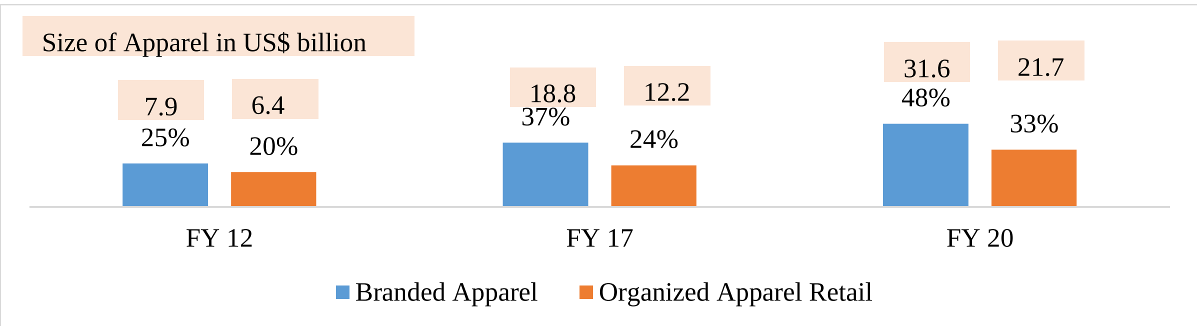


(Source: Technopak)

The apparel & accessories market in India was estimated to be US$ 56.1 billion in Fiscal 2017 and is expected to reach US$ 77.2 billion by Fiscal 2020, growing at a CAGR of 11.3%. Of this, the apparel segment was estimated to be US$ 50.9 billion in Fiscal 2017 and is expected to grow at a CAGR of 9% between Fiscal 2017 and Fiscal 2020 to reach US$ 65.8 billion, on the back of factors such as greater purchasing power, in turn driving growth in primary discretionary spends, better access and availability of products, higher brand consciousness, increasing urbanization and increasing digitization. Men's apparel constituted more than 41% of the total apparel market and the women's apparel's share was approximately 38% of this market, with the balance being contributed by children's apparel.

Share of Organized Retail and Branded Apparel

The following chart sets forth the share of organized retail and branded apparel share as a percentage of the total apparel market:



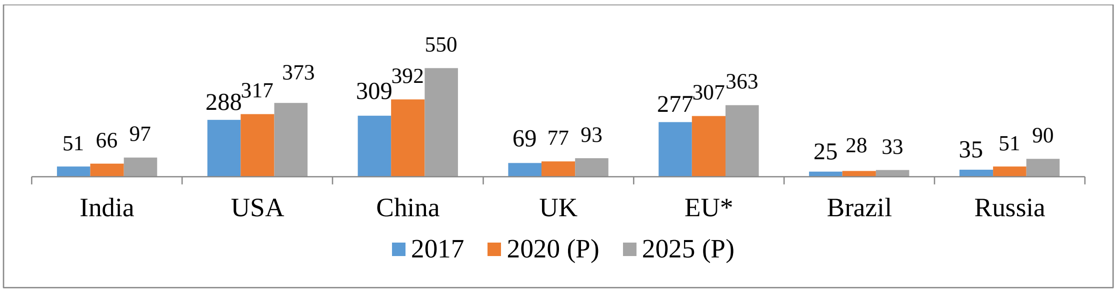
*Note: Branded apparel signify registered trademarks that are regularly patronized by customers and that are sold through both organized retail and trade channels. Organized retail signifies formal retail channels of Exclusive Brand Outlets ("**EBO**"s), Large Format Stores ("**LFS**"), E-commerce. Apparel retailed through these organized retail point of sales is necessarily branded. Therefore, organized share is less than the share of Branded apparel in total share.*
(Source: Technopak)

The organized retailing share of apparel has increased from 14% in Fiscal 2007 to 20% in Fiscal 2012 and 24% in Fiscal 2017. Over the last ten years, organized retail not only captured the new incremental demand but has also succeeded to shift the demand away from unorganized retail in its favour. In the next three years (between Fiscals 2017 to 2020), the CAGR of organized retail at 21% is going to increase faster than the CAGR of branded apparel at approximately 19%. Apart from favourable demographics and urbanization, the rapid evolution of organized retailing models is a key reason that has enabled the growth of organized apparel retail.

Men's apparel constituted more than 41% of the total apparel market, with women's apparel constituting approximately 38% in Fiscal 2017 with the balance being contributed by children's Apparel. In comparison, across other countries, the women's apparel segment has a share of 55% to 60%.

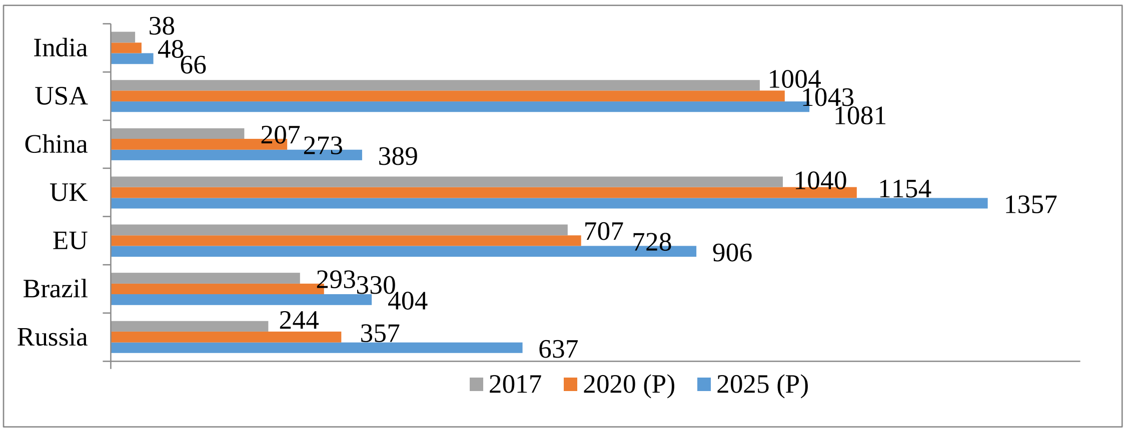
Apparel Market in India as compared to Global Economies

The following chart sets forth the apparel market in India as compared to global apparel markets: (in US$ billion)



*Notes: *Includes Germany, Italy, France, Spain and 7 other countries only; Year indicates Fiscal*
(Source: Marketline 1£=US$ 1.3)

The apparel market in India was US$ 51 billion in Fiscal 2017, significantly lower than developed global markets like USA, UK and EU as well as some emerging markets like China.
The following chart sets forth the per capita spend of apparel in India as compared to global economies: (in US$ billion)



(Source: Marketline; Year indicates Fiscal)

The spend of apparel in India was US$ 38 billion in Fiscal 2017 and expected to increase to US$ 66 billion by Fiscal 2025, but it will continue to remain the lowest among the developed as well as emerging markets. This provides a significant growth opportunity for apparel players in India for years to come.
The following table sets forth the share of men, women and kids apparel in apparel markets approximately the world (in %):

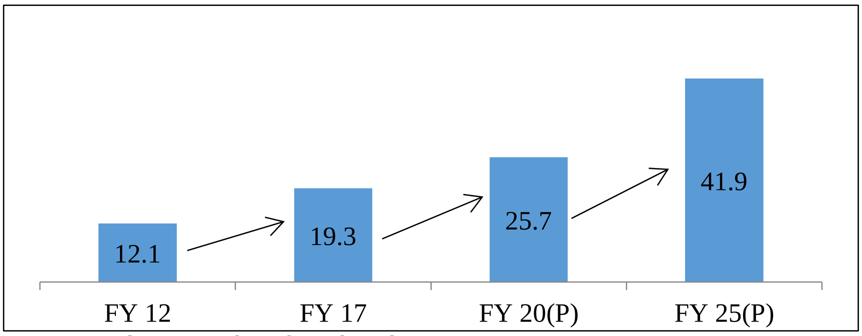
Country	Fiscal 2017				Fiscal 2020		
	Men	Women	Kids		Men	Women	Kids
India	42%	38%	20%		39%	39%	22%
USA	36%	54%	10%		35%	55%	10%
China	37%	55%	8%		37%	56%	7%
UK	30%	56%	14%		30%	57%	13%
EU	31%	59%	10%		32%	59%	9%
Brazil	27%	50%	23%		26%	50%	24%
Russia	23%	56%	22%		21%	58%	21%

(Source: Technopak)

Asia Pacific is expected to be the fastest growing market for women's apparel as it comprises some of the emerging economies with a very high proportion of middle class with significant disposable incomes. India exhibits unique dynamics compared to key mature economies of the world. In addition to the total Indian apparel market being significantly low as compared to that of USA, EU and China, the women's segment contributes a smaller share of 38% as compared to the 42% of men's segment in Fiscal 2017. Across other countries, the women's segment has a share of 55% to 60%. India is expected to witness an inter segment shift with the women's share increasing to 39% by Fiscal 2020.

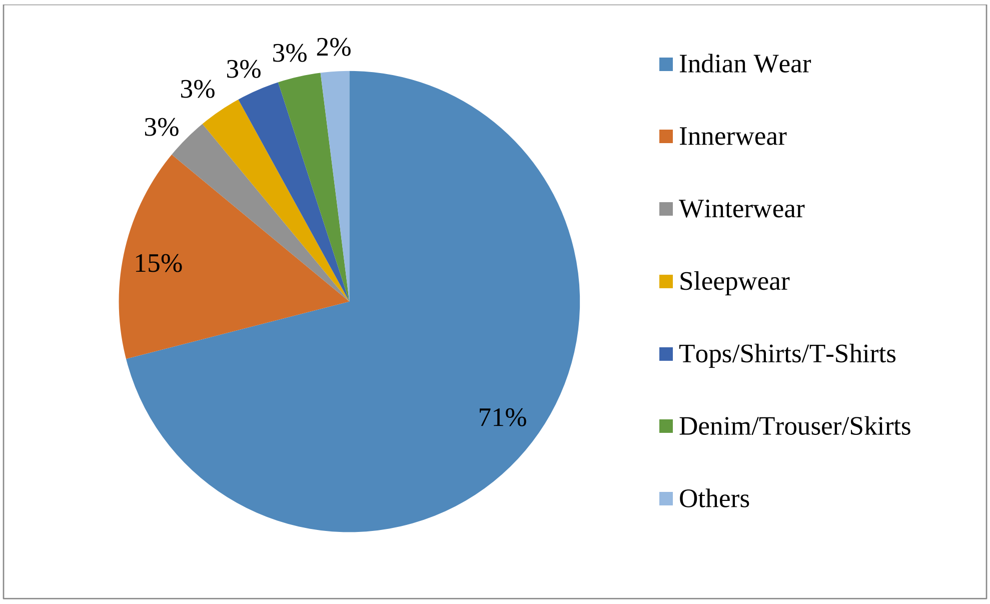
Women's Apparel Market in India

The women's apparel market in India as of Fiscal 2017 is at US$ 19 billion and expected to reach US$ 42 billion by Fiscal 2025, growing at a rate of approximately 10%. The women's apparel market in India is growing faster than the men's largely due to an increase in the number of working women, a shift towards aspiration rather than need based buying, emergence of home grown national brands in a market where Indian apparel contributes 71%, and design innovations that appeal to Indian sensibilities
The following chart sets forth the growth of the women's apparel market in India (US$ billion):



Source: Secondary Research, Technopak Analysis

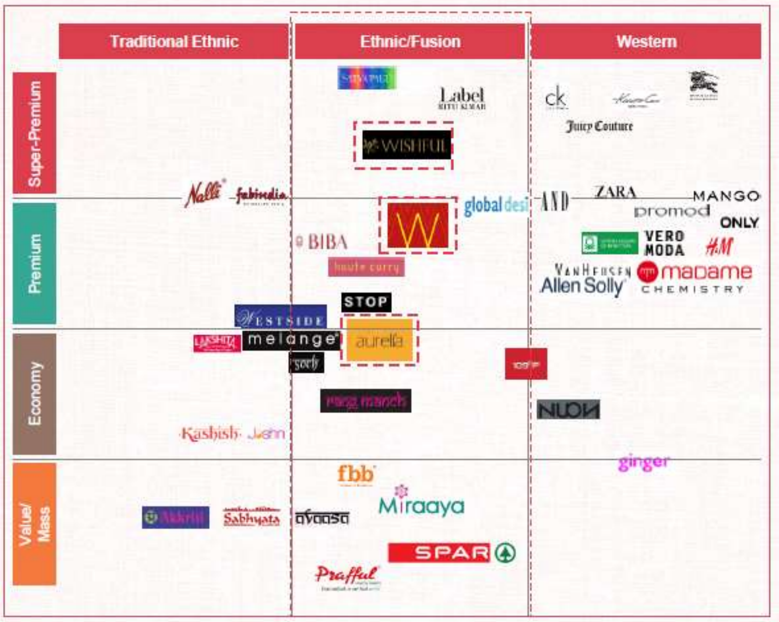
The following chart sets forth the breakdown by category in terms of revenue of Indian women's apparel market for Fiscal 2017:



(Source: Technopak)

Indian apparel accounts for approximately 71% of the women's apparel market. While a large number of brands and formats form the landscape of women's Indian apparel, few national brands dominate this sector along with popular regional players. While most players tend to be focused on a specific women's apparel category and single price positioning, players like TCNS have differentiated themselves through a multi-brand platform strategy straddling across price points and consumer segments to capture a larger share of the overall market.

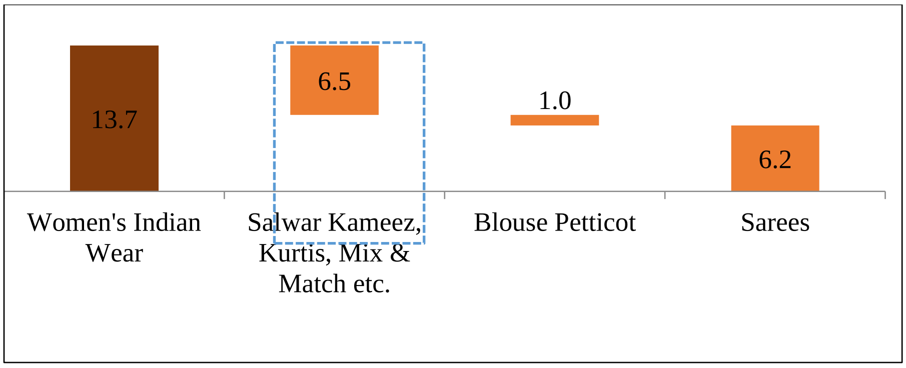
The following chart sets forth women's apparel brand segmentation based on product offering:



(Source: Technopak)

Overview of Women's Ethnic Apparel market

The following chart sets forth growth in the women's Ethnic apparel market in India (US$ billion):

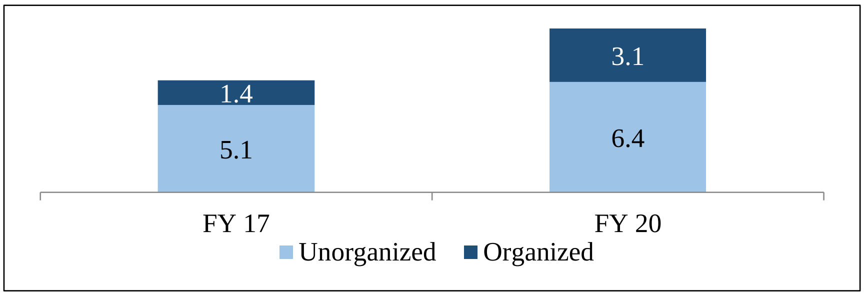


Note: Salwar Kameez, Kurtis, Mix and Match is referred to as the ethnic apparel category
(Source: Technopak)

The women's Ethnic apparel market in India stands at US$ 6.5 billion for the Fiscal 2017, 47% of the women's Indian apparel market, and is projected to reach US$ 9.5 billion by Fiscal 2020, growing at a CAGR of approximately 14%. As of Fiscal 2017, the share of organized retail in women's Ethnic apparel was 22%, but it is projected to account for approximately 33% by Fiscal 2020, growing at a CAGR of approximately 29.4%. This growth of organized retail will be approximately three times that of unorganized retail.

The following chart shows the split of women's Ethnic wear market – Organized vs. Unorganized Retail (US$ billion)

Women's Organized Ethnic wear market poised to grow at 29.4% CAGR till Fiscal 2020

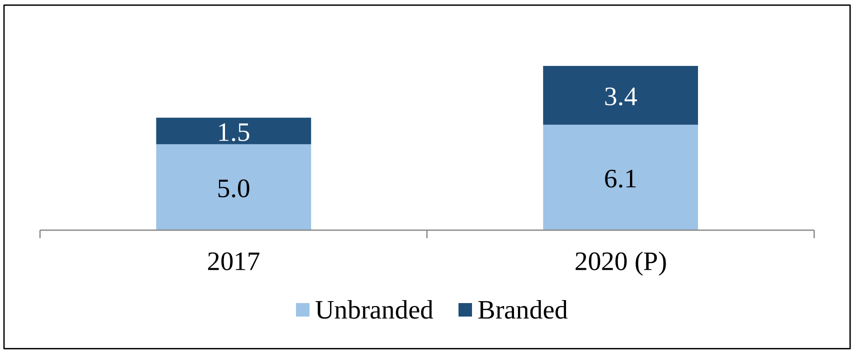


Source: Secondary Research, Technopak Analysis

The women's organized Ethnic apparel market is expected to grow at a CAGR of 29.4% till the Fiscal 2020.

The following chart sets forth split of Women's Ethnic wear Market - Branded vs. Unbranded (US$ billion)

Women's Branded Ethnic wear market poised to grow at 30% CAGR till Fiscal 2020



Source: Secondary Research, Technopak Analysis

The branded Ethnic wear market, valued at US$ 1.5 billion for Fiscal 2017, is projected to grow at a CAGR of approximately 30% till Fiscal 2020. This implies that the branded segment is growing 4x faster than that of the unbranded Ethnic wear market, which is projected to grow at 7%. The branded Ethnic wear market is expected to reach US$ 3.4 billion by the Fiscal 2020 by which time it will constitute 35% of the women's Ethnic wear market.

The high growth of organized retail is also reflected in the high growth of the branded women's Ethnic apparel. Branded Ethnic apparel is also sold through unorganized retailing channels whereas organized retail primarily sells branded merchandise and therefore, branded share of retail in a product category is usually higher than the share of organized retail in that category. However, in the case of Ethnic apparel for women the share of organized retail and its expected growth rate closely mirrors the share and the growth rate of branded Ethnic apparel. This implies that organized retailers are the main drivers for the growth of branded women's Ethnic apparel.

Evolution of Indian Women's Ethnic Apparel Market

The evolution of women's Ethnic apparel market can be segregated into four distinct phases starting from the dominance of unorganized players to the emergence of industry leaders as organized retailers. Every phase has witnessed an increase in the share of organized retail in the women's Ethnic apparel market.

Pre 2000	2001-2007	2008-2015	2015-Present
Dominance of Unorganized Players	**Initiation of Organized Retail**	**Growth of Organized Retail**	**Emergence of Industry Leaders**
1. Local boutiques served captive customers 2. Daily apparel needs served through customized tailoring or limited functional ready to apparel offering 3. Readymade offering limited to occasion apparel 3. Retail footprint of organized retailers (Fabindia, Biba) restricted to EBOs in few cities and clusters 4. Ethnic apparel private label of Westside	1. BIBA and Fabindia expand their retail footprints 2. W opens its first EBO 3. Westside expand its retail footprints	1. Retail brands scale up the penetration of EBOs in metros and mini-metros 2. Emergence of regional brands 3. Growth of LFS formats as an important organized retail channel for women's Ethnic apparel both as private labels and as destination for retail brands 4. Launch of sub-brands or retail store segmentation by Ethnic apparel retail brands to cater to different needs. 5. Initiation and growth of E-commerce	1. Retail brands expand beyond metros and mini-metros to other urban clusters 2. Online retail has started gaining traction as a complimentary retail channel 3. Emergence of industry leaders on product differentiation, designs and positioning
Share of Organized Retail in Women's Ethnic Apparel [1]			
5%-8%	8%-10%	12%-15%	20%

Note: 1) the percentages are approximates
(Source: Technopak)

Consumer Trends in the Women's Ethnic Apparel Market in India

There are primarily four trends in the Women's Ethnic apparel market in India:

- Growing preference of occasion-specific clothing is making Ethnic apparel the most preferred choice for social functions
- The Ethnic apparel consumers are seeking association with brands. The growing acceptance of Ethnic apparel as work apparel is also driving demand for Ethnic apparel
- The deep-value conscious consumers prefer private labels for every day usage, wait for discounts and promotion
- Consumers are increasingly adopting alternate retail channels for Ethnic apparel
- Movement from RTS/tailoring to ready to apparel options

Key Growth Drivers of Women's Ethnic Apparel Market in India

The Ethnic apparel category offers a unique blend of comfort and fashion to the consumer, thus making it the preferred apparel for most occasions. The category association revolves around comfort, contemporization as well as convenience. While the consumers in Tier I cities, compared to the metro-centric consumers, tended to be strongly governed by traditional usage of the saree, the Ethnic apparel category is increasingly becoming popular as it offers both conformity and style.

The key drivers of Ethnic apparel are as follows;

- women performing multiple roles which allows modern women the flexibility to mediate the balance between work life and home life,
- increasing ethno-centricity: Ethnic apparel has transitioned from being traditional apparel to everyday apparel; brands have identified the transition and offer products positioned across occasions,
- shift in usage and fashion trends has caused Ethnic apparel to become more acceptable among younger generations. Brands are targeting younger generations positioning Ethnic apparel as affordable, comfortable and contemporary fashion,
- increasing independence: by 2021 the population for career women in India is expected to reach 45 to 50 million. A rise in the working women population is expected to increase affluence levels of families in urban cities, and thus an increase in spending is also expected,
- value 'branding': large format players have tapped into the need gap in Ethnic apparel by offering their own private labels, which offers convenient shopping of value products at popular price segments, and
- Fit conforming to Indian body types.

The ability of global fashion brands to respond to this market opportunity in the Indian Ethnic apparel is likely to be muted on account of the following:

- The overall size of Indian Ethnic fashion is neither big enough not broad enough (in terms of appeal outside of India) for the global supply chain of western apparel to align itself on raw materials, sourcing and merchandising approach for Ethnic apparel. Raw materials and sourcing for Indian Ethnic fashion is a mix of artisanal skills and machines and handlooms and power looms. This poses challenge for the scale of global fashion brands
- The global design response that interprets trends into products for global brands requires interpretation of Indian ethos, fabric and colours into products. The non-India focus design philosophy that appeals to global trends sits at cross purpose with this need
- Role of relative complexity of product

Therefore, Ethnic apparel in India is an India focused opportunity and one which provides home-grown players with a natural and sustainable advantage to seize. This advantage is reflected in structure of the Ethnic apparel category that comprises home grown entities only.

Competitive Landscape for Women's Ethnic Apparel market

The Ethnic wear segment in India tends to be dominated by certain large national players like TCNS (W, Aurelia and Wishful), BIBA, Global Desi and Fabindia and a few regional players like Neeru's and Soch. Due to its popularity and traction amongst consumers across socio-economic levels, Ethnic wear has seen penetration of brands across a wide spectrum ranging from value to luxury.

- *National brands.* National brands are categorized into two types of retailers. Ethnic lifestyle led fashion retailers that started out as single outlet businesses but over time have succeeded in building a national footprint of retail stores that sell multiple categories on Ethnic fashion ethos. For such retailers women's Ethnic apparel is one of the important categories apart from men's apparel, home furnishing and furniture, FMCG products. Players like Fabindia and Anokhi represent such players. The second category is the Ethnic apparel led retail brands that predominantly (over 85%) sell women's Ethnic apparel. Product design differentiation and pan-India retail reach through a combination of owned stores and complimentary channels, signify the strengths of these players. Retail brands like Biba, W, Aurelia and Global Desi represent such retailers.

- *Regional brands.* Regional brands in many respects mimic national Ethnic apparel retail brands on exclusive brand outlets ("**EBO**") channels and product offering. While they have an advantage of being closer to the regional tastes of their consumers, either their design positioning or their retail reach or both restrict them to expand beyond the region. Mebaaz, Harra, Prafull, Ibadat and Kiara are some brands that signify such players.

- *Private labels*. Private labels (in-store Ethnic apparel brands of large format lifestyle retailers) - leading large formal lifestyle retailers have created in-store labels that focus on women's Ethnic apparel. Westside was the first large format store ("**LFS**") to start private label for women's Ethnic apparel in the 1990s. Later, other leading lifestyle retailers also entered this space. Today, Stop and Haute Curry of Stoppers Stop, Melange of Lifestyle, Rangmanch, Akriti and Trisha of Pantaloons, Morpankh, Navras and Ateesha of Central are leading private labels in women's Ethnic apparel.

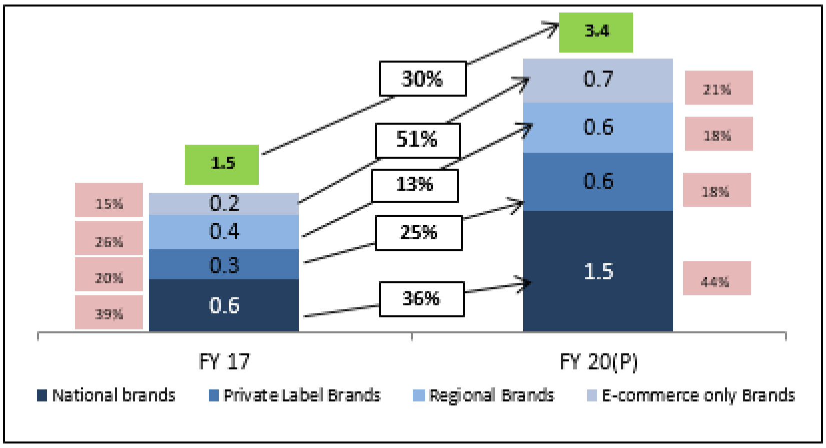
The following table sets forth a comparison of the women's Ethnic apparel retailing in India across the three types of retailers:

	National Players		**Regional Player**	**Private Label**	**Local Players**
	Ethnic Lifestyle and Fashion Retailers	**Ethnic Apparel led Retail Brands**	**Ethnic Apparel led Retail Brands**	**In-Store Ethnic Apparel brands of Multi-brand Retailers**	**Neighbourhood stores / Boutique Shops**
Example	FabIndia, Anokhi	W, Aurelia, BIBA, Global Desi	Kiara, Ibadat, Harra	Stop, Melange, Rangmanch	
Share of Women's Ethnic Apparel in total business	40% to 60%	Approximately 90%	Approximately 95%	Less than 90%	100%
Breakup of Sales by Channel	EBO: 100%	EBO: 40% to 50% LFS: 30% to 40% MBO: 5% to 10% Online: 5% to 10%	EBO: 70% to 80% LFS: 10% to 20%	LFS: 100%	Within the store: 100%
Retail Presence	Pan-India presence with significant penetration across Tier 2 ad below towns	Pan-India presence with significant penetration across Tier 2 ad below towns	Limited to a particular region. For example, *Ibadat* in North and Kiara in South	Pan-India presence	Limited to a particular city or cluster
Price Positioning	Mid to Premium	Mid to Premium	Mass to Premium	Mass to Mid	Mass to Mid
Design Focus	Specific prints and designs	Strong design philosophy catering to pan-India taste	Regional designs and prints	Wide range of designs. More focus on core products	Limited for Ready to wear but premium for made to order

(Source: Technopak)

As of Fiscal 2017, national retail brands like W, Aurelia, BIBA, Global Desi and Fabindia accounted for approximately 39% of the total organized women's Ethnic apparel retail market. National brands are expected to increase their market dominance with a CAGR of 36% to account for 44% of the branded Ethnic apparel market by Fiscal 2020. E-commerce is also expected to increase its share from 15% in Fiscal 2017 to 21% in Fiscal 2020, growing at a CAGR of 51%. Both these increases in share are expected to result in a decline of the share of private label and regional brands, whose combined share is expected to decrease from 46% in Fiscal 2017 to 36% by Fiscal 2020.

The following chart sets forth the split of the branded Ethnic apparel market across brands (US$ billion):



Source: Secondary Research, Technopak analysis
Notes: 1) P stands for Predicted. 2) Regional Brands (indicative): Desi Belle, Span, Ethnicity, Maahi, Fusion Beats, Indianink, Rain and Rainbow, Beindi, Vedic, Prafful, Taruni
(Source: Technopak)

Analysis of the Women's Ethnic Apparel Industry

	National Players		**Regional Brands**	**Private Label**
	Ethnic Apparel led Retail Brands	**Ethnic Lifestyle and Fashion Retailers**	**Ethnic Apparel led Retail Brands**	**In-Store Ethnic Apparel brands of Multi-brand Retailers**
Strengths	• Strong positioning on design philosophy • Product development and sourcing capabilities • Multiple channels of retailing that complement each other	• Strong positioning on differentiated philosophy • Product development and sourcing capabilities • Broad Ethnic positioning across multiple categories	• High customer loyalty in their region of operations • Responsive to local / regional consumer tasted and preferences	• Value price positioning that generates high volume • Ability to cross-sell with other categories
Weaknesses	• Single category focus like women's Ethnic apparel increases product dependence • However, synergies for direct extension in to complementary Ethnic categories like jewellery, handbags foot apparel possible	• Channel dependence on EBOs • Multiple-category presence limits range depth in Ethnic apparel	• Restrictive design appeal • Limited range • Pricing limitation • High dependence on EBOs	• Challenge to premiumize because of current value positioning and presence of other brands in the same store • Offering limited to retail footprints of LFS

Opportunities	• Low per capita spend on apparel in India as compared to developed markets gives head-room for growth across price points like gaps in affordable luxury price brand allow Ethnic apparel retailers to seek an affordable luxury play or to expand the value pricing beyond Tier II towns with sub-brands
	• Disposition of women consumers to embrace Ethnic fashion for daily and work apparel purposes that is reflected in the high share of Ethnic apparel in women's overall apparel purchase creates a sustainable
	• Faster growth of organized retailing for Ethnic apparel presents sustainable growth opportunities because
	    o Demand side factors such as consumers' patronization for quality / fit / designs give advantage to organized retailers to service these needs
	    o Supply side factors such as GST and demonization have created a favourable environment for organized retailing in general and organized retailing for Ethnic apparel is expected to be the beneficiary
	• No short to mid-term competition from global fashion brands / retailers given their own business limitations to do so			

	• International expansion opportunities to address Indian diaspora aboard
Threats	• Design and product imitations by unorganized retail • Sustained discounting by E-commerce channel that can undermine design premium of organized retailers (particularly national retailers) and push the consumers' expectation towards value pricing • Increasing competitive intensity given the growth attractiveness of the category o Offline foray by online retailers like Jaypore, Limeroad • Men's Ethnic apparel retailer like Manyavar entering women's Ethnic apparel space both through its own brand (Mohey) and through acquisition (Mebaaz)

(Source: Technopak)

Benchmarking of Key Women's Ethnic Apparel Retailers

Some of the major brands in the Ethnic women's apparel category are W, Wishful, Aurelia, BIBA, Global Desi, AND, Kilol, Soch, IMARA, Anokhi, Neeru's and Fabindia.

The following table sets forth the summary of key operational parameters of women's Ethnic apparel brands:

Brand	Year of Inception	Number of EBOs	Focus Geography
W	2002	258	Pan India
Aurelia	2009	159	Pan India
Wishful	2006	Sold through W stores	Pan India
BIBA	1988	250	North, South and West
Global Desi	2007	147	North & West
Fabindia	1960	261	Pan India
Soch	2005	99	South

Notes: For metro/mini-metro; Year indicates Cyclical Year. Stores count taken from store locator as of November 2017
(Source: Technopak)

Nearly all the brands have a presence in the apparel and accessories segment and a few Indian Ethnic centric brands, such as Fabindia, have a presence in home furnishing as well, but the prime focus for all the brands is the apparel category. Kurtis and bottom-apparel, which are more on the Indo-western/fusion end, are the largest revenue contributors for Indian Ethnic brands, while tops and bottom-apparel are the major revenue contributors for western-apparel brands.

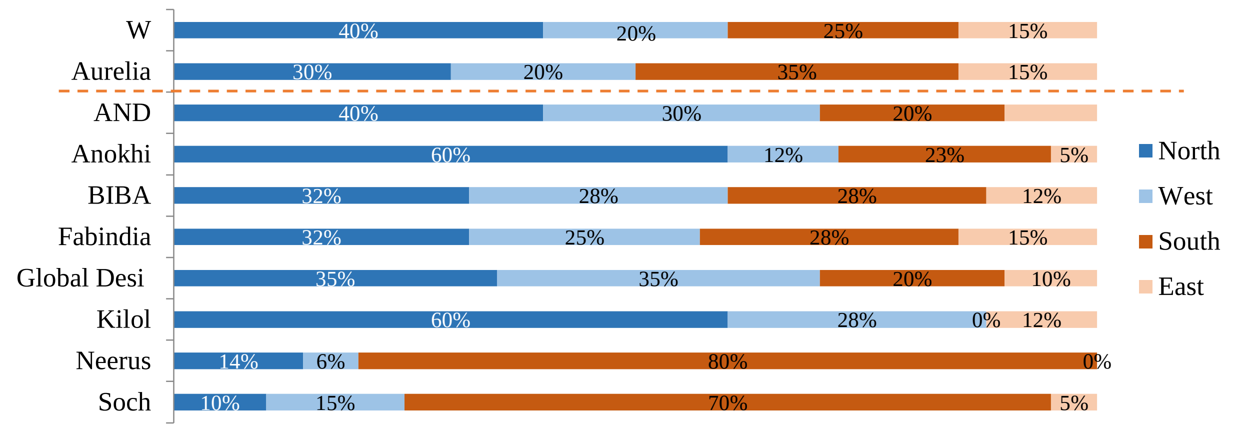
The following table sets forth the city-wise and region-wise store split of key Ethnic apparel brands (number of stores):

Brand	Total Number of Stores	Number of stores in Top 2 Cities	Number of stores in Next 6 Cities	Number of stores in Tier 1 Cities	Number of stores in Tier 2 Cities	Number of stores in Tier 3 Cities
W	289	72	71	52	57	37
Aurelia	188	35	46	50	31	26
BIBA	256	61	59	41	72	23
Global Desi	141	42	35	21	36	7
AND	123	35	33	22	26	7
Fabindia	276	68	76	39	65	28
Anokhi	28	11	8	6	3	0
Kilol	10	4	1	2	3	0
Soch	98	10	46	18	18	6
Neeru's	34	4	18	5	5	2

Notes: Stores count taken from store locator as of May 2018. Tier1: Population 1-5 million, Tier2: Population 0.3-1 million, Tier3: Population <0.3 million.
(Source: Technopak)

The top eight cities, Delhi/NCR, Greater Mumbai, Kolkata, Chennai, Bangalore, Hyderabad, Ahmedabad and Pune, have the highest store penetration as majority of the consumption happens in these cities. However, brands are increasing their penetration in the Tier 1 and Tier 2 cities due to their high growth potential. In terms of regions, north and south dominate for the Ethnic apparel segment, while north and west have more dominance in the western apparel segment.

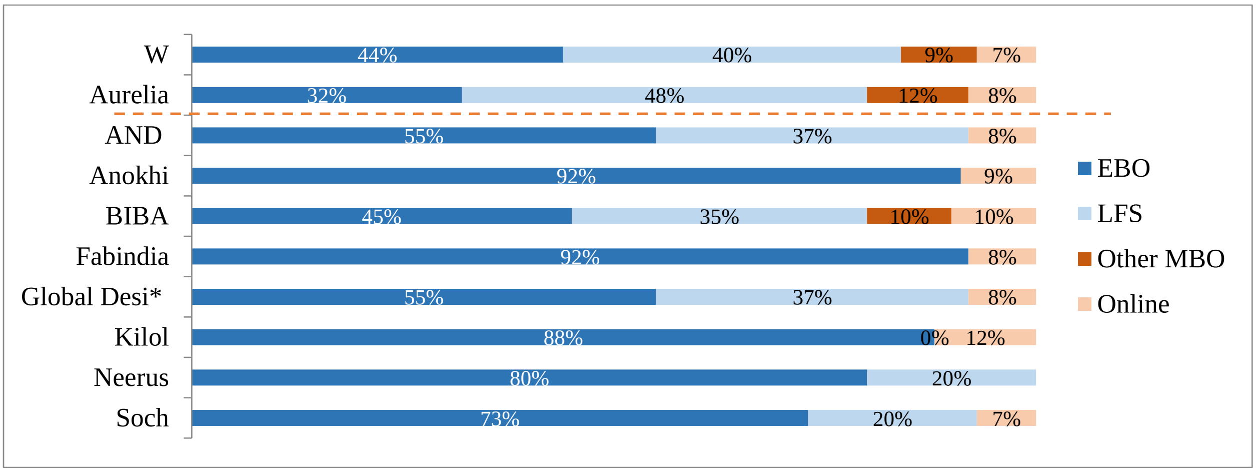
The following chart sets forth the region-wise revenue split of key Ethnic apparel brands (Fiscal 2017):



(Source: Technopak)

EBO's are the most preferred retailing channel for most brands, while many major Indian Ethnic brands like W, Aurelia, Global Desi, AND, BIBA, Soch and Neeru's also have a strong LFS presence (ranging from 20% to 40%). Online retailing has started gaining traction with almost all brands also having their own online store.

The following chart sets forth the revenue mix by channel of key Ethnic apparel brands (Fiscal 2017):



*Note: * LFS includes LFS and other MBO.*
(Source: Technopak)

Key attributes of National Brands in the Women's Ethnic Apparel Market

The industry leaders have invested significantly in building capability around three aspects: 1) design, 2) sourcing, and 3) channel presence, to ensure that their distinct positioning is translated at the retail connect with the consumer. Market leaders have created differentiators that has propelled the shift towards the organized sector and consumers have pivoted towards this transition from the unorganized segment, which is a mere aggregator based on trade label with no curation of designs.

Design: Design has moved away from a person centric intervention to an institutionalised approach backed by human capability and processes. Hence, there are elements of design house, defined cyclicity and process that mark the merchandise and design models of these leading brands. This lends to ensuring relevant fashion offering, renewed freshness at store level along with de-risking of the planning and fashion element of the business model.

These practices enable brands such as W, Aurelia and Global Desi to offer a faster route to market and fashion at higher frequency and agility. These brands have invested significantly in the design pool and building their in-house potential. In addition to brands, large format lifestyle retailers such as Westside, with women's Ethnic apparel as the mainstay of their business in the private label offering, have invested in capability building and growing the category's organized share.

The following table sets forth the design philosophy of major Ethnic apparel national brands:

Brand	Design Philosophy
W	Fusion of western sensibilities with Indian ethos giving innovative silhouettes and prints
Aurelia	Contemporary Indian apparel with great fit / quality at sharp prices
Fabindia	Centred around Indian weaves, looms, fabrics and crafts focusing on indigenous products
Biba	Hybrid mix of tradition and fashion
Global Desi	Westernized casual silhouettes; design inspired by Indian colours, texture and prints having an international appeal

(Source: Trade Interviews)

Over the years, W has cemented its place as a trusted brand in the ready-to-apparel Ethnic market with its innovative styling that couples international fashion trends with day-to-day functionality. Over the recent years, TCNS has grown to take the leadership position with approximately 45% market share amongst the national players whose core offering is Ethnic apparel, such as kurtas, salwar kameez, and fashion Ethnic bottoms. Design sensibilities, fusion apparel and wide breadth of options across fashion to fusion apparel are the key elements that have helped define the strong positioning of the W brand.

While BIBA leverages heritage and classic range in its communication, W stays intrinsic to its core of strong fashion positioning, and communicates its fashion harbinger platform to keep the consumer excited through relevant products and assortments. The brand has consistently interplayed heritage and fusion to introduce new fashion avatars such as the Mughal gown, pant robes and stiletto kurtas. BIBA has used important social issues for enhanced relevance amongst target consumer segment.

Sourcing: The two approaches that signify the sourcing models of these industry leaders are a) wide vendor base and b) focused vendor base. Both these models are appropriate and dependent on the stage of business growth as well as the fashion stance that a brand adopts. Brands with high fashion quotient across colours, wide breath, embellishments, and fabrics tend to work with a wider sourcing base. Hence, the sourcing approach is a manifestation of the positioning stance and either model or a hybrid of the two models has proven successful within the Indian Ethnic apparel play. National brands have established strong sourcing networks which will be difficult for new players to replicate at large scale.

Channel Presence: National retail brands have evolved alongside the evolution of retailing in India developing strong understanding of the retailing environment and retailing channels. This has helped brands like Fabindia to identify opportunities to open product category specific EBOs (separate retail stores for home and furnishing and apparel categories respectively). Brands like W, Aurelia, BIBA and Global Desi have successfully developed a complimentary mix of retailing channels while retaining EBOs as core to their product experience.

The marketing approach adopted is also reflective of sharp customer segment relevance. Though Ethnic apparel market was highly underpenetrated and fragmented, traditional ATL elements (print, TVC) were not the immediate approach for brands like BIBA and W, Aurelia. In addition to innovative BTL activities, W, Aurelia used STORE as an essential brand building element through aspirational locations, large facades, curated display in the early stage of the journey. Billboards, OOH and print are essential elements used by these brands. BIBA has launched television commercials too recently. Over time, leading brands have focused on the newer mediums of communication as consumers have moved from the traditional mediums to new age media such as digital and social media to include elements of fashion blogs.

Formats of Retailing in Women's Ethnic Apparel

The brick and mortar formats for apparel retailing are EBO's, LFS, MBOs and traditional market. Retailing in India has undergone a remarkable change in the last two decades due to favourable demographics, growing consumer aspirations and brand consciousness. This change is most noticeably reflected in a continuous shift towards organized retailing. Most domestic as well as many international brands have stepped in to the organized retail space on a long term basis with plans to expand their business across verticals, cities and formats.

The Ethnic apparel category in India has witnessed significant focus from large format stores, like Westside, Lifestyle, Pantaloons, through private label offerings due to its prevalent adoption across geographies and age groups. Few other categories have received a similar high level of focus from large format stores. Private labels from these retailers, however, tend to be limited by the retail penetration of their respective parent large format stores. In the strive to complete the assortment offering along with national brands in addition to Private labels, the platform, over time, has evolved to form an essential pillar for the growth of Ethnic apparel.

Further, brands have also adopted a sharp focus on consumer segment and ensured connecting with this customer in the pertinent clusters. For this purpose they have adopted a mix of owned stores as well as franchise models and not limited themselves to specific locations only. These brands have penetrated high streets and malls equitably in order to be accessible to their relevant customer segments. In addition, these brands like those of TCNS have not restricted formats and channels, have intelligently forayed into online channels through Myntra, Jabong, Amazon, Flipkart as well as Shop-in-Shop formats within lifestyle retailers like Shopper's Stop, Pantaloons, Central, Lifestyle wherein Ethnic apparel is the mainstay offering. Due to the prolific play of the category, it is essential to be available and accessible to the customer. Players such as W have ensured this as well as combined aspirational design to the offering for sustainable growth.

Channel wise Ethnic Apparel Market in India

The key formats in the women's Ethnic apparel retailing include, a) EBOs, b) large format lifestyle retailers: Lifestyle, Central, Shoppers Stop, Pantaloons, c) Standalone MBOs: traditional market, and d) Online channel/retailers. With increasing acceptance of alternative retail channels, brands and retailers not only have to ensure presence in multiple retail channels, they also have to integrate various channels to provide a seamless shopping experience to the Ethnic apparel consumers. Omni-channel retailing has the potential to increase fulfilment rates, reduce inventory cost, enhance customer experience and retain customers. However, achieving seamless shopping experience will require a robust understanding of consumers, retail channels, product and technologies.

The following table sets forth the format share split across branded and organized women's Ethnic apparel market for Fiscal 2017:

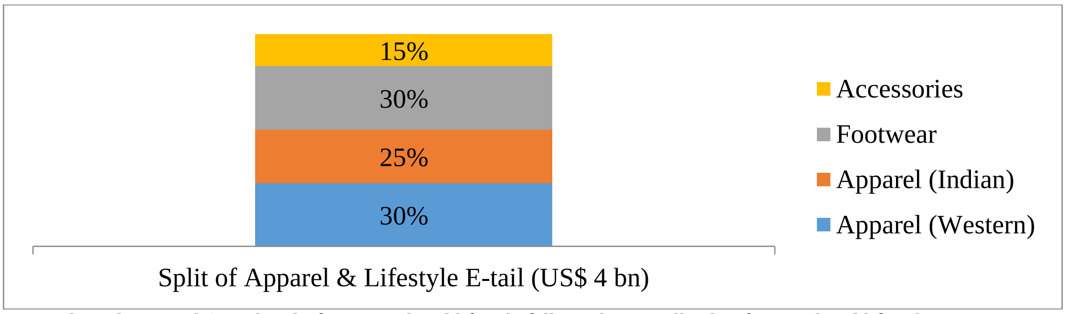
Format	**Channel-wise share of branded women's Ethnic wear (%)**
Exclusive Brand Outlet	41.0
Large Format Lifestyle Retailers	46.8
Traditional Market	6.5
Online	5.7

(Source: Technopak)

Online retailing in Ethnic Apparel

Online retailing in India has witnessed a rapid growth trajectory and is expected to reach 4% to 6% (US$ 40 to 60 billion) of total retail by Fiscal 2020 from its share of 2.3% in Fiscal 2017 (US$ 16 billion). The share of online retailing in apparel and lifestyle overall retail was 6.2% in Fiscal 2017 and is expected to reach approximately 12% to 18% by Fiscal 2020.

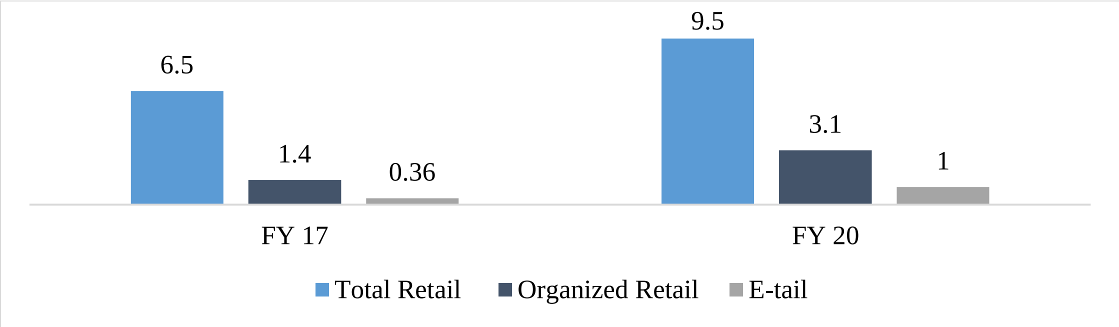
The following chart sets forth the constituents of apparel and lifestyle in online retailing:



Note: The online retail (E-tail) split for apparel and lifestyle follows the overall split of apparel and lifestyle
(Source: Technopak)

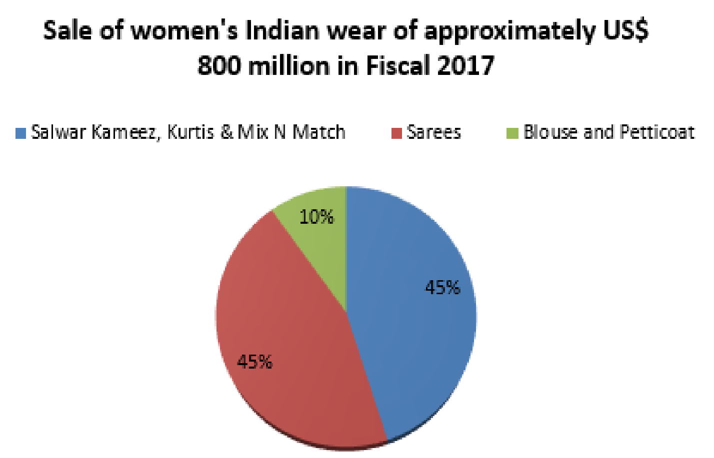
It is estimated that Indian apparel (including men but primarily women) contributed to 25% of the online sales of the apparel and lifestyle categories that translated to approximately US $ 1 billion in Fiscal 2017 and it is estimated that nearly 80% of this sale (of US$ 800 million) was of the women's Indian apparel. Within women's Indian apparel, Ethnic apparel (salwar kameez, kurtis and mix and match) contributed 45% of the sales in Fiscal 2017 translating into US$ 360 million of annual sales. This size of online retail translated into approximately a 5.5% share of the overall women's Ethnic apparel retail market in India in Fiscal 2017 and approximately a 25% share of the organized retail for women's Ethnic apparel. Online retail's share in organized retail is expected to reach 32% by Fiscal 2020.

The following chart sets forth women's Ethnic apparel retailing and online retail's share in it (in %):



Note: E-tail refers to Online Retail
(Source: Technopak)

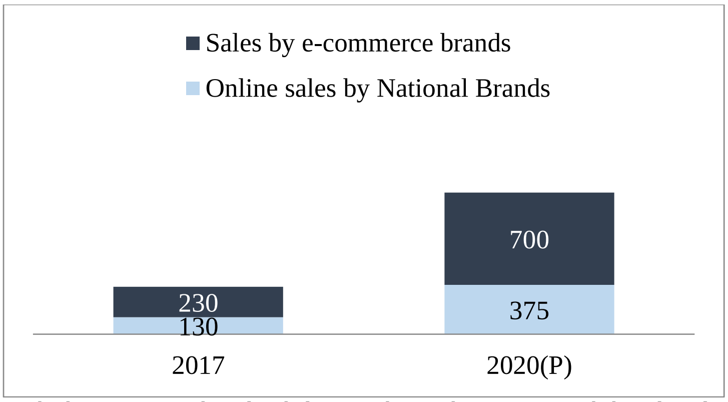
The following chart sets forth the key constituents of sales of online Indian Apparel for women:



(Source: Technopak)

Going forward by Fiscal 2020, E-commerce is expected to emerge as an important contributor for the growth of organized retailing of women's Ethnic apparel on two counts. Firstly, it will act as an enabler for the growth of existing national retail brands and these brands will leverage online retailing as an enabler for growth. Secondly, E-commerce will continue to capture incremental demand away from unorganized retail.

The following chart outlines the break-up of online sales of Ethnic apparel for women (in US$ million):



**Sales by e-commerce brand include vertical specialists, internet-only brands and private labels of Multi-fashion aggregators.*
(Source: Technopak)

OUR BUSINESS

The industry information contained in this section is derived from a report "Women's Ethnic Wear Industry Report" dated January 2018 and updated on May 2018, prepared by Technopak, and commissioned by our Company in connection with the Offer. Neither we, nor the BRLMs, nor any other person connected with the Offer has independently verified this information.

*To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with "**Risk Factors**", "**Industry Overview**", "**Financial Statements**", "**Summary Financial Information**" and "**Management's Discussions and Analysis of Financial Condition and Results of Operations**" on pages 14, 85, 146, 42 and 225 respectively, as well as the financial, statistical and other information contained in this Prospectus.*

Overview

We are India's leading women's branded apparel company in terms of total number of exclusive brand outlets as of May 2018, according to Technopak. We design, manufacture, market and retail a wide portfolio of women's branded apparel across multiple brands. We sell our products across India and through multiple distribution channels. As of March 31, 2018, we sold our products through 465 exclusive brand outlets, 1,469 large format store outlets and 1,522 multi-brand outlets, located in 31 states and union territories in India. As of March 31, 2018, we also sold our products through six exclusive brand outlets in Nepal, Mauritius and Sri Lanka. In addition, we sold our products through our own website and online retailers.

Our product portfolio includes top-wear, bottom-wear, drapes, combination-sets and accessories that caters to a wide variety of the wardrobe requirements of the Indian woman, including every-day wear, casual wear, work wear and occasion wear.

We have a track record of developing home-grown brands leveraging our deep understanding of the needs and aspirations of Indian women. Over the years, we have expanded our brand portfolio to three brands, each positioned to cater to well-defined needs of their respective target consumers:

- W is a premium fusion wear brand, which merges Indian and western sensibilities with an emphasis on distinctive design and styling. This brand is targeted primarily at the modern Indian woman's work and casual wear requirements. W has been recognized as the 'IMAGES Most Admired Fashion Brand of the Year: Women's Indianwear' by India Fashion Forum consecutively for past four years between 2014 to 2017. As of March 31, 2018, W had 281 exclusive brand outlets and 717 large format store outlets located across 157 cities in India and five outlets outside India. Revenue from sales of products under brand W grew at a CAGR of 23.43% during Fiscals 2016 to 2018 and accounted for ₹ 4,856.30 million, or 57.65% of our revenue from operations for the Fiscal 2018;

- Aurelia is a contemporary ethnic wear brand targeted at women looking for great design, fit and quality for their casual and work wear requirements. As of March 31, 2018, Aurelia had 183 exclusive brand outlets and 752 large format store outlets located across 184 cities in India and one outlet outside India. Revenue from sales of products under brand Aurelia grew at a CAGR of 47.80% during Fiscals 2016 to 2018 and accounted for ₹ 2,837.13 million, or 33.68% of our revenue from operations, for the Fiscal 2018; and

- Wishful is a premium occasion wear brand, with elegant designs catering to women's apparel requirements for evening wear and occasions such as weddings, events and festivals. We have been leveraging our W store network for selling Wishful products, however, we recently launched our first exclusive brand outlet for Wishful, in September 2017. Revenue from sales of products under brand Wishful grew at a CAGR of 39.73% during Fiscals 2016 to 2018 and accounted for ₹ 730.82 million, or 8.68% of our revenue from operations, for the Fiscal 2018.

We focus on creating innovative designs and optimizing fit and sizing, while emphasizing higher quality. For example, across two seasons in a twelve month period ending March 31, 2018, we launched approximately 1,600 products in various sizes across product categories. We presently seek to refresh our product offerings at an average interval ranging from two to three weeks. We are able to achieve these parameters through an institutionalized product development process which relies on team-work across functions and includes research and trend forecasting, concept or story development, fabric and textile design, clothes styling, sample development, presentations to internal teams and roadshows for our sales partners. We utilize in-depth market research and data analysis to emphasize the fit and comfort of our products and to introduce new and niche concepts. For example, we have commissioned anthropometric studies of Indian women in the past to assess apparel sizes.

Over the twelve month period ended March 31, 2018, we sourced raw materials, such as printed fabrics, unprocessed fabrics and trim materials from approximately 181 suppliers, located across India. We believe one of our competitive strengths lies in building and managing an extensive sourcing network to support the requirements of our product development teams. We have also implemented several quality control mechanisms and regularly conduct inspections of fabrics sourced from our suppliers. Further, we manufacture our products through agreements with job workers of whom a significant majority are located in the National Capital Region. We exercise control and regular supervision over the manufacturing of our products at the facilities of such job workers through our personnel, who are either stationed at such facilities or periodically visit these facilities for inspections.

We endeavour to utilize novel and distinctive marketing, advertising and customer engagement initiatives such as creating new fashion trends which combine western and ethnic apparel and introducing products in seasonal thematic collections. We use digital and print advertisements, email communications, public relations initiatives, in-store communication and store facades and shutters, in order to increase brand awareness, acquire new customers, drive customer traffic across our retail channels and strengthen and reinforce our brand image.

Our Promoters, Mr. Onkar Singh Pasricha and Mr. Arvinder Singh Pasricha, each have over 40 years of experience in the apparel industry, and our Managing Director, Anant Kumar Daga, leads an experienced and professional management team. Our management team, including Anant Kumar Daga currently has a significant ownership stake in our Company. Together, they have demonstrated an ability to manage and grow our sales and expand our distribution and retail network. Our shareholders also include a fund affiliated with TA Associates, a marquee private equity group.

Our total income was ₹ 8,491.57 million for the Fiscal 2018, and our total income grew at a CAGR of 31.89% between Fiscals 2016 and 2018. Our comprehensive income for the year and EBITDA was ₹ 977.67 million and ₹ 1,837.18 million, respectively, for the Fiscal 2018.

Our Strengths

Strongly positioned to leverage growth in the women's apparel industry in India

The women's apparel market in India was estimated at US$ 19 billion for Fiscal 2017 and is expected to grow at a rate of approximately 10% per annum to reach US$ 42 billion by Fiscal 2025, according to Technopak. Increasing proportion of women in the working population in India, as well as increase in disposable incomes, are primary drivers for increase in demand for women's apparel. A combination of factors such as increasing disposable income, assurance of better design, quality and fit, rising aspiration levels and growing acceptance of ethnic wear as work wear is leading to a shift from traditional apparel such as sarees to ethnic wear such as *salwar kameez* and *kurtas* as well as a shift from unbranded to branded ethnic wear. The women's ethnic apparel market in India was US$ 6.5 billion for the Fiscal 2017, i.e., 47% of the women's Indian apparel market, and is projected to reach US$ 9.5 billion by Fiscal 2020. (*Source: Technopak*) See "***Industry Overview***" on page 85.

We believe that by leveraging our existing market position in India, particularly the recognition of our portfolio of brands, geographical spread of our distribution and retail network, experience and expertise of our design team and long-standing relationships with our raw material suppliers and job workers, we are well placed to benefit from the expected growth in the women's branded apparel industry in India.

Leading women's apparel company in India with a portfolio of established brands

We are India's leading women's branded apparel company in terms of total number of exclusive brand outlets as of May 2018, according to Technopak. We are a pan-India and multi-distribution channel company catering to the apparel requirements of modern Indian women. Our product portfolio consists of top-wear, bottom-wear, drapes, combination-sets and accessories catering to a variety of women's wardrobe requirements, including every day wear, casual and work wear and occasion wear, sold at a range of price points. We believe that our portfolio of leading and differentiated brands enables us to better cater to the needs of our customers and increase the range and diversity of our products, leading to increased brand loyalty and repeat customers.

We have a track record of developing home-grown brands, leveraging our deep understanding and market research of Indian women consumer's needs. Over the years, we have developed three distinctive brands under which we sell our products, as follows:

- W is a premium fusion wear brand, which merges Indian and western sensibilities with an emphasis on distinctive design and styling. This brand is targeted primarily at modern Indian women's casual and work wear requirements. Majority of the top-wear under this brand sells at maximum retail prices ranging from ₹ 1,299 to ₹ 1,899 as of March 31, 2018;

- Aurelia is a contemporary ethnic wear brand targeted at women looking for great design, fit and quality for their casual and work wear requirements. Majority of the top-wear under Aurelia sells at maximum retail prices ranging from ₹ 799 to ₹ 1,499 while maximum retail prices of majority of the combination-sets range from ₹ 1,999 to ₹ 4,499, as of March 31, 2018; and

- Wishful is a premium occasion wear brand, with elegant designs catering to women's apparel requirements for evening wear and occasions such as weddings, events and festivals. Majority of the top-wear under this brand sells at maximum retail prices ranging from ₹ 2,999 to ₹ 4,999, as of March 31, 2018.

Revenue from sales of products under W, Aurelia and Wishful grew at a CAGR of 23.43%, 47.80% and 39.73%, respectively, during Fiscals 2016 to 2018. Revenue from sale of products under W, Aurelia and Wishful, was ₹ 4,856.30 million, ₹ 2,837.13 million and ₹ 730.82 million, respectively, or 57.65%, 33.68% and 8.68%, respectively, of our revenue from operations for the Fiscal 2018 . The strength of our brands helps us in many aspects of our business, including expanding to new markets and growing our portfolio of offerings, entering into agreements with franchisees, large format stores and multi-brand outlets and building relationships with our customers and investors.

Innovative and institutionalized product design process

In order to offer new and varied products to our customers, we focus on creating innovative designs and optimizing fit and sizing combined with an emphasis on quality. For instance, across two seasons in a twelve month period ending March 31, 2018, we launched approximately 1,600 products in various sizes across product categories. We presently seek to refresh our product offerings at an average interval ranging from two to three weeks. We are able to achieve these parameters through an institutionalized product development process which relies on team-work across functions and includes research and trend forecasting, concept or story development, fabric and textile design, clothes styling, sample development and presentations to members of our sales, sourcing, planning and marketing teams for review and inputs. We also conduct meetings and roadshows for our sales partners to solicit product feedback and reviews on a periodic basis.

We utilize in-depth market research and data analysis to emphasize the fit and comfort of our products and to develop differing sizes across our brands and products. For example, we have commissioned anthropometric studies of Indian women in the past to assess apparel sizes. We have also launched several iconic designs, and according to Technopak, W has consistently interplayed traditional and fusion-wear designs to introduce new fashion styles such as the 'Mughal gown', 'pant robes' and 'stiletto *kurtas*', highlighting our research and deep insights into Indian women's apparel requirements.

We rely on our design team comprising of skilled designers and craftsmen both for fabric print design as well as for clothes styling. In order to avoid brand overlap or dilution, we endeavour to utilize differentiated designs and patterns, fabrics, textiles and styles across our brands and have design teams exclusively dedicated to either Aurelia or W (together with Wishful). Fabrics prints that are developed for our brands are designed in-house, enabling us to create exclusivity and uniqueness for our products. As of March 31, 2018, our design team consisted of 37 employees, with 11 employees exclusively dedicated to designs for Aurelia and 26 employees exclusively dedicated to designs for W and Wishful. The members of our design team have significant years of experience in the relevant fields. We believe our data-centric approach, supported by our innovative and institutionalized design process and experienced design team allows us to develop new and differentiated products and respond to evolving market trends and our customers' preferences.

Widespread distribution network and presence across a variety of retail channels

Over the years, we have invested in establishing processes, teams and technology to manage our pan-India and multi-distribution channel retail presence. As of March 31, 2018, we sold our products through 3,456 points of sale comprising exclusive brand outlets, large format stores and multi-brand outlets located across cities in 31 states and union territories in India. As of March 31, 2018, we also sold our products through six exclusive brand outlets in Nepal, Mauritius and Sri Lanka, as well as through online retailers and our own websites.

As of March 31, 2018, our products under W and Aurelia sold through 281 and 183 exclusive brand outlets, respectively. We launched our first exclusive brand outlet for Wishful, in September 2017, and Wishful also retails through exclusive brand outlets for W. Further, as of March 31, 2018, we retail our products through large format stores, such as Pantaloons, Shoppers Stop and Lifestyle, among others, covering 1,469 outlets across 203 cities in 29 states in India as well as approximately 1,522 multi-brand outlets including through 21 distributors.

We also sell our products through online retailers, Myntra, Jabong and Amazon, among others and through our websites, *wforwoman.com* and *shopforaurelia.com* (the information on these websites is not a part of this Prospectus). Exclusive brand outlets, large format stores, multi-brand outlets and online retailers, accounted for 49.67%, 27.73%, 11.05% and 10.05%, respectively, of our revenue from operations for the Fiscal 2018. Our multi-distribution channel retail strategy has enabled us to achieve growth across formats. During Fiscals 2014 to 2018, our revenue from operations through sales at exclusive brand outlet stores grew at a CAGR of 47.71%, large format stores grew at a CAGR of 48.61%, multi-brand outlets grew at a CAGR of 53.10% and through online retailers grew at a CAGR of 56.45%. We believe that our widespread distribution and retail network and our relationships with large format stores, multi-brand outlets and online retailers enable us to effectively distribute and sell our products to our target consumers.

Longstanding relationships with suppliers and job workers

We have established long-standing relationships with our vendors in order to ensure the delivery of quality products to our customers in an efficient and cost-effective manner. Over the twelve month period ended March 31, 2018, we sourced raw materials, such as printed fabrics, unprocessed fabrics and trim materials from approximately 181 suppliers, located across India. We believe one of our competitive strengths lies in building and managing an extensive sourcing network to support the requirements of our product development teams. For example, an ethnic top-wear garment generally requires eight different fabrics and trim materials. Out of our top 10 suppliers as of March 31, 2018, we have not faced any attrition in the last three years. In addition, we manufacture our products through agreements with job workers, and a majority of them have been working with us for over three years.

We are committed to maintaining quality standards at each step of our sourcing and production cycle and have implemented several quality control mechanisms and regularly conduct inspections of fabrics sourced from our suppliers. We also exercise regular supervision over the manufacturing operations at the facilities of our job workers through our personnel who are either stationed at such facilities or periodically visit these facilities for inspections, enabling us to efficiently carry out production changes in designs or quantity of products required. Further, we regularly analyze our existing vendors' capacity and output to ensure we have back-up arrangements in place, pre-book capacity based on projections and work with our vendors to develop infrastructure and increase productivity, in order to ensure adequate production capacity and timely procurement and delivery.

Capital efficient and scalable business model

Our business model relies on the strength of our design process, our distribution and retail network and our long standing relationships with our vendors. We enter into leases or franchise agreements for our exclusive brand outlets which requires lower upfront capital expenditure compared to acquisition of real estate or properties for setting up our outlets. Further, manufacturing our products through agreements with job workers allows us to increase production capacity as required and without incurring additional capital expenditure. We believe this business model allows us to be capital efficient. For example, our RoACE was 39.65% for Fiscal 2018 and 36.65% for Fiscal 2017.

We believe our business model is scalable, such that we can expand our geographical reach and production capacity and add new products efficiently and at relatively low cost without disrupting our existing business. Leveraging on this model, we generally achieve positive cash flow for our new exclusive brand outlets within a period of six months from store opening and seek to achieve break even for capital expenditure incurred for setting up the exclusive brand outlet within a period of 18 months from store opening. At the same time, we also expect the adaptable nature of our business model to allow us to minimize losses and costs incurred by allowing us to shut down outlets which are not profit making or reduce production capacity when not required, without locking in capital. We believe that our commitment to leveraging our design process, distribution and retail network and long standing relationships with our vendors while reducing capital expenditure will continue to contribute to the growth and development of our business.

Experienced, aligned and professional management team with strong organizational culture

We are a professionally managed Company with an experienced management team that is led by our Managing Director, Anant Kumar Daga, who has been associated with our Company for over seven years and has 16 years of work experience, including 13 years of experience in the apparel and retail industry. Our Managing Director and other members of our leadership team (comprising nine head of departments) have an average of 15 years of experience in the apparel and clothing industry, and together, they have demonstrated an ability to manage and grow our operations and expand our distribution and retail network. Under our management team's entrepreneurial leadership we have developed an optimized and capital efficient business model and an extensive marketing and retail network.

We take pride in our employee culture. We endeavour to emphasize teamwork and collaboration across functions to ensure that our employees are able to suggest and implement ideas regardless of their role. We have endeavoured to motivate our senior and mid-level management team through a combination of long term incentives and ESOP schemes, thereby enabling a strong alignment of their interests with our performance. Our management team currently has a significant ownership stake in our Company. We have not experienced any attrition in our senior management team (comprising nine head of departments and our Managing Director) over the last five years. Further, we have instituted several inclusivity initiatives for our employees as of March 31, 2018. We have in place a rewards and recognition program and endeavour to foster an entrepreneurial spirit at the store level with direct unit responsibility and the use of progressive incentive bands for store managers. As part of our 'CEO Club' initiative, we have identified 80 stores with the intent of mentoring top performing managers of these stores.

Our Strategies

Expand our physical retail and online presence

We intend to focus our expansion efforts on markets where we determine there is an increasing demand for our products and where we can leverage our existing presence to expand our market share. In Fiscals 2018, 2017, and 2016, we added 84, 76 and 70 new exclusive brand outlets (net of closures), respectively, in new cities and cities where we have existing stores. We carry out detailed market research and analysis to identify potential locations for upcoming stores. Across our three brands, we plan to annually open approximately 75 to 85 exclusive brand outlets in India during Fiscal 2019 and 2020, and increase the size and visibility of our existing exclusive brand outlets, where possible. We also intend to increasingly utilize modern trade channels such as large format stores and online platforms to increase our sales in India as well as international markets where we are already present. We also seek to continue to expand our presence across large format store outlets as our large format store partners grow their presence across India.

In addition to increasing our presence in our existing markets, we seek to expand our geographical footprint in order to access a more diversified customer base across geographies. Leveraging on our experience from our stores in Nepal, Sri Lanka and Mauritius, we intend to open stores in other Asian countries such as Saudi Arabia, Kuwait, the UAE, Bahrain and Oman, which have a significant Indian diaspora. Our development, ownership and operating experience in our existing markets across India provides us with the experience and resources needed to facilitate our expansion. We believe our expansion into new markets offers us potential for market share gains, increased brand recognition and economies of scale.

Further, we intend to continue our strategy to grow direct sales through our websites and through online retailers by expanding and evolving our online presence. We believe that investments in developing our online presence allow us to cater to our customers' evolving spending and shopping preferences in a cost-effective manner. Online retail in India has witnessed faster growth in recent years compared to physical stores and it is expected to have an impact on fashion and lifestyle retail due to higher standardization, wider range of offerings and increased discretionary spending. (*Source: Technopak*) We continue to work with online retailers to increase the share of our products sold through their platforms and also seek increase sales through our websites.

Leverage marketing initiatives to increase brand recognition

We believe that increased brand recognition is a critical sales driver in the women's apparel industry. We endeavour to utilize distinctive marketing, advertising and customer engagement initiatives such as creating new fashion trends which combine western and ethnic apparel and introducing products in seasonal thematic collections. We intend to continue to enhance the brand recall of our products through expansion of footprint of our exclusive brand outlet stores as well as the use of targeted marketing initiatives such as digital and print advertisements, email communications, and public relations initiatives, as well as marketing through traditional channels such as outdoor advertising. Our marketing and advertising initiatives are directed to increase brand awareness, acquire new customers, drive customer traffic across our retail channels and strengthen and reinforce our brand image. We also plan to continue to use in-store communication, store facades and store shutters for advertising our brands. For the Fiscal 2018 and the Fiscal 2017 our advertising and sales promotion were ₹ 334.55 million and ₹ 395.06 million, respectively, or, 3.97% and 5.56% of our revenue from operations, respectively and we intend to increase this proportion in the future with focus on Aurelia and Wishful. We also evaluate inputs received from our sales team and sales partners to gauge the various aspects of a product and plan our marketing campaigns. We intend to continue our brand building measures by introducing strategic marketing initiatives and consumer engagement programs in the future, such as loyalty programs.

Expand and strengthen our brand portfolio

In addition to strengthening and expanding the reach of, and strengthening, our brands W and Aurelia, we intend to (i) continue to grow our brand Wishful targeting the premium occasion wear market; (ii) launch new brands; and (iii) acquire other brands opportunistically.

We have in the past sold products under Wishful through exclusive brand outlets for W, and launched our first exclusive brand outlet for Wishful, in September 2017. We intend to grow the sales of products under Wishful by growing the number of exclusive brand outlets, and intend to add up to 10 exclusive brand outlets each year for the next three fiscal years.

Further, leveraging on our track record of developing home-grown brands across ethnic wear, casual and work wear and occasion wear, we intend to further expand our brand portfolio by launching brands which cover additional women's apparel categories, offer products at different price points, or target new customer categories such as teenage and young adult women. According to Technopak, the Indian women's apparel market is relatively underpenetrated by branded players and is demonstrating a shift from unbranded to branded products due to perceived assurance of better design, quality and fit. We believe our market position, expertise in understanding preferences, sensibilities and budget requirements of Indian women consumers will enable us to develop quality garments in these additional categories, while ensuring that each of our brands remain distinctive and well-differentiated.

While continuing to organically grow our brand portfolio, we intend to explore inorganic expansion as well. We intend to evaluate growth opportunities to acquire brands which, among others:

- strengthen and expand our product portfolio;
- enable us to consolidate our market position in existing product categories; or
- enable us to achieve operating leverage in existing markets by unlocking potential efficiency and synergy benefits.

Increase the range of our products under existing brands

We intend to continue to leverage on our in-depth market research and data analysis based design process to enable us to introduce a wider range of products under our existing brands based on consumer preferences and demand and to distinguish ourselves from our competitors. We assess consumer demand, international and local fashion trends and evolving market preferences in order to evaluate the feasibility of new types of product introductions. In order to enhance and diversify our product offerings and cater to a larger proportion of Indian women's wardrobe requirements, we intend to continue to develop and launch additional. For example, we recently launched a jewellery range at our outlets. We also plan to selectively target the women's accessories market with products such as footwear and fragrances. We intend to leverage our existing manufacturing arrangements and distribution and retail network, and add alternate sourcing and distribution channels, in order to effectively manufacture and distribute our new products.

Improve operational efficiencies

We intend to continue to actively manage our operating costs to improve margins through the following measures, among others:

- leverage technology to grow our sales and ensure customer satisfaction; for example, we have introduced our 'Loss of Sale' application at all our exclusive brand outlets, which enables customers to order products which they are unable to locate at our retail stores;

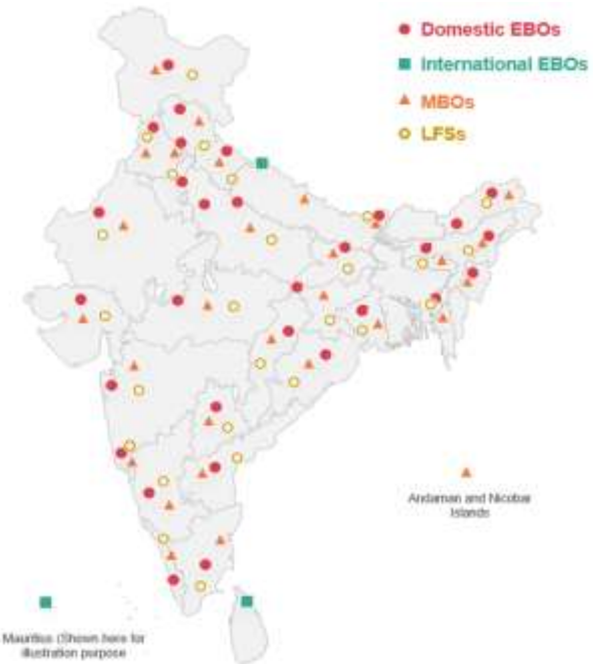
- continue to leverage our capital efficient business model by strengthening our manufacturing and logistics arrangements; for example we intend to diversify our manufacturing to states which offer lower costs and tax benefits, such as Jharkhand, Orissa and Bihar and intend to make our warehouse management more efficient by outsourcing the design and management to specialist supply chain partners, including assisting with inventory management across geographies; and

- maintain low up-front costs to set up and expand our retail network by continuing to enter into leases or franchise agreements for our exclusive brand outlets and continue to carry our detailed market research to reduce the risk of unsuccessful or unprofitable stores.

DESCRIPTION OF OUR BUSINESS

Our Business Operations

We are India's leading women's branded apparel company in terms of total number of exclusive brand outlets as of November 2017, according to Technopak. We design, manufacture, market and retail a wide portfolio of women's branded apparel across multiple brands. We sell our products across India and through multiple distribution channels. The map below illustrates the geographic spread of our retail network across states in India and in three countries overseas, as of March 31, 2018:



*map not to scale

Our Brands and Target Customers

Over the years, we have developed three distinctive brands under which we sell our products, as follows:

W

W is a premium fusion wear brand, which merges Indian and western sensibilities with an emphasis on distinctive design and styling. This brand is targeted primarily at modern Indian women's casual and work wear requirements.

Aurelia

Aurelia is a contemporary ethnic wear brand targeted at women looking for great design, fit and quality for their casual and work wear requirements.

Wishful

Wishful is a premium occasion wear brand, with elegant designs catering to women's apparel requirements for evening wear and occasions such as weddings, events and festivals. We launched our first exclusive brand outlet for Wishful, in September 2017.

The table below provides certain operational details for our brands:

Brand	Year of Launch	Retail Outlets (as of March 31, 2018)	Revenue from sale of goods (₹ million) and as a % of Revenue from Operations		
			Fiscal 2018	Fiscal 2017	Fiscal 2016
W	2002	281 exclusive brand outlets, 717 large format stores and 1,522 shared multi-brand outlets	4,856.30, 57.65%	4,341.62, 61.06%	3,187.73, 65.58%
aurelia	2009	183 exclusive brand outlets, 752 large format stores and 1,522 shared multi-brand outlets	2,837.13, 33.68%	2,164.10, 30.44%	1,298.70, 26.72%
WISHFUL	2006	1 exclusive brand outlet [1]	730.82, 8.68%	604.60, 8.50%	374.31, 7.70%

[1] *Products under Wishful are also sold at exclusive brand outlets and certain large format store outlets and multi-brand outlets for W, as of March 31, 2018.*

Our Product Portfolio

Our products include women's top-wear such as *kurtas*, tops and gilets; bottom-wear such as *churidars*, trousers, skirts, slim pants, palazzos and tights; drapes such as *dupattas*, stoles and scarfs; combination-sets of *salwar*, *kameez* and *dupatta*; and accessories such as jewellery. The table below provides details of our apparel product portfolio and break down by brand, as of March 31, 2018:

Brand	Product Portfolio	Typical Range of offering: Maximum Retail Prices
W	top-wear, bottom-wear, drapes	Top-wear from ₹ 1,299 to ₹ 1,899
Aurelia	top-wear, bottom-wear, drapes, combination-sets	Top-wear from ₹ 799 to ₹ 1,499; combination-sets from ₹ 1,999 to ₹ 4,499
Wishful	top-wear, bottom-wear, drapes	Top-wear from ₹ 2,999 to ₹ 4,999

Our Design Process

In order to offer new and varied products to our customers, we focus on creating innovative designs and optimizing fit and sizing combined with an emphasis on quality. Across two seasons in a twelve month period ending March 31, 2018, our design team of 37 employees, together with our sourcing team, prepared approximately 3,000 preliminary fabric print designs and approximately 1,750 preliminary products, in order to launch approximately 2,700 fabric print designs for approximately 1,600 products in various sizes across product categories. We presently seek to refresh our product offerings at an average interval ranging from two to three weeks by successively introducing new products in various sizes. We are able to achieve these parameters through an institutionalized product development process which relies on team-work across functions and includes research and trend forecasting, concept or story development, fabric and textile design, clothes styling, sample development and presentations to members of our sales, sourcing, planning and marketing teams for review and inputs. We also conduct meetings and roadshows for our sales partners to solicit product feedback and reviews on a periodic basis.

We have carried out significant market research to develop differing sizes across our brands and products, organized in different thematic collections, catering to the requirements of our customers. For example, we have commissioned anthropometric studies of Indian women in the past to assess apparel sizes.

We introduce new and niche concepts constantly and emphasize the fit and comfort of our products. We have also launched several iconic designs, and according to Technopak, W has consistently interplayed traditional and fusion-wear designs to introduce new fashion styles such as the 'Mughal gown', 'pant robes' and 'stiletto *kurtas*', highlighting our research and deep insights into Indian women's apparel requirements.

Our design and development process involves detailed analysis of consumer preferences through understanding of the rate of sale of products, regional preferences, regular feedback from our retail staff and direct feedback from customers. We take into account feedback received prior to developing new collections. We analyze trends in the market including from international as well as Indian designers. We then select trends that seem relevant for our brands and once we have developed a story or concept, we commence development of textile designs and garment samples that are specific to the needs of each of our brands' target consumer. This process culminates in the development of 'fishbone' or 'paper-doll' presentations, where the entire collection is made on paper and presented to members of our sales, sourcing, planning and marketing teams for obtaining feedback.

We rely on our design team comprising of skilled designers and craftsmen both for fabric print design as well as for clothes styling. In order to avoid brand overlap or dilution, we endeavour to utilize differentiated designs and patterns, fabrics, textiles and styles across our brands and have design teams exclusively dedicated to either Aurelia or W and Wishful. Fabrics prints that are developed for our brands are designed in-house, enabling us to create exclusivity and uniqueness for our products. As of March 31, 2018, our design team consisted of 11 employees exclusively dedicated to designs for Aurelia and 26 employees exclusively dedicated to designs for W and Wishful.

Raw Materials and Our Supply Chain Process

The raw materials utilized in the manufacture of our products include printed fabrics, unprocessed fabrics and trim materials. We believe that quality of raw material is critical to our business and control this process in-house. Over the twelve month period ended March 31, 2018, we sourced raw materials from approximately 181 suppliers, located across India. We believe one of our competitive strengths lies in building and managing an extensive sourcing network to support the requirements of our product development teams. We do not enter into long term agreements with our suppliers and instead issue purchase orders in line with our sourcing requirements. We seek to limit our purchases from traders and intermediaries and intend to increasingly purchase fabrics directly from mills or weavers by blocking a significant portion of their yearly capacity in order to maintain consistency of quality and ensure timely delivery.

Our sourcing and supply chain process commences with analysis of a supplier's production capacity for each season, based on deliveries and quantity supplied in the previous season. Based on this analysis, we allocate requirements and place orders accordingly. This process includes periodically assisting suppliers to develop infrastructure to increase productivity. Our analysis and planning procedures also include allocating certain surplus capacity to additional suppliers in order to maintain a capacity buffer to manage increased demand or delivery failures.

Once we have analyzed and allocated our sourcing requirements we emphasize interaction among our production and quality control team and our suppliers on a regular basis, in order to review our supplier's performance and production status. We also regularly visit suppliers' production facilities and offices to address any issues or bottlenecks during production. In the long-term, our sourcing initiatives also include looking for new techniques available in the market to increase production efficiency and guiding suppliers to adopt these techniques as well as pre-booking capacity, generally six months ahead of delivery, based on our internal demand projections. Out of our top 10 suppliers as of March 31, 2018, we have not faced any attrition in the last three years.

Our Manufacturing Arrangements

Over the twelve month period ended March 31, 2018, we worked closely with approximately 78 job workers for manufacturing our products, with a significant majority located in the National Capital Region. We exercise control and regular supervision over the manufacturing operations at the facilities of our job workers through our personnel who are either stationed at such facilities or periodically visit these facilities for inspections, enabling us to efficiently carry out production changes in designs or quantity of products required. Further, manufacturing our products through agreements with job workers allows us to increase production capacity as required and without incurring additional capital expenditure, by utilizing additional capacity with existing job workers or entering into agreements with new job workers.

We block capacity with such job workers generally six months ahead of delivery, based on our product requirements and demand projections. Out of our top 10 job workers in terms of fabrication charges incurred, we have not faced any attrition in the last three years, as of March 31, 2018. Further, we have entered into job work arrangements with our group company, TCNS Limited, in relation to production of apparel. See "***Risk Factors – We have in the past entered into related party transactions and may do so in the future. We cannot assure you that we could not have achieved more favourable terms if such transactions had not been entered into with related parties***" on page 18.

We enter into agreements with our job workers, on a non-exclusive basis, to provide us manufacturing services in compliance with the quality standards and other requirements specified by us, such as time and place of delivery, specified by us. Our agreements specify that the job workers shall utilize their own manufacturing facilities, personnel and equipment and that the personnel utilized by the job workers shall remain on their rolls. We are required to provide the raw materials, including our logos to the job workers together with instructions as to the specifications to carry out the manufacturing services. We retain the title to the raw materials provided by us and our job workers are required to return the unutilized raw materials to us. As part of these agreements, we retain the right to inspect the premises or facilities our job workers during business hours. The terms of these agreements is generally one year, with an automatic renewal for another one year period.

Our Quality Control Initiatives

We are committed to maintaining quality standards in all steps of our sourcing and production cycle. We ensure that quality processes are utilized in various facets of the supply chain, such as fabric and garment inspections on the basis of internationally accepted norms as well as internal quality standards, together with quality audits, vendor quality improvement programs, conformity with regulatory processes, implementing training programs and product quality tracking. We have a dedicated quality assurance team comprising eight personnel, as of March 31, 2018, which ensures compliance with internal quality standards. Our quality assurance team also works to ensure that personnel working in all our departments, ranging from sourcing to sales and marketing, are adequately trained. To ensure compliance with our quality management systems and statutory and regulatory compliance, our quality assurance team is equipped to train our staff on updates in quality, regulatory and statutory standards.

Inventory Management, Logistics and Warehousing

Our inventory management processes include product allocation for all our sales channels and store planning based on assessing sales potential and requirements. The analysis for stocking of our products is supported by our inventory replenishment mechanism, which includes monitoring of sales at each store and warehouse. We have also introduced our 'Loss of Sale' application at our exclusive brand outlets, which enables customers to order products which they are unable to locate at our retail stores. We endeavour to ensure that product requirements and order fulfillment at each store, across store formats, is done in a timely and efficient manner. Our inventory management processes are supported by our four warehouses, all located in New Delhi occupied by us on a leasehold basis from third parties, as of March 31, 2018.

Our Distribution and Retail Network

We opened our first store in 2002, with the launch of our first exclusive brand outlet in New Delhi. Our multi-distribution channel retail strategy across formats comprises sales through exclusive brand outlets, large format stores, multi-brand outlets and online channels such as online retailers and our websites.

Exclusive Brand Outlets

We either enter into leases with property owners or enter into franchise agreements with third parties for our exclusive brand outlets. We endeavour to ensure that the customer experience at all our exclusive brand outlets is standardized. We create an aggregate set of styles and generally launch most styles across the country while withholding certain styles from stores in a few regions. As of March 31, 2018, we had 289 leased exclusive brand outlets and 176 exclusive brand outlets through franchise agreements, located across 108 cities in 31 states and union territories in India. In addition we had three exclusive brand outlets in Sri Lanka, two exclusive brand outlets in Mauritius and one exclusive brand outlet in Nepal, as of March 31, 2018. The contribution of international operations to our revenue from operations was 0.48%, 0.44% and 0.37% in Fiscals 2018, 2017 and 2016, respectively.

Leased Exclusive Brand Outlets

We have entered into lease agreements for occupying exclusive brand outlets which we operate directly. The tenure of our leases generally ranges from three to nine years which, in certain instances, are renewable subject to mutual agreement. Under certain lease agreements, our Company is required to pay rent which is higher of either the percentage of revenue or monthly net retail sales or monthly minimum guaranteed amount per square feet of the store area per month. Our Company is required to make an upfront security deposit and a specified monthly rental for the duration of the lease, subject to periodic rent escalations at agreed rates.

Exclusive Brand Outlets through Franchise Agreements

We enter into franchise agreements in locations where we determine that collaboration with a local player with existing experience in a city or market will assist in our operations. Pursuant to our franchise agreements, the franchise partners operate our outlets on an exclusive basis. The term of our franchise agreements generally ranges from three to nine years which are renewable subject to mutual agreement. As per the terms of the franchise agreements, we typically agree to share with our franchisee partners a certain percentage of the margin on the maximum retail price of our products which may be subject to a minimum guarantee amount per month, in certain instances. While generally the franchise partner is required to enter into lease agreements for occupation of land for operation of our exclusive brand outlets, in certain cases we enter into lease agreements and sub-lease the premises to our franchise partners. Our franchise partners are also required to meet store design requirements specified by us and for which we provide technical assistance as our cost. Under our franchise arrangements, we generally undertake an obligation to bear a portion of the discount or reduced price for end of season sales and in certain instances provide stock on a sale or return basis and take back any unsold stock from our franchise partner.

Sales of products at exclusive brand outlets accounted for 49.67%, 48.03% and 52.65% of our revenue from operations for Fiscals 2018, 2017 and 2016, respectively. The table below sets out the geographical spread (by states in India) of our exclusive brand outlets, as of March 31, 2018:

State or Union Territory	Exclusive Brand Outlets	State or Union Territory	Exclusive Brand Outlets
Delhi	54	Andhra Pradesh	6
Maharashtra	49	Madhya Pradesh	11
Karnataka	50	Chandigarh	6
Uttar Pradesh	38	Punjab	7
Haryana	29	Goa	5
Telangana	30	Chhattisgarh	5
West Bengal	25	Manipur	3
Kerala	19	Pondicherry	5
Tamil Nadu	21	Sikkim	2
Assam	17	Jammu and Kashmir	2
Gujarat	20	Meghalaya	2
Bihar	12	Arunachal Pradesh	1
Jharkhand	11	Himachal Pradesh	3
Rajasthan	9	Nagaland	1
Uttarakhand	10	Tripura	2
Odisha	10		

Large Format Stores

As of March 31, 2018, we sell our products through large format stores, such as Pantaloons, Shoppers Stop and Lifestyle, covering 1,469 outlets across 203 cities in 29 states in India. Our agreements with such retailers are non-exclusive in nature and range from three to five years, renewable subject to mutual agreement. As per the terms of majority of our agreements, we supply our products on a sale or return basis and take back any unsold stock from the retailer and are required to maintain insurance policies for the products until delivered to the respective retailers. Under these agreements, we are required to share a certain percentage of the margin on the maximum retail price of our products and share the cost of discount on terms mutually agreed between our Company and the retailers. Large format stores which have separate points of sale for W and Aurelia, even though physically located at the same store, are considered as two distinct outlets. Sales of products at large format stores accounted for 27.73%, 29.32% and 30.45% of our revenue from operations for Fiscals 2018, 2017 and 2016, respectively. The table below sets out the geographical spread (by states in India) of our large format store outlets, as of March 31, 2018:

State or Union Territory	Large Format Store Outlets	State or Union Territory	Large Format Store Outlets
Maharashtra	238	Odisha	23
Karnataka	184	Jharkhand	22
Uttar Pradesh	138	Rajasthan	30
Tamil Nadu	151	Bihar	25
West Bengal	113	Uttarakhand	17
Telangana	99	Chhattisgarh	12
Delhi	68	Chandigarh	10
Kerala	77	Jammu and Kashmir	4
Gujarat	49	Goa	3
Andhra Pradesh	54	Tripura	3
Haryana	39	Sikkim	3
Punjab	44	Arunachal Pradesh	2
Madhya Pradesh	32	Meghalaya	1
Himachal Pradesh	1	Nagaland	1
Assam	26		

Multi-Brand Outlets

We retail our products through 1,522 multi-brand outlets including through 21 distributors across India. We either directly sell our products to such multi-brand outlets or enter into distribution agreements with distributors to further sell products to multi-brand outlets. The distribution agreements permit distributors to sell our products in a certain specified territory on a non-exclusive basis and are generally for terms ranging from two to three years. As part of these agreements, distributors are required to provide adequate warehousing, office space, vehicles and personnel in order to ensure efficient distribution of our products. We typically provide a discount or margin on maximum retail price and provide trade incentives from time to time in accordance with our internal policies. Our sales of products at multi-brand outlets accounted for 11.05%, 11.27% and 9.32% of our revenue from operations Fiscals 2018, 2017 and 2016, respectively.

Online Channels

We also sell our products through online channels such as online retailers including Myntra, Jabong and Amazon and our websites, *wforwoman.com* and *shopforaurelia.com*. Our agreements with online retailers are non-exclusive in nature and are generally for one or two years. We agree to share either a specified percentage of the margin on the maximum retail price or additional margin on the basis of the revenues generated by our products. In certain cases, we also agree to share any discount granted, on mutually agreed terms. Additionally, some of these agreements give rights to the online retailers to liquidate the unsold inventory, post termination of agreement, by continuing to sell off the products until the inventory is sold. Sales of products through online retailers accounted for 10.05%, 10.11% and 6.77% of our revenue from operations for Fiscals 2018, 2017 and 2016, respectively.

The table below illustrates certain key operational data for the exclusive brand outlets, large format stores and multi-brand outlets utilized by us:

	March 31, 2018	March 31, 2017	March 31, 2016
W			
Exclusive brand outlets	281	233	202
Large format store outlets	717	535	426
International Outlets	5	5	2
Aurelia			
Exclusive brand outlets	183	148	103
Large format store outlets	752	456	368
International Outlets	1	1	0
Wishful			
Exclusive brand outlets [1]	1	-	-

Our Company			
Exclusive brand outlets	465	381	305
Large format store outlets [2]	1,469	991	794
Multi-brand outlets[3]	1,522	1,109	960
International Outlets	6	6	2
Total points of sale	3,462	2,487	2,061
Same store sales growth [4]	8.0%	8.5%	27.3%

[1] *Products under Wishful are also sold at exclusive brand outlets for W, as of March 31, 2018.*
[2] *Large format stores which have separate points of sale for W and Aurelia, even though physically located at the same store, have been considered as two distinct outlets.*
[3] *We have entered into agreements with 21 distributors, as of March 31, 2018 for the sale of both W and Aurelia through multi-brand outlets.*
[4] *Same store sales growth is defined as: growth in sales of stores existing for the entire duration of both the current and previous period for exclusive brand outlets and large format stores combined, for the Fiscal or period.*

Branding, Marketing and Advertising

We endeavour to utilize novel and distinctive marketing, advertising and customer engagement initiatives such as creating new fashion trends which combine western and ethnic apparel and introducing products in seasonal thematic collections. Our branding processes are aimed at ensuring that our brands have distinctive identities by utilizing different brand logos, symbols and tag-lines across our product portfolio and marketing materials. We utilize identifiable and standardized colours and typography across packaging materials, at point of sales and in our communications both online and at physical stores. Our exclusive brand outlets have standardized visual designs and layouts, catering to each of our brands, in order to make them readily identifiable.

Our marketing and advertising initiatives include digital and print advertisements, email communications, and public relations initiatives, as well as marketing through traditional channels such as outside of home displays, in order to increase brand awareness, acquire new customers, market new concepts, drive customer traffic across our retail channels and strengthen and reinforce our brand image. We also use in-store communication, store facades and store shutters for advertising our brands. We have a dedicated sales and marketing team comprising of 10 employees, as of March 31, 2018. For the Fiscal 2018 and 2017 our advertising and sales promotion expenses were ₹ 334.55 million and ₹ 395.06 million, respectively, or, 3.97% and 5.56% of our revenue from operations, respectively. Our marketing campaigns include focus groups and surveys with select customers and retail staff to enable feedback. We periodically undertake promotional activities to create awareness. These include setting up stalls across colleges, coordinating 'fashion cafes' at corporates offices, sponsoring events and exhibitions, interacting with journalists, influencers, bloggers and stylists.

Employees and Human Resources

We believe our employees and personnel are one of our most important assets and critical to maintaining our competitive position in our key geographical markets and in our industry. As of March 31, 2018, we had 3,086 employees, as set forth below, by function:

As of March 31, 2018	
Quality Assurance	8
Design	37
Marketing	10
Corporate - Others	144
Corporate Total	199
Sales Staff at our exclusive brand outlets	1,279
Key Accounts Staff for large format stores	1,608
Total	3,086

As of March 31, 2018, in addition to our full-time employees, we utilized 301 personnel who are engaged on a contractual basis, with 214 personnel engaged at our warehouses and 47 personnel assisting in sampling of raw materials and finished products. We consider ourselves to have good relations with our employees. In addition to compensation that includes salary, allowances (including performance linked bonuses), employee stock options and growth and reward plans, we provide our employees other benefits which include insurance coverage, medical reimbursements, yearly leave, retirement benefits and child education assistance.

Our human resource policies focus on recruiting talented and qualified personnel, whom we believe integrate well with our current workforce. We endeavour to develop and train our employees in order to facilitate the growth of our operations. We have instituted several inclusivity initiatives for our employees. We have in place a rewards and recognition program and conduct regular events to recognize and award employees based on performance and the impact they have made, irrespective of their seniority, department or location. We also celebrate 'retail employees' day' on December 12 every year, with the aim of appreciating the efforts of the employees working in our retail stores. As part of our 'CEO Club' initiative, we have identified 80 stores with the intent of mentoring top performing managers. Our employee induction procedures are focused on taking regular feedback and facilitating interaction between new employees and senior management. We conduct regular training workshops and performance reviews. We have medical and accident insurance for our employees and have also introduced wellness and physical health programs.

Other Community Initiatives

We endeavour to provide employment to differently-abled individuals at our retail stores. We have partnered with certain non-governmental organizations to donate food grain, stationery, toys, clothes and quilts and organize skill development workshops by our designers and undertake tree plantation drives.

Information Technology

We believe that investment in IT infrastructure is essential to improve our operational efficiencies and enhance productivity. We continue to focus on building and improving our IT capabilities. We have implemented an enterprise resource planning solution in April 2018, which we believe will help standardize our processes and supply the tools necessary for our management team in aspects of better sales planning, performance, longevity, collecting information on real-time basis and enhancing profitability. The solution is designed to help us in the planning and management of our sourcing and manufacturing operations and to assist in the smooth functioning of finance, sales, stores, purchase, inventory and payroll functions. Our point of sale tracking system allows us to gain deeper insights and operational data in a timely manner. See "***Risk factors – Any failure of our information technology systems could adversely affect our business and our operations***" on page 24.

Insurance

Our operations are subject to hazards inherent in storing and transporting our products such as work accidents, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions, including hazards that may cause loss of life and severe damage to and the destruction of property and inventory. Our principal types of insurance coverage includes coverage for all normal risks associated with our business, including fire, burglary, money, accidents and other natural disasters. We typically maintain standard fire, burglary and money policies for our fixed assets and stock of stores and warehouses, to cover risks such as fire and other ancillary perils. We also obtain insurance for transit of goods including raw material supplied by us to our job workers. We also have several marine policy, director and officer liability insurance policy, public liability policy, vehicle insurance policies and a group mediclaim policy and group personal accident policy for our employees. These insurance policies are generally valid for a year and are renewed annually. We believe that the amount of insurance currently maintained by us represents an appropriate level of coverage required to insure our business and operations, and is in accordance with industry standards in India. See "***Risk factors – Our insurance coverage may not be sufficient or may not adequately protect us against all material hazards, which may adversely affect our business, results of operations and financial condition***" on page 27.

Competition

The Indian women's apparel industry, particularly for ethnic and non-western apparel, is highly fragmented with several regional brands and retailers present in local markets across the country. Our products compete with local retailers, non-branded products, economy brands and products of other established brands. According to Technopak, we compete with several players across branded product categories including regional players. We also face competition from private in-house label brands launched by large format stores. See "***Risk Factors – Our industry is competitive and our inability to compete effectively may adversely affect our business, results of operations, financial condition and cash flows.***" on page 23.

Health and Safety

We aim to comply with applicable health and safety regulations and other requirements in our operations and have adopted an environment, energy, occupational health and safety policy that is aimed at complying with legislative requirements, requirements of our licenses, approvals, various certifications and ensuring the safety of our employees and the people working under our management. We have implemented work safety measures to ensure a safe working environment, such measures include general guidelines for health and safety at our offices and warehouses, accident reporting, wearing safety equipment and maintaining clean and orderly work locations. See "***Risk factors – Non-compliance with and changes in, safety, health, labour and environmental laws and other applicable regulations, may adversely affect our business, results of operations and financial condition. If we fail to obtain, maintain or renew our statutory and regulatory licenses, permits and approvals required to operate our business, our business and results of operations may be adversely affected.***" on page 24.

Intellectual Property

We own a number of trademarks in India relating to our brands under several classes, and we have filed 9 applications for registration of certain other trademarks such as ''W' Women Wear', W (label) and Aurelia under certain classes. The registered trademarks are valid for a period of 10 years from the date of application or renewal. For further details, see "***Government and Other Approvals***" on page 248. See also ***"– Our Business Operations – Our Brands***" and "***Risk Factors – Our inability to protect or use our intellectual property rights may adversely affect our business***" on pages 109 and 20, respectively.

Awards and Accolades

Over the years, we have received several awards and accolades, which include: W has been recognized as the 'IMAGES Most Admired Fashion Brand of the Year: Women's Indianwear' for 2017, 2016, 2015 and 2014; W has been recognized for the design concept 'pantrobes' as the 'IMAGES Most Admired Fashion Design Concept of the Year' and 'IMAGES Most Admired Retailer – Store Design & VM' both for 2017; we received the 'Brand with outstanding e-Retail Performance' for 2016 at the India e-Retail Awards; and we were recognized as the 'retail marketing campaign of the year' for our #UnlikeBoring campaign at the CMO Asia Awards, 2016. See "***History and Certain Corporate Matters – Major Events and Milestones – Awards and Accreditations***" on page 122.

Our Immoveable Properties

Our Registered Office and Corporate Office is located at New Delhi, on premises we utilize on a leasehold basis. Our Registered office is leased from our Group Company, TCNS Limited. In addition we utilize four warehouses on a leasehold basis.

KEY REGULATIONS AND POLICIES IN INDIA

*The following description is an overview of certain sector specific relevant laws and regulations as prescribed by the GoI and other regulatory bodies which are applicable to the business and operations of our Company. The information detailed in this section has been obtained from publications available in public domain. The description of laws and regulations set out below may not be exhaustive and is only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. For details of government approvals obtained by us, see "**Government and other Approvals**" on page 248. The statements below are based on the current provisions of the Indian law and the judicial, regulatory and administrative interpretations thereof, which are subject to change or modification by subsequent legislative actions, regulatory, administrative, quasi-judicial, or judicial decisions.*

TEXTILE RELATED SCHEMES AND POLICIES

National Textile Policy, 2000 ("NTP 2000")

The NTP 2000 aims at facilitating the growth of the textile industry to attain and sustain a pre-eminent global standing in the manufacture and export of clothing and to equip the textile industry to withstand pressure of import penetration and maintain dominant presence in the domestic market. The industry aims at developing a strong and vibrant textile industry that can produce quality products at acceptable process. This objective is sought to be achieved by liberalising controls and regulations so that the different segments of the textile industry are enabled to perform in a greater competitive environment. Major thrust areas of NTP 2000 includes increase in exports and innovating marketing strategies, product diversification along with quality consciousness, among others. Additionally, certain sector specific initiatives envisaged under the NTP 2000 include raw materials, clothing, export and knitting.

OTHER APPLICABLE LAWS

Shops and Commercial Establishments legislations in various states

Under the provisions of local shops and commercial establishment legislations applicable in the states in which establishments are set up, establishments are required to be registered under the respective legislations. Contravention to provision of shops and commercial establishment legislations may entail penalty including imprisonment along with fine. These legislations regulate the condition of work and employment in shops and commercial establishments and generally prescribe obligations in respect of registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures and wages for overtime work, among others.

Municipality Laws

Pursuant to the Constitution (Seventy-Fourth Amendment) Act,1992 the respective state legislatures in India have power to endow the municipalities with power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India. The respective States of India have enacted laws empowering the municipalities to issue trade license for operating stores and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

Trade Marks Act, 1999

In India, trademarks enjoy protection under both statutory and common law. Indian trademark law permits the registration of trademarks for goods and services. The Trade Marks Act, 1999 ("**Trademark Act**") governs the statutory protection of trademarks and for the prevention of the use of fraudulent marks in India. Certification marks and collective marks can also be registered under the Trademark Act. An application for trademark registration may be made by individual or joint applicants and can be made on the basis of either use or intention to use a trademark in the future.

Applications for a trademark registration may be made for in one or more international classes. Once granted, trademark registration is valid for ten years unless cancelled. If not renewed after ten years, the mark lapses and the registration has to be restored. The Trademark (Amendment) Act, 2010 has been enacted by the GoI to amend the Trademark Act to enable Indian nationals as well as foreign nationals to secure simultaneous protection of trademark in other countries, and to empower the Registrar of Trademarks to do so. It also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to bring the law generally in line with international practice.

The Legal Metrology Act, 2009 ("Legal Metrology Act")

The Legal Metrology Act which came into force on March 1, 2011 was enacted to establish and enforce standards of weights and measures and to regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number. The Legal Metrology (Packaged Commodities) Rules, 2011 framed under the Legal Metrology Act lay down specific provisions applicable to packages intended for retail sale, wholesale packages and for export and import of packaged commodities and also provide for registration of manufacturers and packers. Further, states may, after consultation with the Central Government, frame state specific rules under this Act to provide for the time limits for verification of weights and measures, maintenance of registers and records, manner of notifying government authorities, fees for compounding of offences etc.

Foreign Investment Regulations

Foreign investment in India is governed by the provisions of Foreign Exchange Management Act, 1999 ("**FEMA**") along with the rules, regulations and notifications made by the Reserve Bank of India thereunder, and the consolidated FDI Policy ("**FDI Policy**") issued by the Department of Industrial Policy and Promotion ("**DIPP**"), Ministry of Commerce and Industry, Government of India from time to time. The FDI Policy consolidates all the press notes, press releases, and clarifications on FDI issued by DIPP. Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the approval route. Under the current FDI Policy (effective from August 28, 2017), foreign direct investment in companies engaged in the manufacturing sector is permitted up to 100% of the paid up share capital of such company under the automatic route i.e. without requiring prior government approval, subject to compliance with certain prescribed pricing guidelines and reporting requirements.

Labour Law Legislations

The various labour and employment related legislation that may apply to our operations, from the perspective of protecting the workers' rights and specifying registration, reporting and other compliances, and the requirements that may apply to us as an employer, would include the Contract Labour (Regulation and Abolition) Act, 1970, Employee's Compensation Act, 1923, Employees State Insurance Act, 1948, Employee's Provident Fund and Miscellaneous Provisions Act, 1952, Equal Remuneration Act, 1976, Maternity Benefit Act, 1961 and Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was incorporated as 'TCNS Clothing Co. Private Limited' on December 3, 1997, as a private limited company under the Companies Act 1956, at New Delhi, with a certificate of incorporation granted by the RoC. On the conversion of our Company to a public limited company pursuant to a resolution passed by our Shareholders on January 5, 2018, our name was changed to "TCNS Clothing Co. Limited" and a fresh certificate of incorporation dated January 19, 2018 was issued by the RoC.

Business and management

For a description of our activities, services, technology, market segments, the growth of our Company, the standing of our Company with reference to prominent competitors in connection with our management, major suppliers, environmental issues, regional geographical segment etc., see "***Our Business***", "***Industry Overview***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 103, 85 and 225, respectively. For details of the management of our Company and its managerial competence, see "***Our Management***" on page 126.

Changes in Registered Office

Details of prior changes in the registered office of our Company are as below:

Effective date	Details of change	Reasons for change
August 1, 2003	The address of the registered office of our Company was changed from 3, Community Centre, Saket, New Delhi- 110 017 to 13, Community Centre, Saket, New Delhi- 110 017	Due to operational efficiency
April 1, 2009	The address of the registered office of our Company was changed from 13, Community Centre, Saket, New Delhi- 110 017 to 3, Community Centre, Saket, New Delhi- 110 017	Due to operational efficiency
February 15, 2016	The address of the registered office of our Company was changed from 3, Community Centre, Saket, New Delhi- 110 017 to Unit No. 112, F/F Rectangle 1, D-4, Saket, District Centre, New Delhi- 110 017	Due to operational efficiency

Our main objects

The main object of our Company as contained in our MoA is:

"1. To carry on the business of buyers, sellers, exporters, importers, merchandisers, traders, coordinators, distributors, agents, brokers, stockists, commission agents, auctioneers, trustees, forwarders, dealers, concessionaires, processors, reprocesses, tanners, dressers, weavers, dyers, jobbers, contractors, spinners, knitters, combers, manufacturers, producers, assemblers, finishers, packers, processors, texturisers, retailers, wholesalers, suppliers, representatives, sub agents, inquiry agents, publicity and advertising agents in India and abroad of all kinds of apparels, dresses, clothers, outfits, garments, textiles, fabrics, yarns, fibbers, silk, cotton, hemp, jute, linen, fibbers, woollens, acrylic, viscose, waste, silks, hemp, linen, suiting, shirting dress materials corduroy, carpet, blankets, curtains, ribbons, towels, handkerchiefs, scarves, tapestry, shawls, ready-made garments, leather wears, leather goods, shoes, wearing apparels, neck-ties, gloves, overcoats, rain coats, rugs, cosmetics, wigs, sweaters, knitwears, hosiery goods, under garments, dresses, embroideries, plastics, rubbers, canvas goods, village industries, cottage industries, home industries, handicrafts, brasswares, handlooms, antiques, decorators, knitwears, hosiery, shoes, wearing apparels, dress material, umbrellas, mufflers, chesters, nets, socks, hats, belts, caps, bags, purses, sports goods, varity bags, buttons, zips, fasteners, buckles, cuff-links, pipings, borders, lining, supports, attachments, pads, hooks, accessories and tools, trims, synthetic polyester, polyethylene, polypropylene, silk, artificial silk, wool silk and other material and all fibres, synthetic artificial & natural fibbers, nylon, rayon, jute and any other fibbers or fibrous materials textiles substance allied product, by-products and substitutes for all or any of them and to treat and utilize any waste arising from any such manufacture production or process and blends and mix thereof."

Amendments to our Memorandum of Association

Since the incorporation of our Company, the following amendments have been made to our MoA:

Date of change/ Shareholders' resolution	Nature of amendment
November 18, 2003	The authorised share capital of our Company was increased from ₹ 1,000,000 divided into 100,000 equity shares of the Company of ₹ 10 each to ₹ 20,000,000 divided into 2,000,000 equity shares of the Company of ₹ 10 each.
March 31, 2004	The authorised share capital of our Company was increased from ₹ 20,000,000 divided into 2,000,000 equity shares of the Company of ₹ 10 each to ₹ 32,500,000 divided into 3,250,000 equity shares of the Company of ₹ 10 each.
October 31, 2005	The authorised share capital of our Company was increased from ₹ 32,500,000 divided into 3,250,000 equity shares of the Company of ₹ 10 each to ₹ 52,500,000 divided into 5,250,000 equity shares of the Company of ₹ 10 each.
August 13, 2007	The authorised share capital of our Company was increased from ₹ 52,500,000 divided into 5,250,000 equity shares of the Company of ₹ 10 each to ₹ 150,000,000 divided into 15,000,000 equity shares of the Company of ₹ 10 each.
September 30, 2011	The authorised share capital of the Company was reclassified from ₹ 150,000,000 divided into 15,000,000 equity shares of the Company of ₹ 10 each to 13,000,000 equity shares of the Company of ₹ 10 each and 2,000,000 preference shares of the Company of ₹ 10 each aggregating to ₹ 150,000,000.
	Each of the existing 13,000,000 equity shares of the Company of ₹ 10 each and 2,000,000 preference shares of the Company of ₹ 10 each in the authorised share capital of the Company were sub-divided into 130,000,000 equity shares of the Company of ₹ 1 each and 20,000,000 Preference Shares of ₹ 1 each aggregating to ₹ 150,000,000.
March 17, 2017	The authorised share capital of our Company was increased from ₹ 150,000,000 divided into 130,000,000 equity shares of the Company of ₹ 1 each and 20,000,000 Preference Shares of ₹ 1 each to ₹ 380,000,000 divided into 360,000,000 equity shares of the Company of ₹ 1 each and 20,000,000 Preference Shares ₹ 1 each.
January 5, 2018	Amendment to reflect the change in name of our Company from TCNS Clothing Co. Private Limited to TCNS Clothing Co. Limited.
	Each of the existing 360,000,000 equity shares of our Company of ₹ 1 each in the authorised share capital of our Company were consolidated into 180,000,000 Equity Shares of ₹ 2 each.

Total number of Shareholders of our Company

As on the date of this Prospectus, our Company has 17 Shareholders. For further details on the shareholding of our Company, see "***Capital Structure***" on page 58.

Major events and milestones

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

Calendar Year	Events and Milestones
2002	Launched the brand 'W'
2006	Launched the brand 'Wishful'
2009	Launched the brand 'Aurelia'
2011	Investment by Matrix Holdings and Matrix India
2015	Opened W stores in Mauritius and Sri Lanka
2016	Investment by Wagner Limited
2017	Opened the first 'Wishful' store in India at New Delhi

Awards and Accreditations

Calendar Year	Awards and accreditations
2015	Received the "Annual Images Fashion Awards for 'Most Admired Fashion Brand of the Year: Women's Indian wear' for brand W for Women"
	Received the "Annual Images Fashion Awards for 'Most Admired Fashion Retailer of the Year: Women's Indianwear' for brand W for Women"
2016	Received the "CMO award for 'Retail Excellence - Retail Marketing Campaign of the Year' #*UnlikeBoring* Campaign"
	Received the "CMO Asia Award for 'Retail Excellence Awards – Marketing Campaign of the Year' #*UNUSUAL*S by W"
	Received the "Images Most Admired Retailer Award- Digital Marketing Campaign" for brand 'W'
	Received the "Indian e-Retail Award for Brand with Outstanding e-Retail Performance- Clothing brand W for Women"
	Received the "Annual Images Fashion Awards for 'Most Admired Fashion Brand of the Year: Women's Indian wear' for brand W"
2017	Received the "Annual Images Fashion Awards for 'Most Admired Fashion Brand of the Year: Women's Indian wear' for brand W for Women"
	Received the Annual Images Fashion Awards for "Most Admired Fashion Retailer – Store Design & VM' for brand W for Women"
	Received the "Maddies Mobile Marketing Awards for 'Most effective Campaign for Consumer' for brand W for Women"
2018	Received the "Annual Images Fashion Awards for 'Most Admired Fashion Design Concept of the Year: Pantrobes by W"

Changes in 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 immediately preceding the date of this Prospectus, which may have had a material effect on our profits or loss, including discontinuance of our lines of business, loss of agencies or markets and similar factors.

Capital raising (Equity/ Debt)

Our equity issuances in the past and outstanding debt as on March 31, 2018, have been provided in "***Capital Structure***" and "***Financial Indebtedness***" on pages 58 and 243, respectively. Further, our Company has not undertaken any public offering of debt instruments since its incorporation.

Strike and lock-outs

We have not experienced any strike, lock-outs or labour unrest since incorporation.

Time/cost overrun

There have been no time/cost overruns pertaining to our business operations since incorporation.

Defaults or rescheduling of borrowings with financial institutions/banks, conversion of loans into equity by the Company

There have been no defaults or rescheduling of borrowings with financial institutions or banks. For details of conversion of loans into Equity Shares, see ***"Capital Structure"*** on page 58.

Injunctions or Restraining Order against our Company

There are no injunctions or restraining orders against our Company as on the date of this Prospectus.

Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets, etc.

Our Company has not acquired any business or undertaking, or entered into any scheme of merger or amalgamation.

Material Agreements

Share purchase agreement dated August 8, 2016 entered into among our Company, our Promoters, certain shareholders of our Company and Wagner, the Share purchase agreement dated August 8, 2016 entered into among our Company, Matrix Partners India Investment Holdings LLC and Matrix Partners India Investment LLC and Wagner and the Shareholders' agreement dated August 8, 2016 entered into among our Company, Parmeet Pasricha, Princy Singh, Angad Pasricha, Saranpreet Pasricha (collectively, the "Family Shareholders"), our Promoters, Wagner and Anant Kumar Daga (the "Shareholders' Agreement"), as amended.

Pursuant to the share purchase agreements dated August 8, 2016, Wagner purchased (i) an aggregate of 26,511,383 equity shares of face value of ₹ 1 each of our Company from our Promoters, Family Shareholders, Anant Kumar Daga and certain other shareholders of our Company for an aggregate consideration of approximately 4,947.81 million; and (ii) an aggregate of 12,522,428 equity shares of face value of ₹ 1 each and 12,025,030 Preference Shares from Matrix Partners India Investment Holdings LLC and Matrix Partners India Investment LLC for an aggregate consideration of approximately 4,358.23 million. Wagner holds 40.66% of our Equity Share capital, as on the date of this Prospectus.

In accordance with the terms of the Shareholders' Agreement, Wagner has certain rights and obligations, including, among others, pre-emptive rights in the event our Company issues any new securities, the right to nominate (a) two non-rotational directors on our Board as long as Wagner holds at least 7.5% of our issued Equity Share capital on a fully diluted basis; (b) one observer on our Board who shall be entitled to attend all Board and committee meetings of our Company; and (c) a director on each committee of our Board, certain affirmative voting rights, exit rights, rights of first offer and tag-along rights in the event of certain proposed transfer of shares by other parties and certain information rights.

Further, our Promoters also have certain rights under the Shareholders' Agreement, including the right to nominate four directors on our Board and a tag-along right in respect of certain proposed transfer of shares by other parties. Further, according to the Shareholders' Agreement, Anant Kumar Daga, so long as he is the chief executive officer of our Company or unless otherwise determined by the Board in accordance with the Shareholders' Agreement, be the Managing Director of our Company.

In accordance with the terms of the amendment agreement dated February 26, 2018, the Shareholders' Agreement will automatically terminate in its entirety upon the listing and trading of the Equity Shares on the Stock Exchanges, without requiring any further action by any party. Further, in terms of Part A of our Articles of Association (which will become effective from the commencement of listing of our Equity Shares on the Stock Exchanges pursuant to this Offer) and in accordance with other terms of the amendment agreement dated February 26, 2018, Wagner will have the right to nominate two directors on our Board, so long as Wagner holds at least 7.5% of our Company's fully diluted paid-up share capital, subject to such right being approved by the members of the Company through a special resolution at the first general meeting of the Company held post completion of this Offer.

Our Promoters have entered into an upside sharing agreement dated June 15, 2018 with Wagner pursuant to which, our Promoters/members of Promoter Group are entitled to receive from Wagner such number of Equity Shares as are determined under the agreement, aggregating to a maximum of 1,621,740 Equity Shares (amounting to 2.36% of our equity share capital on a fully diluted basis) at a price of ₹ 373.26 per Equity Share, upon occurrence of sale of all or any of the Equity Shares held by Wagner, pursuant to an initial public offering or otherwise, subject to the applicable regulatory lock-in. Any acquisition of Equity Shares by the Promoters/members of Promoter Group pursuant to the upside sharing agreement will be subject to compliance with applicable laws, including the SEBI Takeover Regulations and the FEMA regulations. The upside sharing agreement shall survive the completion of the Offer.

For further details, see "***Main Provisions of the Articles of Association – Part A***" on page 320.

Non-compete arrangements with our Promoters, *Parmeet Pasricha, Angad Pasricha, Saranpreet Pasricha* and our Managing Director, Anant Kumar Daga

Non-compete agreement dated February 26, 2018 entered into amongst our Company, the Promoters, Parmeet Pasricha, Angad Pasricha and Saranpreet Pasricha ("Non-Compete Agreement")

Pursuant to the Non-Compete Agreement, our Promoters and certain members of the Promoter Grouphave agreed that until the expiry of three years from the date of listing and admission to trading of Equity Shares or such time Wagner continues to hold at least 7.5% of the Share Capital on a fully diluted basis, whichever is earlier, he/she will not undertake, be concerned in or assume any executive responsibilities in any company (other than our subsidiaries) that is engaged in any business that is the same as, or substantially similar to our business or the business of manufacturing, distribution and sales (including retail trading and wholesale cash and carry trading) of any apparel, bags, shoes and jewellery, in each case, in any manner and through any formats ("**Competing Business**"), in any manner or through any vehicle, including through other companies, where the Promoters or certain members of the Promoter Group have an interest or attempt in any manner. Further, during such period, the Promoters and certain members of the Promoter Group shall not to solicit any of our employees, directors, agents, clients, etc. or persuade any of our clients to cease or to reduce the amount of business customarily or previously being done with us. The aforementioned non-compete restrictions do not apply to (i) any passive investments made in any listed company up to a limit of 4.99% of the share capital of such company; or (ii) business of manufacturing of apparels, bags, shoes and jewellery solely for third parties (except specified restricted entities) pursuant to toll manufacturing and/ or job working arrangements, subject to fulfilment of certain specified conditions; or (iii) fulfilment of responsibilities as a part of employment with a global financial services firm or a consulting firm.

Non-compete arrangement with our Managing Director, Anant Kumar Daga

Pursuant to the protective covenants applicable to Anant Kumar Daga laid down under the TCNS ESOP – II, until the expiry of three years from ceasing to be in the employment of the Company, Anant Kumar Daga will not undertake, be concerned in or assume any executive responsibilities in any company (other than our subsidiaries) that is engaged in any Competing Business. Further, during such period, he shall not to solicit any of our employees, directors, agents, clients, etc. or persuade any of our clients to cease or to reduce the amount of business customarily or previously being done with us. However, the aforementioned non-compete restrictions do not apply to any passive investments made by Anant Kumar Daga in any listed and unlisted company up to a limit of 4.99% of the share capital of such company.

Other Agreements

Our Company has not entered into any material contract other than in the ordinary course of business carried on or intended to be carried on by our Company in the two years immediately preceding the date of this Prospectus.

Holding Company

As on the date of this Prospectus, our Company does not have a holding company.

Subsidiaries of our Company

As on the date of this Prospectus, our Company does not have any subsidiary.

TCNS Aure Clothing Private Limited (**"TCNS Aure"**), which was previously our subsidiary, had pursuant to its board resolution dated April 5, 2017 made an application to the RoC for striking-off of its name from the register of companies under section 248(2) of the Companies Act 2013. The notice in relation to the striking off of TCNS Aure was published in the Official Gazette of India on August 12, 2017 by the RoC. The public records of the RoC are currently pending update.

Confirmations

Sale or purchases exceeding 10% in aggregate of the total sales or purchases of our Company

There have been no sales or purchases between TCNS Aure and our Company for Fiscal 2018.

Strategic and financial partnerships

Except as disclosed in this Prospectus, our Company does not have any strategic or financial partners as on the date of this Prospectus.

Joint Ventures

As on the date of this Prospectus, our Company does not have any joint venture with any other entity.

Guarantees given by Promoters participating in the Offer

As on the date of this Prospectus, our Promoter~~s~~ Selling Shareholders, Onkar Singh Pasricha and Arvinder Singh Pasricha, have not provided personal guarantees, on behalf of our Company.

OUR MANAGEMENT

Under our Articles of Association, our Company is authorised to have up to 15 Directors. As on the date of this Prospectus, we have six Directors on our Board, comprising of two executive Directors, one non-executive Director and three independent Directors. The Chairman of our Board, Onkar Singh Pasricha, is an executive Director. Further, we have two women Directors on our Board. The present composition of our Board and its committees is in accordance with the corporate governance requirements provided under the Companies Act 2013 and the SEBI Listing Regulations.

Our Board

The following table sets forth details regarding our Board as on the date of this Prospectus.

Name, designation, address, occupation, nationality, term and DIN	Age (years)	Other directorships
Onkar Singh Pasricha *Designation:* Chairman and executive Director *Address:* W-155, Greater Kailash-II, New Delhi-110 048. *Occupation*: Business *Nationality:* Indian *Term:* Liable to retire by rotation *DIN:* 00032290	67	1. Impressions Global Private Limited 2. TCNS Limited 3. Greentex Apparel Solutions Private Limited 4. Wellness Infraprojects Private Limited 5. Retailogix India Private Limited 6. TCNS Resorts Private Limited 7. ELCO Systems Private Limited 8. TCNS Technologies Private Limited 9. Goodearth Clothing Company Limited
Anant Kumar Daga *Designation:* Managing Director *Address:* 1702, Tower-15, The Close South, Nirvana Country, Gurgaon, Haryana – 122 018 *Occupation*: Service *Nationality:* Indian *Term:* Liable to retire by rotation *DIN:* 07604184	41	Nil
Naresh Patwari *Designation:* Non-executive Director *Address:* 13th Floor, Birla Aurora, Dr. Annie Besant Road, Worli, Mumbai – 400 030 *Occupation*: Service *Nationality:* Indian *Term:* Not liable to retire by rotation *DIN:* 03319397	40	Shilpa Medicare Limited
Neeru Abrol *Designation:* Independent Director *Address:* K-3, Lajpat Nagar Part-3, New Delhi 110 024	63	1. APL Apollo Tubes Limited 2. Apollo Pipes Limited 3. RDF Power Projects Limited 4. Dakshin Dilli Swachh Initiative Ltd.

Name, designation, address, occupation, nationality, term and DIN	Age (years)	Other directorships
Occupation: Consultant *Nationality:* Indian *Term:* Five years with effect from December 14, 2017 *DIN:* 01279485		5. East Delhi Waste Processing Company Limited 6. Jindal United Steel Limited
Sangeeta Talwar *Designation:* Independent Director *Address:* S-373, Greater Kailash-II, New Delhi 110 048 *Occupation*: Consultant *Nationality:* Indian *Term:* Five years with effect from December 14, 2017 *DIN:* 00062478	62	1. Manipal Global Education Services Limited 2. HCL Infosystems Limited 3. Glaxosmithkline Consumer Healthcare Limited 4. Sembcorp Green Infra Limited 5. Mahindra First Choice Wheels Limited 6. Sembcorp Energy India Limited 7. Castrol India Limited
Bhaskar Pramanik *Designation:* Independent Director *Address:* 01 Phe, Skycourt, Laburnum, Sushant Lok, Sector 28, Gurgaon- 122 002 *Occupation*: Retired professional *Nationality:* Indian *Term:* Five years with effect from December 14, 2017 *DIN:* 00316650	67	1. State Bank of India 2. Sankhya Infotech Limited

In compliance with Section 152 of the Companies Act 2013, not less than two-thirds of our non-Independent Directors are liable to retire by rotation.

Arrangement or understanding with major Shareholders

Apart from Naresh Patwari, nominated by Wagner, none of our Directors have been nominated pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or others. For details of the relevant agreements with Wagner, see "***History and Certain Corporate Matters***" on page 120.

Brief profiles of our Directors

Onkar Singh Pasricha, aged 67 years, is the Chairman, executive Director and one of the Promoters of our Company. He holds a bachelor's degree in technology in electrical engineering from Indian Institute of Technology, Delhi. He has been on our Board since December 3, 1997 and was last re-appointed on January 5, 2018. He has more than 40 years of experience in the apparel industry.

Anant Kumar Daga, aged 41 years, is the Managing Director of our Company. He holds a bachelor's degree in commerce from the University of Calcutta and a post-graduate diploma in management from Indian Institute of Management, Ahmedabad. He joined our Company as a Chief Executive Officer with effect from March 16, 2010 and has been on the Board since September 7, 2016. Prior to joining our Company, Anant Kumar Daga has worked with Reebok, India as director (sales) and with ICICI bank. He also features in the Economic Times' 40 under 40 list of India's hottest business leaders for 2017 and has been awarded the "Brand Professional of the Year Award" at the CMAI Apex Awards 2017.

Naresh Patwari, aged 40 years, is a non-executive nominee Director of our Company. He holds a degree of bachelor's in technology in mechanical engineering from Indian Institute of Technology, Kharagpur and a degree of master's in business administration from the Tuck School of Business at Dartmouth College, United States. He has been on our Board since August 18, 2016. Naresh Patwari is currently employed with TA Associates Advisory as a Director. He was previously employed with Schlumberger, McKinsey & Company and ICICI Venture.

Neeru Abrol, aged 63 years, was appointed as an independent Director of our Company on December 14, 2017. She is an associate member of the Institute of Chartered Accountants of India. She has worked with National Fertilizers Limited ("**NFL**") as its chairperson and managing director. Prior to NFL, she has worked with the Steel Authority of India Limited, holding various management positions.

Sangeeta Talwar, aged 62 years, was appointed as an independent Director of our Company on December 14, 2017. She holds a post-graduate diploma in management from Indian Institute of Management, Kolkata. She is currently a partner at Flyvision Consulting LLP. She has worked with Nestle India as an executive vice president, marketing, Mattel Inc., India as its managing director, Tata Tea as an executive director, marketing and NDDB Dairy Services as its managing director.

Bhaskar Pramanik, aged 67 years, was appointed as an independent Director of our Company on December 14, 2017. He holds a bachelor's degree in technology from Indian Institute of Technology, Kanpur. He has served as the chairman of Sun Microsystems India, managing director of Oracle India and as chairman of Microsoft India.

Relationship between Directors

None of our Directors are related to each other.

Terms of appointment of our executive Directors

Onkar Singh Pasricha

Onkar Singh Pasricha has been our executive Director since December 3, 1997 and was last re-appointed with effect from December 14, 2017. Pursuant to resolutions passed by our Board and Shareholders, both dated February 2, 2018, Onkar Singh Pasricha is entitled to a maximum remuneration of ₹ 4.00 million per annum inclusive of any remuneration directly or otherwise or by way of salary and perquisites, performance based rewards or incentives, subject to the limits prescribed under the Companies Act 2013. In Fiscal 2018, he received a sum of ₹ 3.23 million, as remuneration.

Anant Kumar Daga

Anant Kumar Daga has been our Managing Director since September 7, 2016. He is entitled to a maximum remuneration of ₹ 40.00 million per annum inclusive of any remuneration directly or otherwise or by way of salary and perquisites, performance based rewards/ incentives subject to the limits prescribed under Companies Act 2013, pursuant to resolutions of our Board and Shareholders, both dated February 2, 2018. In Fiscal 2018, Anant Kumar Daga received a sum of ₹ 24.46 million as remuneration.

Compensation paid to our non-executive and Independent Directors

Pursuant to the resolutions passed by our Board and Shareholders on December 14, 2017 and January 5, 2018, respectively, our independent Directors are entitled to receive a sitting fee of ₹ 0.10 million for attending each meeting of our Board and Shareholders and ₹ 75,000 for attending each meeting of such committees of the Board as are required to be constituted under the SEBI Listing Regulations.

Other than as disclosed below, no sitting fees was paid or is payable to our independent Directors for Fiscal 2018.

(In ₹ million)

Name of the independent Director	**Sitting fees (excluding applicable tax) paid for Fiscal 2018**
Neeru Abrol	0.28
Bhaskar Pramanik	0.28

Loans to Directors

No loans that have been availed of by our Directors from our Company are outstanding as on the date of this Prospectus.

None of our Directors are related to the sundry debtors of our Company.

Bonus or profit sharing plan for the Directors

Our Company does not have a bonus or profit sharing plan for our Directors.

Shareholding of our Directors

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

Other than as disclosed under "***Capital Structure – Shareholding of our Directors and Key Managerial Personnel in our Company***" on page 74, none of our Directors hold any Equity Shares in the Company as on the date of this Prospectus. Further, as on the date of this Prospectus, our Company does not have any subsidiary or associate.

Service contracts with Directors

There are no service contracts entered into with any Directors, which provide for benefits upon termination of employment.

Interest of Directors

All our Directors may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a committee thereof, as well as to the extent of other remuneration and reimbursement of expenses, if any, payable to them by our Company. For further details, see "- ***Terms of Appointment of our executive Directors***" and "- ***Compensation Paid to Our non-executive and Independent Directors***", above.

Our Directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Offer. Additionally, our Directors, other than Onkar Singh Pasricha, Naresh Patwari and our independent Directors, are also interested to the extent of stock options that have been or may be granted to them under the employee stock option schemes of our Company. For further details regarding the shareholding of our Directors and the Key Managerial Personnel, see "***Capital Structure – Shareholding of our Directors and Key Managerial Personnel in our Company***" and "***Capital Structure – Employee Stock Option Scheme***" on pages 74 and 60, respectively.

Further, our Company incurs CSR expenses and makes donations to Indus Quality Foundation, a public charitable trust registered under the Income Tax Act, 1961, of which our Promoter and executive Director, Onkar Singh Pasricha is one of the trustees. An aggregate amount of ₹ 11.50 million was contributed as CSR expense and donation, by our Company to Indus Quality Foundation in the Fiscal 2018.

Our nominee Director, Naresh Patwari, who has been nominated by Wagner, may be deemed to be interested to the extent of shareholding of Wagner in our Company.

Further, our Directors are not interested in any property acquired by our Company within two years preceding the date of this Prospectus, or presently intended to be acquired by it.

Except Onkar Singh Pasricha, the Promoter of our Company, our Directors have no interest in the promotion of our Company, as on the date of this Prospectus. For further, details of interests of our executive Directors, who are also our Promoters, see "***Our Promoters, Promoter Group and Group Companies***" on page 138.

Other confirmations

None of our Directors are, or for the five years prior to the date of this Prospectus, have been on the board of any listed company whose shares have been/were suspended from being traded on BSE or NSE.

None of our Directors has been or is a director on the board of any listed companies which have been or were delisted from any stock exchange(s).

None of our Directors are associated with the securities market.

Changes in our Board during the last three years

The changes in our Board during the three years immediately preceding the date of this Prospectus are set forth below.

Name of Director	Date of Change	Reasons
Arvinder Singh Pasricha	February 2, 2018	Cessation as an executive Director
Vijay Kumar Thadani	February 2, 2018	Cessation as an independent Director
Vijay Kumar Thadani	December 14, 2017	Appointment as an independent Director*
Neeru Abrol	December 14, 2017	Appointment as an independent Director*
Sangeeta Talwar	December 14, 2017	Appointment as an independent Director*
Bhaskar Pramanik	December 14, 2017	Appointment as an independent Director*
Naveen Wadhera	December 14, 2017	Cessation as a nominee Director
Anurag Banerjee	December 14, 2017	Cessation as a non-executive Director
Anant Kumar Daga	September 7, 2016	Appointment as managing Director
Naveen Wadhera	August 18, 2016	Appointment as a nominee Director**
Naresh Patwari	August 18, 2016	Appointment as a nominee Director**
Rishi Navani	August 18, 2016	Cessation as a nominee Director
Anurag Banerjee	March 18, 2016	Appointment as a non-executive Director**

**Regularised pursuant to a resolution passed by the Shareholders on January 5, 2018.*
***Regularised pursuant to resolution passed by the Shareholders on September 30, 2016.*

Borrowing powers

Pursuant to our Articles of Association, subject to applicable laws, our Board is authorised to borrow sums of money for the purpose of our Company, with or without security, upon such terms and conditions as the Board may think fit which, together with the monies borrowed by the Company (apart from the temporary loans obtained or to be obtained from the Company's banker in the ordinary course of business) shall not exceed the aggregate of paid-up share capital and free reserves of our Company.

Corporate governance

As on the date of this Prospectus, we have six Directors on our Board, comprising two executive Directors, one non-executive Director and three independent Directors. The Chairman of our Board, Onkar Singh Pasricha, is an executive Director. Further, we have two women Directors on our Board.

Our Company undertakes to take all necessary steps to continue to comply with all the applicable requirements of SEBI Listing Regulations and the Companies Act 2013. Our Company is in compliance with the corporate governance norms prescribed under the SEBI Listing Regulations and the Companies Act, 2013 in relation to the composition of our Board and constitution of committees thereof.

Board committees

Our Company has constituted the following Board committees in terms of the SEBI Listing Regulations, and the Companies Act 2013:

(a) Audit Committee;
(b) Nomination and Remuneration Committee;
(c) Stakeholders' Relationship Committee; and
(d) Corporate Social Responsibility Committee.

Audit Committee

Our Company had constituted an Audit cum Finance Committee pursuant to a resolution of our Board dated February 3, 2017 which was last reconstituted as the Audit Committee on December 14, 2017 in accordance with the SEBI Listing Regulations. The Audit Committee currently consists of:

1. Neeru Abrol– *Chairperson*
2. Sangeeta Talwar– *Member*
3. Bhaskar Pramanik - *Member*
4. Naresh Patwari - *Member*

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

Scope and terms of reference*:* The terms of reference of the Audit Committee shall include the following:

The Audit Committee shall have powers, including the following:

1. To investigate any activity within its terms of reference;
2. To seek information from any employee;
3. To obtain outside legal or other professional advice; and
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

The role of the Audit Committee shall include the following:

(a) Overseeing of our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
(b) Recommending to the Board, the appointment, re-appointment, terms of appointment and, if required, the replacement or removal of the auditor and the fixation of audit fees;
(c) Approving payment to statutory auditors for any other services rendered by the statutory auditors;
(d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

    - Matters required to be included in the Director's responsibility statement to be included in the Board's report in terms of Clause (c) of Sub-Section (3) of Section 134 of the Companies Act 2013;
    - Changes, if any, in accounting policies and practices and reasons for the same;
    - Major accounting entries involving estimates based on the exercise of judgment by management;
    - Significant adjustments made in the financial statements arising out of audit findings;
    - Compliance with listing and other legal requirements relating to financial statements;
    - Disclosure of any related party transactions; and
    - Modified opinion(s) in the draft audit report.

(e) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
(f) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
(g) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
(h) Approval of any subsequent modification of transactions of our Company with related parties and omnibus approval for related party transactions proposed to be entered into by our Company, subject to the conditions as may be prescribed;

    Explanation: *The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act 2013.*

(i) Scrutiny of inter-corporate loans and investments;

(j) Valuation of undertakings or assets of the Company, wherever it is necessary;
(k) Evaluation of internal financial controls and risk management systems;
(l) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
(m) 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;
(n) Discussing with internal auditors of any significant findings and follow up there on;
(o) 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;
(p) 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;
(q) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
(r) Recommending to the Board the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;
(s) To review the functioning of the whistle blower mechanism;
(t) Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
(u) Oversee the vigil mechanism established by our Company and the chairman of audit committee shall directly hear grievances of victimization of employees and directors, who use vigil mechanism to report genuine concerns in appropriate and exceptional cases;
(v) Mandatorily review the following:
    - management discussion and analysis of financial condition and results of operations;
    - statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
    - management letters / letters of internal control weaknesses issued by the Statutory Auditors;
    - internal audit reports relating to internal control weaknesses;
    - the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and
    - statement of deviations:
        - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of SEBI Listing Regulations; and
        - annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of SEBI Listing Regulations.
(w) Any other matter as may be prescribed, from time to time, to be referred to the Audit Committee in terms of the Companies Act 2013/ SEBI Listing Regulations and the applicable rules, regulations thereto.

Nomination and Remuneration Committee

Our Company had constituted a compensation committee pursuant to a resolution of our Board dated May 2, 2014 which was last reconstituted as the Nomination and Remuneration Committee by a resolution of our Board dated February 2, 2018, in accordance with the SEBI Listing Regulations. The Nomination and Remuneration Committee currently consists of:

1. Bhaskar Pramanik – *Chairperson*
2. Neeru Abrol – *Member*
3. Onkar Singh Pasricha - *Member*
4. Naresh Patwari - *Member*

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

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

(a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that —

i. the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
ii. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
iii. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

(b) Formulation of criteria for evaluation of independent directors and the Board;

(c) Devising a policy on Board diversity;

(d) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance (including independent director);

(e) Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:

- The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 or the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 to the extent each is applicable; or

- The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003.

(f) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of directors; and

(g) Carrying out any other functions required to be undertaken by the Nomination and Remuneration Committee under applicable law.

Stakeholders' Relationship Committee

Our Stakeholders' Relationship Committee was constituted by a resolution of our Board dated December 14, 2017 and was last reconstituted pursuant to the Board resolution dated February 2, 2018. The Stakeholders' Relationship Committee currently consists of:

1. Sangeeta Talwar- *Chairperson*
2. Anant Kumar Daga - *Member*
3. Neeru Abrol – *Member*

The Company Secretary shall act as the secretary to the Stakeholders' Relationship Committee.

Scope and terms of reference*:* The terms of reference of the Stakeholders Relationship Committee shall include the following:

(a) Considering and resolving grievances of shareholders', debenture holders and other security holders;

(b) Redressal of grievances of the security holders of the Company, including complaints in respect of allotment of Equity Shares, transfer of Equity Shares, non-receipt of declared dividends, annual reports, balance sheets of the Company, etc.;

(c) Allotment of Equity Shares, approval of transfer or transmission of Equity Shares, debentures or any other securities;

(d) Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.; and

(e) Carrying out any other functions required to be undertaken by the Stakeholders Relationship Committee under applicable law.

Corporate Social Responsibility Committee

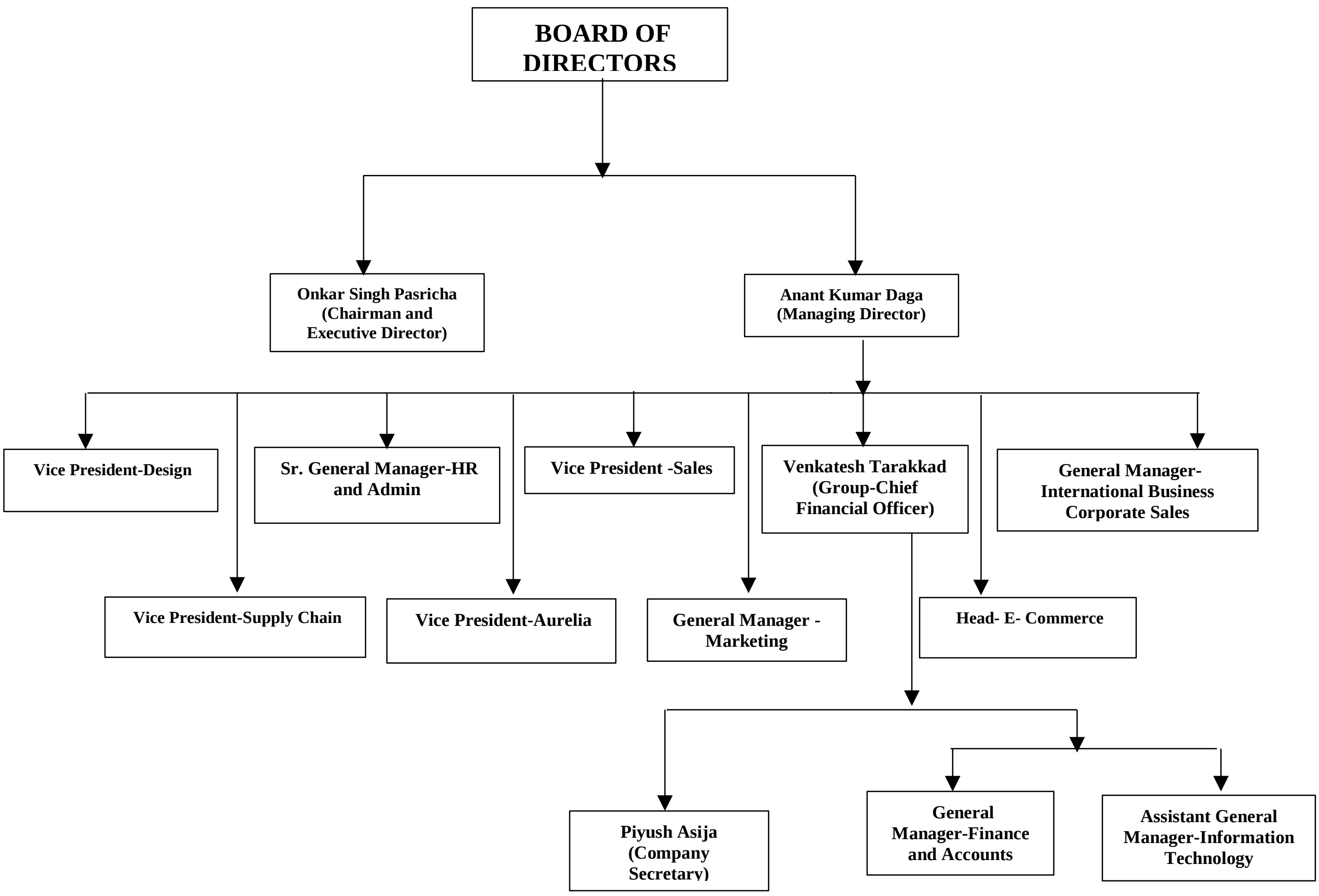
Our Corporate Social Responsibility Committee was constituted by a resolution of the Board dated May 2, 2014 and was last reconstituted on February 2, 2018 and is in compliance with Section 135 of the Companies Act 2013. The Corporate Social Responsibility Committee currently consists of:

1. Sangeeta Talwar
2. Neeru Abrol
3. Bhaskar Pramanik
4. Onkar Singh Pasricha

Scope and terms of reference*:* the terms of reference of the Corporate Social Responsibility Committee shall include the following:

(a) To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by our Company as specified in Schedule VII of the Companies Act 2013;
(b) To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company; and
(c) To monitor the Corporate Social Responsibility Policy of our Company from time to time.

Management organisation structure



Key Managerial Personnel

In addition to Onkar Singh Pasricha, our Chairman and executive Director and Anant Kumar Daga, our Managing Director, whose details are provided in "***–Brief Profiles of our Directors***" on page 127, the details of our other Key Managerial Personnel as on the date of this Prospectus are set forth below.

Venkatesh Tarakkad

Venkatesh Tarakkad, aged 46 years is the Chief Financial Officer of our Company, appointed with effect from May 15, 2017. He holds a bachelor's degree in commerce from the University of Poona. He is a qualified chartered accountant and costs and works accountant. Prior to joining our Company, he has worked with CocaCola India, Ernst & Young, India, Metro Cash & Carry India, Siam Makro Public Company Limited and CP Wholesale India Private Limited (member of Siam Makro Group). In Fiscal 2018, he received gross remuneration of ₹ 8.36 million.

Piyush Asija

Piyush Asija, aged 33 years is our Company Secretary and the compliance officer. He holds bachelor's degrees in commerce and law from the University of Delhi. He is a qualified company secretary. He joined our Company as a Secretary with effect from July 19, 2010. He was designated as a compliance officer of our Company with effect from December 14, 2017. Prior to this, he has worked with Emaar MGF, PACL India Limited, Varsana Ispat and People Strong HR Services. He has 10 years of experience in the field of secretarial and legal compliances. In Fiscal 2018, he received gross remuneration of ₹ 3.93 million.

All our Key Managerial Personnel are permanent employees of our Company.

Relationship among Key Managerial Personnel

None of our key managerial personnel are related to each another.

Bonus or profit sharing plan for the Key Managerial Personnel

There is no profit sharing plan for the Key Managerial Personnel. Our Company makes bonus payments to Key Managerial Personnel in accordance with their terms of appointment.

Shareholding of Key Managerial Personnel

Other than as provided under "***Capital Structure – Shareholding our Directors and Key Managerial Personnel***", none of our Key Managerial Personnel hold Equity Shares as on the date of this Prospectus.

Service contracts with Key Managerial Personnel

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company including Key Managerial Personnel is entitled to any benefit upon termination of such officer's employment or superannuation pursuant to any service contracts executed with our Company.

Loans to and deposits from Key Managerial Personnel

As on the date of this Prospectus, there are no outstanding loans availed by our Key Managerial Personnel from our Company.

Interest of Key Managerial Personnel

Except as disclosed above in relation to our executive Directors and managing Director and except to the extent of the remuneration, benefits, reimbursement of expenses incurred by our Key Managerial Personnel in the ordinary course of business in their respective capacity of our Company and stock options that have been or may be granted to them from time to time under the employee stock option schemes, none of our Key Managerial Personnel have any interest in our Company.

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

For further details regarding the stock options held by our Key Managerial Personnel, as applicable, see "***Capital Structure – Employee Stock Option Scheme***" on page 60.

Contingent and deferred compensation payable to Key Managerial Personnel

There is no contingent or deferred compensation payable to our Key Managerial Personnel, which does not form part of their remuneration.

Arrangements and understanding with major Shareholders, customers, suppliers or others

None of our Key Managerial Personnel have been selected pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or any other person.

Changes in Key Managerial Personnel during the last three years

Except the appointment of Venkatesh Tarakkad as the Group- Chief Financial Officer with effect from May 15, 2017, there have been no other changes in our Key Managerial Personnel during the three years immediately preceding the date of this Prospectus.

For details of appointment of Anant Kumar Daga, our Managing Director, see *"- **Changes in our Board during the last three years**"* on page 130.

Employee Stock Option and Stock Purchase Schemes

For details of the employee stock option plans of our Company, see "***Capital Structure- Employee Stock Option Scheme***" on page 60.

Payment of Non-Salary Related Benefits to Officers of our Company

No amount or benefit has been paid or given to any officer of our Company within the two years preceding the date of filing of this Prospectus or is intended to be paid or given, other than in the ordinary course of their employment.

OUR PROMOTERS, PROMOTER GROUP AND GROUP COMPANIES

The Promoters of our Company are Onkar Singh Pasricha and Arvinder Singh Pasricha. As on the date of this Prospectus, our Promoters hold, in the aggregate, 22,027,311 Equity Shares which constitutes 35.92% of our Company's issued, subscribed and paid-up Equity Share capital. For details of the build-up of our Promoters' shareholding in our Company, see "***Capital Structure – Notes to Capital Structure***" on page 58.

I. Details of our Promoters

Onkar Singh Pasricha

Onkar Singh Pasricha aged 67 years, is our Promoter, chairman and executive Director

Residential Address: W-155, Greater Kailash-II, New Delhi- 110 048

Driving license number: DL-0320010246852

Voter identification number: NEC1073568

For more information, see "***Our Management***" on page 126.

Arvinder Singh Pasricha

Arvinder Singh Pasricha aged 65 years, is our Promoter

Residential Address: S-304, Greater Kailash-II, New Delhi- 110 048

Driving license number: DL-0319920414264

Voter identification number: DL/02/007/030752

Educational qualifications: He holds a bachelors' degree in arts from the University of Delhi.

Experience: He has more than 40 years of experience in the apparel industry and has been a director of our Company from 1997 to 2018.

Other Directorships:

1. Impressions Global Private Limited
2. TCNS Limited
3. Greentex Apparel Solutions Private Limited
4. Wellness Infraprojects Private Limited
5. Retailogix India Private Limited
6. TCNS Resorts Private Limited
7. ELCO Systems Private Limited
8. TCNS Technologies Private Limited
9. Goodearth Clothing Company Limited
10. Pasricha Tevatia Chauhan & Sharma Projects Limited
11. Shilpkar India Designers & Contractors Private Limited

We confirm that the PAN, passport number and bank account numbers for our Promoters were submitted to the Stock Exchanges at the time of submission of the Draft Red Herring Prospectus with them.

Interests of our Promoters and Related Party Transactions

Our Promoters are interested in our Company to the extent that they have promoted our Company and to the extent of their respective shareholdings in our Company and dividend or other distributions payable, if any, by our Company. For further details of our Promoters' shareholding, see "***Capital Structure – Notes to Capital Structure***" on page 58. Additionally, our Promoter, Onkar Singh Pasricha, is also interested in our Company as Director and any remuneration payable to him in such capacity. For details, see "***Our Management – Terms of Appointment of executive Directors***" on page 128. For further details of interests of our Promoters in our Company, see "***Our Management – Interest of Directors***" on page 129.

Our Promoters do not have any interest in any property acquired by our Company during the two years preceding the date of filing of the Draft Red Herring Prospectus or any property proposed to be acquired by our Company or in any transaction in the acquisition of land, construction of building or supply of machinery.

Our Promoters are not interested in any entity which holds any intellectual property rights that are used by our Company.

No sum has been paid or agreed to be paid to our Promoters and our Promoters are not interested as members of any firm or any company and hence no sum has been paid or agreed to be paid to such firm or company in cash or shares or otherwise by any person for services rendered by our Promoters or by such firm or company in connection with the promotion or formation of our Company.

For further details in relation to the interest of our Promoters and Promoter Group, see "***Related Party Transactions***" on page 144.

Confirmations

None of our Promoters are related to the sundry debtors of our Company.

Our Promoters and members of our Promoter Group have not been declared as wilful defaulters as defined under the SEBI ICDR Regulations, and there are no violations of securities laws committed by our Promoters in the past and no proceedings for violation of securities laws are pending against our Promoters.

As on the date of this Prospectus, our Promoters and members of our Promoter Group have not been prohibited by SEBI or any other regulatory or governmental authorities from accessing the capital markets for any reasons. Further, our Promoters were not and are not promoters or persons in control of any other company that is or has been debarred from accessing the capital markets under any order or direction made by SEBI or any other authority.

Common Pursuits of our Promoters, members of Promoter Group and Group Companies

Our Group Company, TCNS Limited is currently engaged in manufacturing activities, however it is enabled under its objects to carry out similar business activities as that of our Company including the business of sellers, retailers and traders of all kinds of apparels. Except for the above, our Promoters, members of our Promoter Group and other Group Companies are not involved in any other venture which is in the same line of activity or business as us.

Disassociation by our Promoters in the preceding three years

Our Promoters have not disassociated themselves from any venture during the three years immediately preceding the date of the Draft Red Herring Prospectus and until the date of this Prospectus.

II. Promoter Group

Set forth below is a list of the members forming part of our Promoter Group, as on the date of this Prospectus:

A. Natural persons who are part of the Promoter Group

Sr. No.	Name of member of the Promoter Group
1.	Mohinder Kaur (mother of our Promoters)

Sr. No.	Name of member of the Promoter Group
2.	Jatinder Pasricha (wife of Onkar Singh Pasricha)
3.	Gurmeet Singh Pasricha (brother of our Promoters)
4.	Pushpinder Kumar (sister of our Promoters)
5.	Davinder Pruthi (sister of our Promoters)
6.	Saranpreet Pasricha (son of Onkar Singh Pasricha)
7.	Parmeet Pasricha (daughter of Onkar Singh Pasricha)
8.	Narendra Kaur Chabada (mother-in-law of Onkar Singh Pasricha)
9.	Parvinder Kabli (sister-in-law of Onkar Singh Pasricha)
10.	Ajinder Kaur Sawhney (sister-in-law of Onkar Singh Pasricha)
11.	Gurdeep Kaur (sister-in-law of Onkar Singh Pasricha)
12.	Arvinder Kaur (sister-in-law of Onkar Singh Pasricha)
13.	Suneet Omprakash Menon (sister-in-law of Onkar Singh Pasricha)
14.	Amarbir Pasricha (wife of Arvinder Singh Pasricha)
15.	Aman Pasricha (daughter of Arvinder Singh Pasricha)
16.	Zinnia Pasricha (daughter of Arvinder Singh Pasricha)
17.	Angad Pasricha (son of Arvinder Singh Pasricha)
18.	Mohinder Kaur Bhambri (mother-in-law of Arvinder Singh Pasricha)
19.	Arvinder Pal Singh (brother-in-law of Arvinder Singh Pasricha)
20.	Kokila Singh (sister-in-law of Arvinder Singh Pasricha)

B. Entities forming part of the Promoter Group:

The entities forming a part of the Promoter Group are as follows:

Sr. No.	Name of member of the Promoter Group
1.	TCNS Limited
2.	Goodearth Clothing Company Private Limited
3.	Greentex Apparel Solutions Private Limited
4.	TCNS Resorts Private Limited
5.	Wellness Infraprojects Private Limited
6.	Elco Systems Private Limited
7.	TCNS Technologies Private Limited
8.	Pasricha Tevatia Chauhan & Sharma Projects Private Limited
9.	Shilpkar India Designers & Contractors Private Limited
10.	Sri Niwas Griha Nigam
11.	Onkar Singh HUF
12.	Arvinder Singh HUF
13.	M Tex
14.	Impressions Global Private Limited
15.	Retailogix India Private Limited
16.	G Tex International
17.	Gurmeet Singh Pasricha HUF
18.	Udaan Angel Partners
19.	ASP Family Trust
20.	OSP Family Trust
21.	Pasricha's International
22.	Naldehra Nest LLP

C. Shareholding and other confirmation of our Promoter Group

For details of the shareholding of the members of our Promoter Group in our Company and various confirmations in relation to the members of our Promoter Group, see "***Capital Structure – Shareholding of our Promoters and our Promoter Group***" and "***Other Regulatory and Statutory Disclosures***" on pages 69 and 251, respectively.

III. Group Companies

As per the SEBI ICDR Regulations for the purpose of identification of group companies, our Company has considered related party companies covered under the applicable accounting standards as per the Restated Financial Information and also any other companies as considered material by the Board (except such companies, if applicable, with which the related party relationship has ceased to exist on or prior to March 31, 2018, as reflected in the Restated Financial Information). For the purpose of disclosure in the offer documents, a company shall be considered material and will be disclosed as a 'Group Company' in the offer documents, in accordance with the policy adopted by the Board on February, 2, 2018, if such company:

(i) is a member of the Promoter Group and has entered into one or more transactions with the Company in the most recent audited Fiscal which, individually or in the aggregate, exceed 10% of the total audited restated consolidated revenue of the Company for such Fiscal; and

(ii) companies which, subsequent to the date of the last audited restated financial information of the Company disclosed in the offer documents, would require disclosure in the financial statements of the Company for subsequent periods as entities covered under the relevant accounting standards in addition to/ other than those companies covered under the accounting standards applicable to the audited and restated financial information of the Company included in the offer documents (including any stub period in respect of which audited financial statements are included in the offer documents).

For avoidance of doubt, it is clarified that any direct or indirect subsidiaries, if any, of the Company shall not be considered as 'Group Companies' for the purpose of disclosure in the offer documents.

As on the date of this Prospectus, our Group Companies comprise:

1. TCNS Limited; and

2. TCNS Technologies Private Limited.

Set out below are details of our Group Companies.

TCNS Limited

TCNS Limited is a public limited company which was incorporated under the Companies Act 1956 on October 16, 1998 upon conversion of a partnership firm TCNS - Tarlok Chand Narinder Singh. Its CIN is U18101DL1998PLC096735 and its registered office is located at Unit No. 112 F/F, Rectangle 1, D-4, Saket District Center, New Delhi – 110 017. TCNS Limited is currently engaged in manufacturing of apparels.

Financial Information

(In ₹)

Particulars	**As on***		
	March 31, 2017	**March 31, 2016**	**March 31, 2015**
Equity share capital	95,297,140	95,297,140	95,297,140
Reserves and surplus	220,325,779	212,733,870	199,996,300
Revenue from operations	1,737,829,840	1,628,588,568	1,371,302,796
Profit/(Loss) for the year	7,591,909	12,737,570	20,047,824
Earnings/(loss) per share (Basic)	0.80	1.34	2.10
Earnings/(loss) per share (Diluted)	-	-	-
Net asset value per share**	33.12	32.32	30.99

**The financial numbers as on March 31, 2018 have not been audited yet*
***Net asset value per share = Net worth/number of shares as at year end*

Significant notes of auditors

There are no significant notes of the auditors in relation to the aforementioned financial statements.

TCNS Technologies Private Limited

TCNS Technologies Private Limited is a private limited company which was incorporated under the Companies Act 1956 on May 8, 2008. Its CIN is U74140DL2008PTC177819 and its registered office is located at 3, Community Center, Saket, New Delhi – 110 017. TCNS Technologies Private Limited is currently engaged in carrying out, *inter alia,* the business of call centres, business process outsourcing, networking, telecommunications, data analysis, data entry management, data conversion and processing and consultancy thereof, in and outside India.

Financial Information

(In ₹)

Particulars	As on*		
	March 31, 2017	March 31, 2016	March 31, 2015
Equity share capital	341,800	341,800	341,800
Reserves and surplus	413,985	443,526	359,192
Revenue from operations	-	3,165,616	11,038,802
Profit/(Loss) for the year	(29,541)	84,334	11,815
Earnings/(loss) per share (Basic)	(0.86)	2.47	0.35
Earnings/(loss) per share (Diluted)	(0.86)	2.47	0.35
Net asset value per share**	22.11	22.98	20.51

***The financial numbers as on March 31, 2018 have not been audited yet*

***Net asset value per share = Net worth/number of shares as at year end*

Significant notes of auditors

There are no significant notes of the auditors in relation to the aforementioned financial statements.

Interest of our Promoters in Group Companies

Our Promoters are interested in our Group Companies to the extent of their respective shareholdings in our Group Companies, as applicable, and dividend or other distributions payable, if any, by such Group Companies. Additionally, our Promoters are also interested in our Group Companies as directors on the board of directors of each of our Group Company.

Details of negative net worth and loss-making Group Companies

None of our Group Companies, had a negative net worth in Fiscal 2017.

Except TCNS Technologies Private Limited, none of our Group Companies have incurred a loss in the preceding audited financial year, i.e. Fiscal 2017. For details on loss incurred by TCNS Technologies Private Limited, see "***Group Companies - TCNS Technologies Private Limited***" above.

Payment of benefits

Except as stated above in "- ***Interest of our Promoters***" and "***Related Party Transactions***" on pages 138 and 144, no amount or benefit has been paid or given to our Promoters and members of our Promoter Group in the two years preceding the date of filing of the Draft Red Herring Prospectus nor is any amount or benefit proposed to be paid or given to them as on the date of this Prospectus.

Confirmations and disclosures by our Group Companies

As on the date of this Prospectus, none of our Group Companies has any interest in the promotion or formation of our Company. Further, except as provided in "***Related Party Transactions***" on page 144, none of our Group Companies have any business interest in our Company.

Further, as on the date of this Prospectus:

i. None of our Group Companies have any interest in any property acquired by our Company within the two years preceding the date of filing the Draft Red Herring Prospectus or proposed to be acquired by it, or any interest in any transaction by our Company pertaining to acquisition of land, construction of building and supply of machinery, etc.

ii. Our Company does not have any sales or purchase transactions with our Group Companies exceeding, in the aggregate, 10% of the total sales or purchases of our Company, as per our Restated Financial Information for Fiscal 2018. For details on business transactions with our Group Companies and their significance on our financial performance, see "***Related Party Transactions***" on page 144.

Related Party Transactions

Except as provided in "***Related Party Transactions***" on page 144, no related party transactions have been entered into between our Group Companies and our Company, as on the date of our latest Restated Financial Information included in this Prospectus.

In particular, pursuant to a job work agreement dated August 3, 2016 entered into between our Company and TCNS Limited, TCNS Limited provides us services for manufacturing of women ethnic apparels for consideration which is agreed upon between TCNS Limited and us from time to time. The agreement is for a period of one year and is subject to automatic renewal for subsequent terms of one year each on the same terms and conditions provided in the agreement.

Sick or Defunct Companies

None of our Group Companies is sick or defunct, under the Sick Industrial Companies (Special Provisions) Act, 1985 and Companies Act respectively. Further, as on the date of this Prospectus, none of our Group Companies are under winding up.

No application has been made to the RoC for striking off the name of any of our Group Companies during the preceding five years.

Other confirmations/disclosures

As on the date of this Prospectus, none of our Group Companies have been declared as a wilful defaulter, as defined under the SEBI ICDR Regulations and there are no violations of securities laws committed by any of them in the past and no proceedings for violation of securities laws are pending against them.

As on the date of this Prospectus, none of our Group Companies have been prohibited by the SEBI or any other regulatory or governmental authorities from accessing the capital markets for any reasons.

RELATED PARTY TRANSACTIONS

For details of the related party transactions during Fiscals 2018, 2017 and 2016 as per the requirments under Ind AS 24 and during Fiscals 2015 and 2014, as per the requirements under AS 18, see "***Financial Statements – Annexure V"*** and "***Financial Statements - Annexure XXXIV (A)***" on pages 181 and 220, respectively.

DIVIDEND POLICY

As on the date of this Prospectus, our Company does not have a formal dividend policy. The declaration and payment of dividend on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, in accordance with provisions of our Articles of Association and applicable law, including the Companies Act (together with applicable rules issued thereunder) and will depend on a number of factors, including but not limited to our profits, capital requirements, contractual obligations, restrictive covenants in financing arrangements and the overall financial condition of our Company. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements.

Our Company has not declared any dividends during the last five Fiscals.

SECTION V – FINANCIAL INFORMATION

FINANCIAL STATEMENTS

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INDEPENDENT AUDITOR'S REPORT ON RESTATED FINANCIAL INFORMATION

The Board of Directors
TCNS Clothing Co. Limited (Formerly known as TCNS Clothing Co. Private Limited)

Dear Sirs,

1. We have examined, as appropriate (refer paragraphs 4, 5 and 6 below), the attached Restated Financial Information of TCNS Clothing Co. Limited (Formerly known as TCNS Clothing Co. Private Limited) (the "Company"), which comprise of the Restated Statement of Assets and Liabilities as at March 31, 2018, 2017, 2016, 2015 and 2014, the Restated Statement of Profit and Loss (including other comprehensive income) and Restated Statement of Changes in Equity for the years ended March 31, 2018, 2017 and 2016, the Restated Statement of Profit and Loss for the years ended March 31, 2015 and 2014 and the Restated Statement of Cash Flows for the years ended March 31, 2018, 2017, 2016, 2015 and 2014 respectively, and the Summary of Significant Accounting Policies (collectively, the "Restated Financial Information") as approved by the Board of Directors of the Company at their meeting held on June 14, 2018 for the purpose of inclusion in the offer document prepared by the Company in connection with its proposed Initial Public Offer ("IPO") prepared in terms of the requirements of:

    a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act");

    b) the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 ("ICDR Regulations"); and

    c) The Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India as amended from time to time (the "Guidance Note").

2. The preparation of the Restated Financial Information is the responsibility of the management of the Company for the purpose set out in paragraph 13 below. The management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The management is also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

    Our responsibility is to examine the Restated Financial Information and confirm whether such Restated Financial Information comply with the requirements of the Act, ICDR Regulations and the Guidance Note.

3. We have examined such Restated Financial Information taking into consideration:

   a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated September 8, 2017 in connection with the proposed IPO;

   b) The Guidance Note; and

   c) The Guidance Note on Reports or Certificates for Special Purposes (Revised 2016), which include the concepts of test checks and materiality. This Guidance Note requires us to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information. This Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

4. These Restated Financial Information have been compiled by the management from:

   a) Audited Ind AS financial statements of the Company as at and for the year ended March 31, 2018, which includes the comparative Ind AS financial statements as at and for the year ended March 31, 2017, prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time which have been approved by the Board at their meeting held on May 28, 2018. The Comparative Ind AS financial statements as at and for the year ended March 31, 2017 have been prepared by making Ind AS adjustments to the audited financial statements of the Company as at and for the year ended March 31, 2017, prepared in accordance with the accounting standards notified under the section 133 of the Companies Act, 2013, ("Previous GAAP") which was approved by the Board of directors at their meeting held on September 27, 2017.

   b) Audited financial statements of the Company as at March 31, 2015 and 2014 and for the years ended March 31, 2015 and 2014 prepared in accordance with the Previous GAAP which have been approved by the Board of Directors at their meetings held on September 3, 2015 and September 2, 2014 respectively.

   c) The Restated Financial Information also contains the proforma Ind AS financial statements as at and for the year ended March 31, 2016. These proforma Ind AS financial statements have been prepared by making Ind AS adjustments to the audited Previous GAAP financial statements as at and for the year ended March 31, 2016 which have been approved by the Board of Directors at their meeting held on September 3, 2016 as described in Note 2.1 of Annexure V.

5. The audit report on the financial statements as at and for the year ended March 31, 2016 was unmodified and included the following other matter paragraph:

   "The Company has introduced a policy for provision for sales return from this financial year and due to this an additional impact of margin on account of provision for sales return is booked as an expenses of Rs. 6.58 crores (net of Rs. 12.58 crores for FY 15) and the profit is understated to the extent of this amount. Refer note no. 27.13 of notes forming part of financial statements".

6. Audit for the financial years ended March 31, 2016, 2015 and 2014 was conducted by previous auditor, Mr. Rajesh Rastogi (Membership No. 086270), proprietor of M/s R. Rastogi & Co. (Firm Registration No. 007527N) and accordingly reliance has been placed on the financial information examined by him for the said years. The financial report included for these years, i.e. March 31, 2016, 2015 and 2014 are based solely on the report submitted by him. As stated in the examination report issued by Mr. Rajesh Rastogi on June 14, 2018, he has merged the proprietorship name (M/s R. Rastogi & Co.) and registration number with M/s Om Rastogi & Co., Chartered Accountants (Firm Registration No. 002604C) ("the Firm"), with effect from October 1, 2017. Since then, he became a Partner in the Firm. Therefore, these Restated Financial Information have been examined by Mr. Rajesh Rastogi in the capacity as Partner in the Firm for the aforesaid periods. Mr. Rajesh Rastogi in the capacity of partner in the Firm has also confirmed that the restated financial information relating to above mentioned period:

   a) have been made after incorporating adjustments for the changes in accounting policies retrospectively in financial year ended March 31, 2014 to reflect the same accounting treatment as per accounting policies as at and for the year ended March 31, 2015;

   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 extra-ordinary items that need to be disclosed separately and do not contain any qualification requiring adjustments.

   d) with respect to the proforma Ind AS financial information as at and for the year ended March 31, 2016, the proforma Ind AS financial information have been prepared by making appropriate Ind AS adjustments to the audited Previous GAAP financial statements as at and for the year ended March 31, 2016 as described in Note 2.1 of Annexure V.

7. Based on our examination, we report that:

   a) The Restated Statement of Assets and Liabilities of the Company, including as at March 31, 2016, 2015 and 2014 examined and reported upon by Mr. Rajesh Rastogi in the capacity as Partner in the Firm, and who has submitted his report on which reliance has been placed by us, and as at March 31, 2018 and 2017 examined by us, as set out in Annexure I relating to March 31, 2018, 2017 and 2016 and Annexure I (A) relating to March 31, 2015 and 2014 to this report are after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure VI: "Statement of Material Adjustments to Audited Financial Statements" relating to March 31, 2018, 2017 and 2016 and Annexure XI: "Statement of Material Adjustments to Audited Financial Statements" relating to March 31, 2015 and 2014.

b) The Restated Statement of Profit and Loss (including other comprehensive income) of the Company for the year ended March 31, 2016 and the Restated Statement of Profit and Loss of the Company for the years ended March 31, 2015 and 2014 examined and reported upon by Mr. Rajesh Rastogi in the capacity as Partner in the Firm, and who has submitted his report on which reliance has been placed by us, and the Restated Statement of Profit and Loss (including other comprehensive income) of the Company for the years ended March 31, 2018 and 2017 examined by us, as set out in Annexure II relating to years ended March 31, 2018, 2017 and 2016 and Annexure II (A) relating to years ended March 31, 2015 and 2014 to this report are after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure VI: "Statement of Material Adjustments to Audited Financial Statements" relating to years ended March 31, 2018, 2017 and 2016 and Annexure XI: "Statement of Material Adjustments to Audited Financial Statements" relating to years ended March 31, 2015 and 2014 .

c) The Restated Statement of Changes in Equity of the Company, including for the year ended March 31, 2016 examined and reported upon by Mr. Rajesh Rastogi in the capacity as Partner in the Firm, and who has submitted his report on which reliance has been placed by us, and for the years ended March 31, 2018 and 2017 examined by us, as set out in Annexure III to this report are after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure VI: "Statement of Material Adjustments to Audited Financial Statements" relating to years ended March 31, 2018, 2017 and 2016.

d) The Restated Statement of Cash Flows of the Company, including for the year ended March 31, 2016, 2015 and 2014 examined and reported upon by Mr. Rajesh Rastogi in the capacity as Partner in the Firm, and who has submitted his report on which reliance has been placed by us, and for the years ended March 31, 2018 and 2017 examined by us, as set out in Annexure IV relating to March 31, 2018, 2017 and 2016 and Annexure III (A) relating to March 31, 2015 and 2014 to this report are after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure VI: "Statement of Material Adjustments to Audited Financial Statements" relating to March 31, 2018, 2017 and 2016 and Annexure XI: "Statement of Material Adjustments to Audited Financial Statements" relating to March 31, 2015 and 2014.

e) Based on the above and according to the information and explanations given to us, and also as per the reliance placed on the report submitted by Mr. Rajesh Rastogi in the capacity as Partner in the Firm for the respective years, we further report that the Restated Financial Information:

    i) have been made after incorporating adjustments for the changes in accounting policies retrospectively in financial year ended March 31, 2014 to reflect the same accounting treatment as per accounting policies as at and for the year ended March 31, 2015;

    ii) have been made after incorporating adjustments for the changes in accounting policies retrospectively in the financial year ended March 31, 2017 to reflect the same accounting treatment as per accounting policies as at and for the year ended March 31, 2018;

iii) have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate; and

iv) do not contain any extra-ordinary items that need to be disclosed separately and do not contain any qualification requiring adjustments.

8. We have also examined the following restated financial information of the Company set out in the Annexures, proposed to be included in the offer document, prepared by the management and approved by the Board of Directors on June 14, 2018 for the years ended March 31, 2018 and 2017. In respect of the year ended March 31, 2016, these information have been included based upon the report submitted by Mr. Rajesh Rastogi in the capacity as Partner in the Firm and relied upon by us:

   (i) Annexure V- Notes to Restated Financial Information
   (ii) Annexure VI- Statement of Material Adjustments to Audited Financial Statements
   (iii) Annexure VII- Restated Statement of Accounting Ratios
   (iv) Annexure VIII- Restated Statement of Capitalisation
   (v) Annexure IX- Restated Statement of Tax shelter

   According to the information and explanations given to us and also as per the reliance placed on the report submitted by previous auditors, Mr. Rajesh Rastogi in the capacity as Partner in the Firm, in our opinion, the Restated Financial Information and the above restated financial information contained in Annexures I to IX accompanying this report read with Summary of Significant Accounting Policies disclosed in Note No. 2 of Annexure V are prepared after making adjustments and regroupings/reclassifications as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

9. Previous auditors have examined the following restated financial statements of the Company set out in the following Annexures, proposed to be included in the RHP, prepared by the management and approved by the Board of Directors on June 14, 2018 for the years ended March 31, 2015 and 2014. These information have been included based upon the reports submitted by previous auditors, and relied upon by us:

   (i) Note No. 2 of Annexure X - Significant Accounting Policies of Restated Financial Information
   (ii) Note No. 3 of Annexure X - Restated Statement of Share Capital
   (iii) Note No. 4 of Annexure X - Restated Statement of Reserves and Surplus
   (iv) Note No. 5 of Annexure X - Restated Statement of Long-term borrowings
   (v) Note No. 6 of Annexure X - Restated Statement of Other long-term liabilities
   (vi) Note No. 7 of Annexure X - Restated Statement of Long-term provisions
   (vii) Note No. 8 of Annexure X - Restated Statement of Short-term borrowings
   (viii) Note No. 9 of Annexure X - Restated Statement of Trade payables
   (ix) Note No. 10 of Annexure X - Restated Statement of Other current liabilities
   (x) Note No. 11 of Annexure X - Restated Statement of Short-term provisions
   (xi) Note No. 12 of Annexure X - Restated Statement of Fixed Assets-Tangible assets
   (xii) Note No. 13 of Annexure X - Restated Statement of Fixed Assets-Intangible assets
   (xiii) Note No. 14 of Annexure X - Restated Statement of Non-current investments
   (xiv) Note No. 15 of Annexure X - Restated Statement of Deferred Tax Assets
   (xv) Note No. 16 of Annexure X - Restated Statement of Long-term loans and advances
   (xvi) Note No. 17 of Annexure X - Restated Statement of Inventories
   (xvii) Note No. 18 of Annexure X - Restated Statement of Trade receivables

(xviii)	Note No. 19 of Annexure X - Restated Statement of Cash and cash equivalents
(xix)	Note No. 20 of Annexure X - Restated Statement of Short-term loans and advances
(xx)	Note No. 21 of Annexure X - Restated Statement of Other current assets
(xxi)	Note No. 22 of Annexure X - Restated Statement of Revenue from operations
(xxii)	Note No. 23 of Annexure X - Restated Statement of Other income
(xxiii)	Note No. 24 of Annexure X - Restated Statement of cost of materials consumed
(xxiv)	Note No. 25 of Annexure X - Restated Statement of Purchase of stock-in-trade (traded goods)
(xxv)	Note No. 26 of Annexure X - Restated Statement of Changes in inventories of finished goods and work in progress
(xxvi)	Note No. 27 of Annexure X - Restated Statement of Employee benefits expense
(xxvii)	Note No. 28 of Annexure X - Restated Statement of Other expenses
(xxviii)	Note No. 29 of Annexure X - Restated Statement of Finance costs
(xxix)	Note No. 30 of Annexure X - Restated Statement of Depreciation and amortisation
(xxx)	Note No. 31 of Annexure X - Restated Statement of Related party transactions and balances
(xxxi)	Annexure XI - Statement of Material Adjustments to Audited Financial Statements
(xxxii)	Annexure XII - Additional Information to Restated Statement of Financial Information
(xxxiii)	Annexure XIII - Summary of events pertaining to Employee Stock Options Plans
(xxxiv)	Annexure XIV - Restated Statement of Accounting Ratios
(xxxv)	Annexure XV - Restated Statement of Capitalisation
(xxxvi)	Annexure XVI - Restated Statement of Tax Shelter

According to the information and explanations given to us and also as per the reliance placed on the reports submitted by the previous auditors, in our opinion, the restated financial information for the years ended March 31, 2015 and 2014 and the above restated financial information contained in Annexures I (A), II (A), III (A), X to XVI accompanying this report, read with Summary of Significant Accounting Policies disclosed in note 2 of Annexure X, are prepared after making adjustments and regroupings/reclassifications as considered appropriate and have been prepared in accordance with the Act, the ICDR Regulations and the Guidance Note.

10. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

11. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

13. 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, BSE Limited, National Stock Exchange of India Limited and Registrar of Companies, New Delhi in connection with the proposed IPO. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W / W-100018)

Satpal Singh Arora
Partner
(Membership No. 098564)

Place: New Delhi
Date: June 14, 2018

TCNS Clothing Co. Limited (Formerly known as TCNS Clothing Co. Private Limited)

Annexure I Restated Statement of Assets and Liabilities

(All amounts in ₹ million except otherwise specified)

	Particulars	Note No. of Annexure V	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016 (Proforma)
A.	**ASSETS**				
1.	**Non-current assets**				
	(a) Plant and equipment	5	505.68	458.16	379.34
	(b) Capital work-in-progress		24.88	8.41	2.17
	(c) Intangible assets	6	12.89	10.60	13.57
	(d) Intangible assets under development		56.30	24.57	-
	(e) Financial assets				
	(i) Investments	7	-	17.16	13.17
	(ii) Other financial assets	8	393.06	347.44	201.21
	(f) Deferred tax assets (net)	9	115.01	97.00	155.48
	(g) Non-current tax assets (net)	10	94.73	126.02	-
	(h) Other non-current assets	11	71.81	42.83	101.09
	Total non-current assets		**1,274.36**	**1,132.19**	**866.03**
2.	**Current assets**				
	(a) Inventories	12	2,311.50	1,940.25	1,371.41
	(b) Financial assets				
	(i) Investments	13	20.77	-	-
	(ii) Trade receivables	14	1,396.29	997.02	641.52
	(iii) Cash and cash equivalents	15	366.93	19.75	27.61
	(iv) Bank balances other than (iii) above	16	123.91	112.61	75.67
	(v) Other financial assets	8	5.66	10.13	14.67
	(c) Other current assets	11	264.17	46.09	90.93
	Total current assets		**4,489.23**	**3,125.85**	**2,221.81**
	Total assets		**5,763.59**	**4,258.04**	**3,087.84**
B.	**EQUITY AND LIABILITIES**				
1.	**Equity**				
	(a) Equity share capital	17	112.74	111.24	91.74
	(b) Instruments entirely equity in nature	18	242.27	-	-
	(c) Other equity	19	3,959.67	2,708.02	391.52
	Total equity		**4,314.68**	**2,819.26**	**483.26**
2.	**Liabilities**				
	Non-current liabilities				
	(a) Financial liabilities				
	(i) Borrowings	20	2.18	2.66	78.18
	(ii) Other financial liabilities	21	59.15	38.36	44.82
	(b) Provisions	22	55.73	37.33	24.69
	(c) Other non-current liabilities	23	4.09	5.41	3.64
	Total non-current liabilities		**121.15**	**83.76**	**151.33**
3.	**Current liabilities**				
	(a) Financial liabilities				
	(i) Borrowings	20	0.04	83.32	278.47
	(ii) Trade payables	24	1,144.32	1,093.28	846.08
	(iii) Other financial liabilities	21	68.52	90.86	1,181.74
	(b) Provisions	22	1.22	0.99	0.66
	(c) Current tax liabilities (net)	25	-	-	95.94
	(d) Other current liabilities	23	113.66	86.57	50.36
	Total current liabilities		**1,327.76**	**1,355.02**	**2,453.25**
	Total liabilities		**1,448.91**	**1,438.78**	**2,604.58**
	Total equity and liabilities		**5,763.59**	**4,258.04**	**3,087.84**

The above statement should be read with the Basis of preparation and Significant Accounting policies appearing in Note 2 of Annexure V of Notes to the Restated Financial Information.

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

Satpal Singh Arora
Partner

Onkar Singh Pasricha
Chairman

Anant Kumar Daga
Managing Director

Venkatesh Tarakkad
Chief Financial Officer

Piyush Asija
Company Secretary

Place : New Delhi
Date :

Place : New Delhi
Date :

TCNS Clothing Co. Limited (Formerly known as TCNS Clothing Co. Private Limited)

Annexure II Restated Statement of Profit and Loss
(All amounts in ₹ million except otherwise specified)

	Particulars	Note No. of Annexure V	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016 (Proforma)
1.	Revenue from operations	26	8,424.25	7,110.32	4,860.74
2.	Other income	27	67.32	19.41	20.61
3.	**Total income (1+2)**		**8,491.57**	**7,129.73**	**4,881.35**
4.	**Expenses**				
	(a) Cost of materials consumed	28	2,198.54	1,803.95	1,438.00
	(b) Purchase of stock-in-trade		-	6.10	5.63
	(c) Changes in inventories of finished goods and work-in-progress	29	(351.48)	(486.30)	(405.41)
	(d) Excise duty on sale of goods		39.37	100.97	6.87
	(e) Employee benefits expense	30	1,236.14	1,534.41	1,576.20
	(f) Finance costs	31	6.71	24.68	29.46
	(g) Depreciation and amortisation expense	32	166.71	134.05	88.74
	(h) Other expenses	33	3,747.30	3,388.26	2,278.24
	Total expenses		**7,043.29**	**6,506.12**	**5,017.73**
5.	**Restated profit / (loss) before tax (3-4)**		**1,448.28**	**623.61**	**(136.38)**
6.	**Tax expense:**				
	- Current tax	34	483.58	406.39	389.70
	- Deferred tax	9	(16.27)	59.25	(111.12)
	Total tax expense		**467.31**	**465.64**	**278.58**
7.	**Restated profit / (loss) for the year (5-6)**		**980.97**	**157.97**	**(414.96)**
8.	**Other comprehensive income**				
	Items that will not be reclassified to profit or loss				
	- Re-measurement of the defined benefit plans		(5.04)	(2.23)	(1.68)
	- Tax related to above item		1.74	0.77	0.58
	Total other comprehensive income / (expense) for the year (net of tax)		**(3.30)**	**(1.46)**	**(1.10)**
9.	**Total restated comprehensive income / (expense) for the year (7+8)**		**977.67**	**156.51**	**(416.06)**
	Earnings per equity share (Face value of ₹ 2 each):				
	Basic (in ₹)	38	16.12	2.67	(8.09)
	Diluted (in ₹)	38	15.36	2.61	(7.90)

The above statement should be read with the Basis of preparation and Significant Accounting policies appearing in Note 2 of Annexure V of Notes to the Restated Financial Information.

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

Satpal Singh Arora
Partner

Onkar Singh Pasricha
Chairman

Anant Kumar Daga
Managing Director

Venkatesh Tarakkad
Chief Financial Officer

Piyush Asija
Company Secretary

Place : New Delhi
Date :

Place : New Delhi
Date :

TCNS Clothing Co. Limited (Formerly known as TCNS Clothing Co. Private Limited)

Annexure III Restated Statement of Changes in Equity
(All amounts in ₹ million except otherwise specified)

a. Equity share capital

Particular	Amount
Balance as at April 1, 2015 (Proforma)	**91.74**
Shares issued during the year	-
Shares converted during the year	-
Balance as at March 31, 2016 (Proforma)	**91.74**
Shares issued during the year	8.67
Shares converted during the year	10.83
Balance as at March 31, 2017	**111.24**
Shares issued during the year	1.50
Shares converted during the year	-
Balance as at March 31, 2018	**112.74**

b. Instruments entirely equity in nature (Refer note 18)

Particular	Amount
Convertible Redeemable Debentures (CRDs)	
Balance as at March 31, 2016 (Proforma)	**-**
Issued during the year	-
Converted during the year	-
Balance as at March 31, 2017	**-**
Issued during the year	242.27
Converted during the year	-
Balance as at March 31, 2018	**242.27**

c. Other equity

Particulars	Equity component of compound financial instruments	Reserves and surplus				Total
		General Reserve	Securities premium reserve	Share option outstanding account	Retained Earnings	
Balance as at April 1, 2015 (Proforma)	**11.33**	**29.60**	**492.55**	**-**	**274.10**	**807.58**
Loss for the year	-	-	-	-	(414.96	(414.96
Other comprehensive income / (expense) arising from remeasurement of defined benefit obligation (net of tax)	-	-	-	-	(1.10)	(1.10)
Balance as at March 31, 2016 (Proforma)	**11.33**	**29.60**	**492.55**	**-**	**(141.96)**	**391.52**
Modification of Employee Stock Option Plan (ESOP)	-	-	-	1,112.47	-	1,112.47
Recognition of share based payments	-	-	-	736.48	-	736.48
Transfer in respect to ESOP exercised	-	-	802.37	(802.37)	-	-
Premium on issue of equity shares	-	-	322.37	-	-	322.37
Shares converted into equity shares during the year	(11.33)	-	-	-	-	(11.33)
Profit for the year	-	-	-	-	157.97	157.97
Other comprehensive income / (expense) arising from remeasurement of defined benefit obligation (net of tax)	-	-	-	-	(1.46)	(1.46)
Balance as at March 31, 2017	**-**	**29.60**	**1,617.29**	**1,046.58**	**14.55**	**2,708.02**
Recognition of share based payments	-	-	-	215.48	-	215.48
Additions during the year	-	-	58.50	-	-	58.50
Transfer in respect to ESOP exercised	-	-	144.30	(144.30)	-	-
Profit for the year	-	-	-	-	980.97	980.97
Other comprehensive income / (expense) arising from remeasurement of defined benefit obligation (net of tax)	-	-	-	-	(3.30)	(3.30)
Balance as at March 31, 2018	**-**	**29.60**	**1,820.09**	**1,117.76**	**992.22**	**3,959.67**

The above statement should be read with the Basis of preparation and Significant Accounting policies appearing in Note 2 of Annexure V of Notes to the Restated Financial Information.

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Satpal Singh Arora
Partner

Place : New Delhi
Date :

For and on behalf of the Board of Directors

Onkar Singh Pasricha
Chairman

Anant Kumar Daga
Managing Director

Venkatesh Tarakkad
Chief Financial Officer

Piyush Asija
Company Secretary

Place : New Delhi
Date :

TCNS Clothing Co. Limited (Formerly known as TCNS Clothing Co. Private Limited)

Annexure IV Restated Statement of Cash Flow
(All amounts in ₹ million except otherwise specified)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016 (Proforma)
A. CASH FLOW FROM OPERATING ACTIVITIES			
Restated profit / (loss) for the year	**980.97**	**157.97**	**(414.96)**
Adjustments for			
Tax expense	467.31	465.64	278.58
Depreciation and amortisation expense	166.71	134.05	88.74
Re-measurement of defined benefit plan	(5.04)	(2.23)	(1.68)
Interest income	(13.22)	(8.99)	(6.19)
Finance costs	6.71	24.68	29.46
Plant and equipment written off	9.50	18.43	6.23
Allowance for doubtful trade receivables	9.28	-	0.19
Allowance for investment in subsidiary company	-	0.10	-
Fair Valuation of investment	(0.62)	(0.99)	2.18
Share based payments	215.48	736.48	898.36
Operating profit before Working Capital Changes	**1,837.08**	**1,525.14**	**880.91**
Changes in working capital:			
Adjustments for (increase) / decrease in operating assets:			
Inventories	(371.25)	(568.84)	(468.69)
Trade receivables	(408.55)	(355.50)	(8.19)
Other financial assets	(39.65)	(144.30)	(58.77)
Other assets	(249.56)	99.40	(95.60)
Adjustments for increase / (decrease) in operating liabilities:			
Other financial liabilities	2.10	25.33	10.56
Other liabilities	25.77	37.98	8.00
Provisions	18.63	12.97	8.44
Trade payables	51.04	247.20	392.74
Cash generated from operations	**865.61**	**879.38**	**669.40**
Less: Income tax paid	(452.29)	(628.35)	(325.11)
NET CASH GENERATED BY OPERATING ACTIVITIES (A)	**413.32**	**251.03**	**344.29**
B. CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on plant and equipment including capital advances	(244.91)	(199.14)	(270.59)
Capital expenditure on intangible assets including capital advances	(40.09)	(24.57)	-
Proceeds from sale of plant and equipment	11.38	(18.43)	-
Purchase of long term investments	(3.00)	(3.00)	(3.00)
Investment in bank deposits (having original maturity of more than three months)	(11.30)	(36.94)	(14.97)
Investment in subsidiary	-	(0.10)	-
Interest received	11.72	11.58	9.40
NET CASH USED IN INVESTING ACTIVITIES (B)	**(276.20)**	**(270.60)**	**(279.16)**
C. CASH FLOW FROM FINANCING ACTIVITIES			
Repayment from short-term borrowing	(83.28)	(195.15)	(30.93)
Repayment from long-term borrowing	(2.22)	(99.00)	15.18
Shares issued on exercise of employee stock options	60.00	330.54	-
Proceeds from issue of Convertible Redeemable Debentures (CRDs)	242.27	-	-
Finance costs	(6.71)	(24.68)	(29.72)
NET CASH (USED) IN / GENERATED BY FINANCING ACTIVITIES (C)	**210.06**	**11.71**	**(45.47)**
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	347.18	(7.86)	19.66
Cash and cash equivalents at the beginning of the year	19.75	27.61	7.95
Cash and cash equivalents at the end*	**366.93**	**19.75**	**27.61**
* Cash and cash equivalents at the year-end comprises			
- Cash on hand	10.04	10.86	6.84
- Balances with banks			
In current accounts	106.89	8.89	20.77
In deposits	250.00	-	-
	366.93	**19.75**	**27.61**

Note:
There is no non-cash changes in Company's liabilities arising from financing activities.

The above statement should be read with the Basis of preparation and Significant Accounting policies appearing in Note 2 of Annexure V of Notes to the Restated Financial Information.

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

Satpal Singh Arora
Partner

Onkar Singh Pasricha
Chairman

Anant Kumar Daga
Managing Director

Venkatesh Tarakkad
Chief Financial Officer

Piyush Asija
Company Secretary

Place : New Delhi
Date :

Place : New Delhi
Date :

1. GENERAL INFORMATION

TCNS Clothing Co. Private Limited ("the Company") is incorporated in India having its registered office at 3, Community centre, Saket, New Delhi - 110017.

The Company is mainly engaged in the business of manufacturing and sale of contemporary Indian wear which includes top-wear, bottom-wear and drape wear for women under the brand name "W", "Aurelia" and " Wishful".

A fresh certificate of incorporation consequent to the change in name to TCNS Clothing Co. Limited was issued by the Registrar of Companies Delhi on 19 January, 2018 under section 18 of the Companies Act, 2013 to give effect to the change in name of the Company.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation and presentation

The Restated Statement of Assets and Liabilities as at March 31, 2018, 2017 and 2016, the Restated Statements of Profit and Loss (including other comprehensive income) and Restated Statement of Changes in Equity for the years ended March 31, 2018, 2017 and 2016 and the Restated Statement of Cash Flows for the years ended March 31, 2018, 2017 and 2016 respectively, and the Summary of Significant Accounting Policies (collectively, the "Restated Financial Information") have been prepared has been prepared under Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

For all the periods upto and including the year ended March 31, 2017, the Company prepared its audited financial statements in accordance with Accounting Standards notified under section 133 of the Companies Act, 2013 (" Indian GAAP" or Previous GAAP"). The financial statements for the year ended March 31, 2018 are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2016.

The Restated Financial Information have been prepared by the management in connection with the proposed listing of equity shares of the Company, to be filed by the Company with SEBI, in accordance with the requirements of:

a) Section 26 to the Companies Act, 2013;

b) The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by the Securities and Exchange Board of India ("SEBI") on August 26, 2009, as amended to date in pursuance of provisions of Securities and Exchange Board of India Act, 1992 read along with SEBI circular No. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 2016 (together referred to as the "SEBI regulations"); and

c) Guidance note on reports in company prospectuses

The Proforma Financial Information of the Company as at and for the year ended March 31, 2016, is prepared in accordance with requirements of SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/4 dated March 31, 2016 ("SEBI Circular"). As envisaged by the SEBI Circular, the Company has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on its Ind AS transition date (i.e. April 1,2016) while preparing proforma financial information for the FY 2015-16 and accordingly suitable restatement adjustments in the accounting heads have been made in the proforma financial information. This proforma Ind AS financial information have been prepared by making Ind AS adjustments to the audited Indian GAAP financial statements as at and for the year ended March 31, 2016.

The Restated Financial Information are presented in Indian Rupees ('₹') and all values are rounded off to the nearest two decimal million except otherwise stated.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these Ind AS financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2.2. Application of new Indian Accounting Standard

i) <u>New Indian Accounting Standard (Ind AS) issued but not yet effective</u>:

Ind AS 115 'Revenue from Contracts with Customers' was notified on March 28, 2018 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The new revenue standard will supersede all current revenue recognition requirements under Ind AS. This new standard requires revenue to be recognised when promised goods or services are transferred to customers in amounts that reflect the consideration to which the Company expects to be entitled in exchange for those goods or services. Adoption of the new rules could affect the timing of revenue recognition for certain transactions of the Company. The Company is evaluating the requirements of Ind AS 115 and its effect on the financial statements.

ii) <u>Amendments to Indian Accounting Standards (Ind AS) issued but not yet effective:</u>

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the restated financial information are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective. The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standards:

Amendments to Ind AS 12 - Recognition of Deferred Tax Assets for Unrealised Losses:

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount. Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact. These amendments are effective for annual periods beginning on or after April 1, 2018. The Company does not have unrealised losses, hence, these amendments are not expected to have material effect on Company's financial statements.

Appendix B to Ind AS 21 Foreign Currency Transactions and Advance Consideration:

The Appendix clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the transaction date for each payment or receipt of advance consideration. The Appendix is effective for annual periods beginning on or after April 1, 2018. The Company does not have material foreign currency transactions, hence, this amendment is not expected to have material effect on Company's financial statements.

Amendments to Ind AS 40 - Transfers of Investment Property:

The amendments clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use. Entities should apply the amendments prospectively to changes in use that occur on or after the beginning of the annual reporting period in which the entity first applies the amendments. An entity should reassess the classification of property held at that date and, if applicable, reclassify property to reflect the conditions that exist at that date. Retrospective application in accordance with Ind AS 8 is only permitted if it is possible without the use of hindsight. These amendments are effective for annual periods beginning on or after April 1, 2018. The Company does not have investment in property. These amendments are not expected to have material effect on Company's financial statements.

2.3. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) for the year attributable to the shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) for the year attributable to the shareholders of the Company as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.4. Functional and Presentation Currency

The Restated Financial Information are presented in Indian rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

2.5. Use of estimates and judgement

The preparation of Restated Financial Information in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

2.6. Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.7. Revenue recognition

The Company's revenue majorly represents revenue from sale of apparels. The Company sells apparels through own stores and through business partners such as distributors, franchisees, large format stores and e-commerce.

2.7.1. Principal / Agent considerations

The Company assesses its revenue arrangement in order to determine if its business partner is acting as a principle or as an agent by analysing various factors such as whether the Company has exposure to the risk of unsold inventory, if it has price latitude and exposure to credit risk associated with the sale of goods.

The Company has concluded that certain arrangements with its business partner, where the Company has an unconditional obligation relating to unsold inventory, are on principal to agent basis and in such cases revenue is not recognised till the merchandise is sold to the end customers. For other cases the Company has concluded that its arrangements with business partners are on principal to principal and in such cases revenue is recognised when significant risks and rewards are transferred to the business partners.

2.7.2. Recognition and measurement of revenue

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria of transfer of significant risks and rewards as described below is met. In all cases revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, discounts, value added taxes and amounts collected on behalf of third parties, if any.

Revenue recognised is net of the anticipated sales return which is estimated based on past trends.

2.7.3. Transfer of significant risks and rewards

Revenue is recognised on transfer of significant risks and rewards which generally coincides with the delivery of goods to customers.

- For business partner acting as principal, revenue is recognised upon sale to business partner.

- For business partner acting as agent, revenue is recognised once goods are sold by business partner to end-customers.

2.7.4. Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.8. Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease payments under operating leases are recognised as an expense on a straight line basis in the profit or loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

2.9. Foreign currency Transactions and balances

Transactions in foreign currency are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in the profit or loss and reported within foreign exchange gains / (losses).

2.10. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure or qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.11. Employee benefits

Company's Employee benefit obligations include Short-term obligations, compensated absences and Post-employment obligations which includes gratuity plan and contributions to provident fund.

2.11.1. Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

2.11.2. Compensated absences

Compensated absences in form of earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

2.11.3. Post-employment obligations

Defined benefit plans

The Company has defined benefit plan namely gratuity. The liability or asset recognised in the balance sheet in respect of gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

The Company has defined contribution plans for post-employment benefit namely the provident fund. The Company's contribution thereto is charged to the statement of profit and loss every year. The Company has no further payment obligations once the contributions have been paid.

2.12. Share-based payment to employees

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 42 and 43.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

2.13. Taxation

Income tax expense represents the sum of the current tax and deferred tax.

2.13.1. Current tax

The current tax is based on taxable profit for the year. Taxable profit differs from 'Profit Before Tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates applicable for the respective period.

2.13.2. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Restated Financial Information and their tax bases. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and incurred tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.13.3. Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.14. Plant and equipment

Plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. The other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

2.14.1. Depreciation method, estimated useful lives and residual value

Depreciation is calculated using the straight-line method on a pro-rata basis from the date on which each asset is put to use to allocate their cost, net of their residual values, over their estimated useful lives.

Depreciation has been provided in accordance with useful lives assessed lower than the life prescribed in Schedule II to the Companies Act, 2013, taking into account the nature of the asset, the estimated usage of the asset, the management’s estimates of the useful lives of the various categories of assets are as follows:

Plant and machinery	4 years
Furniture and fixtures	5 years
Office equipment	3 years
Vehicles	5 years

Leasehold improvements are amortised on a straight line basis over lease term or 5 years whichever is less.
The assets' residual values and useful lives are reviewed and adjusted, if applicable, at the end of each reporting period.

2.14.2. Derecognition

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on the disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains / (losses).

2.15. Intangible assets

2.15.1. Intangible assets acquired separately

Intangible assets comprising of computer software acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses.

2.15.2. Derecognition policy

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in profit or loss when the asset is derecognised.

2.15.3. Amortisation method and periods

Intangible assets i.e software are amortised on a straight line basis over its estimated useful life i.e. 3 years. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

2.16. Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.17. Inventories

Inventories are valued at the lower of cost (on weighted average basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

2.18. Provisions and contingencies

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

2.19. Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.20 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.20.1. Classification of financial assets

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. Investments in debt mutual funds are measured at fair value through profit or loss as per the business model and contractual cash flow test.

2.20.2. Impairment of financial assets

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

For other financial assets carried at amortised cost the Company assesses, on a forward looking basis, the expected credit losses associated with such assets and recognises the same in profit or loss.

2.20.3. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and book overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

2.20.4. Derecognition of financial assets

The Company derecognises financial assets in accordance with the principles of Ind AS 109 which usually coincides receipt of payment or write off of the financial asset.

2.21. Financial liabilities and equity instruments

2.21.1 Classification of debt or equity

Debt and equity instruments issued by a company entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.21.2 Compound Financial Instruments

The component parts of compound financial instruments issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instruments.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognized as a liability on an amortized cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date. The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound financial instrument as a whole. This is recognized and included in equity, net of income tax effects, and is not subsequently re-measured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognized in other equity will be transferred to other component of equity. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognized in equity will be transferred to retained earnings. No gain or loss is recognized in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognized directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortized over the lives of the convertible notes using the effective interest method.

2.21.3 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a company entity are recognised at the proceeds received, net of direct issue costs.

2.21.4 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and Commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

2.21.5 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in profit and loss account.

2.21.6 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

3. First time adoption of Ind AS

In preparing these Restated Financial Information, the Company’s Opening balance sheet was prepared as at April 1, 2016, the Company’s date of transition to Ind AS.

According to Ind AS 101, the first Ind AS Financial Statements must use recognition and measurement principles that are based on standards and interpretations that are effective at March 31, 2017, the date of first-time preparation of Financial Statements according to Ind AS. These accounting principles and measurement principles must be applied retrospectively to the date of transition to Ind AS and for all periods presented within the first Ind AS Financial Statements.

Any resulting differences between carrying amounts of assets and liabilities according to Ind AS 101 as of April 1, 2016 compared with those presented in the Indian GAAP Balance Sheet as of March 31, 2016, were recognized in equity under retained earnings within the Ind AS Balance Sheet.

Following notes explain the principal adjustments made by the Company in restating Indian GAAP financial statements, including the balance sheet as at April 1, 2016 and the financial statements as at and for the year ended March 31, 2017.

3.1. Optional exemptions availed and mandatory exceptions

The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2016 by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Company as detailed below.

3.1.1. Deemed cost for Plant and Equipment and intangible assets

The Company has elected to continue with the carrying value of all of its plant and equipment and intangible assets recognised as of April 1, 2016 measured as per the Previous GAAP and used that carrying value as its deemed cost as of the transition date.

3.1.2. Impairment of financial assets

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

4. Critical accounting judgements

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the Restated Financial Information is included in the following significant estimates:-

4.1. Income taxes

The Company’s tax jurisdiction is in India. Significant judgments are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions.

4.2. Share-based payments to employees

The fair value of share-based payments to employees determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. The fair value of stock options at the grant date are determined by an independent valuer using assumptions and method determined by the Company.

4.3. Plant and equipment and Intangible assets

The charge in respect of periodic depreciation is derived after determining an estimate of an asset’s expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

5. Plant and equipment

Particulars	Plant and equipment (Refer note 'i')	Vehicles (Refer note 'ii')	Office equipment (Refer note 'i')	Computers (Refer note 'i')	Furniture and fixtures (Refer note 'i')	Leasehold improvements (Refer note 'i')	Total
Cost							
As at April 1, 2015 (Proforma)	**6.25**	**22.04**	**32.55**	**23.31**	**28.64**	**271.36**	**384.15**
Additions during the year	4.35	8.91	32.62	6.29	89.66	125.04	**266.87**
Disposals during the year	(1.39)	-	(1.53)	(6.29)	(2.48)	(19.57)	**(31.26)**
As at March 31, 2016 (Proforma)	**9.21**	**30.95**	**63.64**	**23.31**	**115.82**	**376.83**	**619.76**
Accumulated depreciation							
As at April 1, 2015 (Proforma)	**2.58**	**5.68**	**12.45**	**18.22**	**5.14**	**136.84**	**180.91**
Expense for the year	1.91	4.24	12.79	3.31	14.33	47.96	**84.54**
Deletions / adjustments	(1.39)	-	(1.31)	(6.23)	(1.21)	(14.89)	**(25.03)**
As at March 31, 2016 (Proforma)	**3.10**	**9.92**	**23.93**	**15.30**	**18.26**	**169.91**	**240.42**
Carrying amount							
As at March 31, 2016 (Proforma)	**6.11**	**21.03**	**39.71**	**8.01**	**97.56**	**206.92**	**379.34**
Cost or deemed cost							
As at April 1, 2016	**6.11**	**21.03**	**39.71**	**8.01**	**97.56**	**206.92**	**379.34**
Additions	0.04	0.69	30.10	3.90	71.06	119.05	224.84
Disposals / adjustments	-	-	(1.94)	(0.16)	(17.42)	(14.61)	(34.13)
As at March 31, 2017	**6.15**	**21.72**	**67.87**	**11.75**	**151.20**	**311.36**	**570.05**
Additions	-	7.41	29.82	4.09	55.28	132.44	229.04
Disposals / adjustments	(2.65)	(0.82)	(3.34)	(0.28)	(10.42)	(22.92)	(40.43)
As at March 31, 2018	**3.50**	**28.31**	**94.35**	**15.56**	**196.06**	**420.88**	**758.66**
Accumulated depreciation							
As at April 1, 2016	**-**	**-**	**-**	**-**		**-**	**-**
Depreciation expense	1.92	5.61	20.23	4.23	28.68	67.23	127.90
Disposals / adjustments	-	-	(1.32)	(0.09)	(9.34)	(5.26)	(16.01)
As at March 31, 2017	**1.92**	**5.61**	**18.91**	**4.14**	**19.34**	**61.97**	**111.89**
Depreciation expense	2.08	6.21	31.77	4.76	41.97	73.85	160.64
Disposals / adjustments	(2.28)	(0.72)	(2.18)	(0.22)	(3.78)	(10.37)	(19.55)
As at March 31, 2018	**1.72**	**11.10**	**48.50**	**8.68**	**57.53**	**125.45**	**252.98**
Carrying amount							
As at April 1, 2016	**6.11**	**21.03**	**39.71**	**8.01**	**97.56**	**206.92**	**379.34**
As at March 31, 2017	**4.23**	**16.11**	**48.96**	**7.61**	**131.86**	**249.39**	**458.16**
As at March 31, 2018	**1.78**	**17.21**	**45.85**	**6.88**	**138.53**	**295.43**	**505.68**

Notes:
i) Plant and equipment except vehicles loan have been pledged to secure term loans and cash credit (Refer note 20)
ii) Vehicles loan are secured by first and exclusive charge on respective vehicles. (Refer note 20)

6. Intangible assets

Particulars	Computer Software (Refer note below)
Cost	
As at April 1, 2015 (Proforma)	**33.31**
Additions during the year	10.36
Disposals during the year	(3.15)
As at March 31, 2016 (Proforma)	**40.52**
Accumulated depreciation	
As at April 1, 2015 (Proforma)	**25.90**
Expense for the year	4.20
Deletions / adjustments	(3.15)
As at March 31, 2016 (Proforma)	**26.95**
Carrying amount	
As at March 31, 2016 (Proforma)	**13.57**
Cost or deemed cost	
As at April 1, 2016	**13.57**
Additions	3.49
Disposals / adjustments	(1.37)
As at March 31, 2017	**15.69**
Additions	8.36
Disposals / adjustments	(0.15)
As at March 31, 2018	**23.90**
Accumulated amortisation	
As at April 1, 2016	**-**
Amortisation expense	6.15
Disposals / adjustments	(1.06)
As at March 31, 2017	**5.09**
Amortisation expense	6.07
Disposals / adjustments	(0.15)
As at March 31, 2018	**11.01**
Carrying amount	
As at April 1, 2016	**13.57**
As at March 31, 2017	**10.60**
As at March 31, 2018	**12.89**

Note:
Intangible assets have been pledged to secure term loans and cash credit (Refer note 20)

7. Non-current investments

Particulars	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016 (Proforma)	
	Units	Amount	Units	Amount	Units	Amount
Investments in Equity Instruments						
Unquoted investment (measured at cost)						
-Investments in subsidiary						
TCNS Aure Clothing Private Limited (Fully paid up) (Face value ₹ 10 per share) (refer note 'i' below)	-	-	10,000	0.10	-	-
Other investment						
Quoted investment (measured at fair value through profit and loss)						
Investment in Unit Linked Insurance Plans (ULIP)	-	-	994,671	17.16	829,763	13.17
		-		17.26		13.17
Less: impairment in value of investment in subsidiary		-		0.10		-
Total		**-**		**17.16**		**13.17**
Aggregate market value of quoted investments		-		17.16		13.17
Aggregate carrying value of unquoted investments		-		-		-
Aggregate amount of impairment in value of investments		-		0.10		-

Note:

i) As at March 31, 2017, the Company had investment in 10,000 fully paid equity shares of ₹ 10 each in TCNS Aure Clothing Private Limited (wholly owned subsidiary company). The subsidiary company did not conduct any operation during its existence and on May 19, 2017, it filed an application with the Registrar of Companies for removal/striking off its name from the records of the Ministry of Corporate Affairs. Accordingly, Registrar of Companies proposed to strike off the name of TCNS Aure Clothing Private Limited from the Register of Companies as published in the Gazette of India, weekly Part-III, Section 1 dated August 12, 2017.

ii) Non-current investments have been pledged to secure term loans and cash credit. (Refer note 20)

8. Other financial assets

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016 (Proforma)
Non-current			
Security deposits paid	393.06	347.44	201.21
Total	**393.06**	**347.44**	**201.21**
Current			
(a) Security deposits paid	-	5.97	7.92
(b) Accrued interest on bank deposits	5.66	4.16	6.75
Total	**5.66**	**10.13**	**14.67**

Note:
Other financial assets have been pledged to secure term loans and cash credit (Refer note 20)

9. Deferred tax assets

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016 (Proforma)
Deferred tax assets (a)	116.12	97.83	156.01
Deferred tax liabilities (b)	1.11	0.83	0.53
Deferred tax assets (net) (a-b)	**115.01**	**97.00**	**155.48**

Deferred tax assets / (liabilities) in relation to:

Particulars	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
As at March 31, 2018				
i) Deferred tax assets in relation to:				
- On account of revenue reversal in case of sale or return basis	-	-	-	-
- Provision for employee benefits	13.26	4.90	1.74	19.90
- Plant and equipment and intangible assets	59.35	29.98	-	89.33
- Fair value of deposits given	2.50	0.91	-	3.41
- Others	22.72	(19.24)	-	3.48
Total	**97.83**	**16.55**	**1.74**	**116.12**
ii) Deferred tax liabilities in relation to:				
- Others	0.83	0.28	-	1.11
Total	**0.83**	**0.28**	**-**	**1.11**
As at March 31, 2017				
i) Deferred tax assets in relation to:				
- On account of revenue reversal in case of sale or return basis	104.55	(104.55)	-	-
- Provision for employee benefits	8.77	3.72	0.77	13.26
- Plant and equipment and intangible assets	33.30	26.05	-	59.35
- Fair value of deposits given	2.66	(0.16)	-	2.50
- Others	6.73	15.99	-	22.72
Total	**156.01**	**(58.95)**	**0.77**	**97.83**
ii) Deferred tax liabilities in relation to:				
- Others	0.53	0.30	-	0.83
Total	**0.53**	**0.30**	**-**	**0.83**
As at March 31, 2016 (Proforma)				
i) Deferred tax assets in relation to:				
- On account of revenue reversal in case of sale or return basis	12.63	91.92	-	104.55
- Provision for employee benefits	1.34	6.85	0.58	8.77
- Plant and equipment and intangible assets	4.75	28.55	-	33.30
- Fair value of deposits given	0.71	1.95	-	2.66
- Others	25.58	(18.85)	-	6.73
Total	**45.01**	**110.42**	**0.58**	**156.01**
ii) Deferred tax liabilities in relation to:				
- Others	1.23	(0.70)	-	0.53
Total	**1.23**	**(0.70)**	**-**	**0.53**

10. Non-current tax assets

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016 (Proforma)
Advance income tax	984.70	532.41	-
Less: Income tax payable	889.97	406.39	-
Total	**94.73**	**126.02**	**-**

Note:

The Company has claimed income tax credit of ₹ 250.84 million in relation to deduction of fair value impact of share based payments to employees of ₹ 724.80 in the income tax return filed with the tax authorities for the Assessment Year 2017-18. However, this tax credit is not recorded in the books of account as the same was not required to be recognised in the financial statements for the year ended March 31, 2017 prepared under previous GAAP. Based on the legal advice, the Company expects that it is probable to receive the income tax credit in this regard.

11. Other assets

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016 (Proforma)
Non-current			
(a) Capital advances	0.81	3.31	7.01
(b) Balance with government authorities	-	-	2.34
(c) Prepayments	71.00	39.52	91.74
Total	**71.81**	**42.83**	**101.09**
Current			
(a) Advances to employees	1.83	0.52	0.24
(b) Balance with government authorities (Goods and Services tax input receivable)	110.16	-	-
(c) Prepayments	51.37	28.38	38.94
(d) Advances to suppliers	25.28	15.09	51.07
(e) Other advances (Refer note (i))	75.53	2.10	0.68
Total	**264.17**	**46.09**	**90.93**

Note:

i) Other advances as at March 31, 2018 includes amount recoverable from shareholders amounting to ₹ 72.46 on account of share issue expense for proposed Initial Public Offer ('IPO'). IPO expenses recoverable comprises share issue expenses incurred in connection with proposed IPO only by way of offer for sale by existing shareholders of the Company. These receivables includes fees paid to Bankers, Stock Exchanges, Securities Exchange Board of India (SEBI), Lawyers, Auditors, etc., in connection with the IPO of the Company. As per offer agreement between the Company and the selling shareholders, upon successful completion of the offer, all expenses with respect to the IPO will be borne by the selling shareholders in proportion to their respective Offered Shares sold pursuant to the Offer. Accordingly, the Company has classified the expenses incurred in connection with the IPO as receivable from selling shareholders under other current assets.

ii) Other assets have been pledged to secure term loans and cash credit (Refer note 20)

12. Inventories (Lower of cost and net realisable value)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016 (Proforma)
Raw materials	239.83	185.88	114.08
Add: Goods-in-transit	-	34.18	23.44
	239.83	220.06	137.52
Work-in-progress	449.62	346.97	266.62
Finished goods	1,622.05	1,373.22	967.27
Total	**2,311.50**	**1,940.25**	**1,371.41**

i) The cost of inventories recognised as an expense during the year ended March 31, 2018 is ₹ 3,423.79 million (for the year ended March 31, 2017: ₹ 2,822.44 million; for the year ended March 31, 2016 (Proforma): ₹ 1,967.51 million).

ii) The cost of inventories recognised as an expense includes ₹ 214.27 million (for the year ended March 31, 2017: ₹ 194.33 million; for the year ended March 31, 2016 (proforma): ₹ 131.79 million) in respect of write-downs of inventory to net realisable value.

iii) Inventories amounting to ₹ 933.96 million (As at March 31, 2017: ₹ 594.77 million and as at March 31, 2016 (proforma): ₹ 266.62 million) are lying with third parties at the year-end.

iv) The mode of valuation of inventory has been stated in note 2.17.

v) Inventories have been pledged to secure term loans and cash credit. (Refer note 20)

13. Current investments

Particulars	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016 (Proforma)	
	Units	**Amount**	**Units**	**Amount**	**Units**	**Amount**
Quoted investment (measured at fair value through profit and loss)						
Investment in Unit Linked Insurance Plans (ULIP)	1,152,693	20.77	-	-	-	-
Total		**20.77**		**-**		**-**
Aggregate market value of quoted investments		20.77		-		-

Note:
Current investments have been pledged to secure term loans and cash credit. (Refer note 20)

14. Trade receivables

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016 (Proforma)
Current			
Unsecured, considered good	1,396.29	997.02	641.52
Unsecured, considered doubtful	9.93	0.65	0.66
	1,406.22	997.67	642.18
Less: Allowance for doubtful debts (expected credit loss allowance)	9.93	0.65	0.66
Total	**1,396.29**	**997.02**	**641.52**

Notes:

i) The average credit period on sale of products is 30 to 60 days. No interest is charged on trade receivables on delayed payments.

ii) The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a detailed analysis of trade receivables. The analysis takes into account historical credit loss experience and adjusted for forward looking information.

iii) Movement in expected credit loss allowance

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016 (Proforma)
Balance as at the beginning of the year	0.65	0.66	0.47
Movement in the expected credit loss allowance on trade receivables	9.28	(0.01)	0.19
Balance as at the end of the year	**9.93**	**0.65**	**0.66**

iv) Age of receivables

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016 (Proforma)
Less than 180 days	1,391.80	955.12	617.12
More than 180 days (net of allowance for doubtful debt)	4.49	41.90	24.40

v) Customers who represent more than 5% of the total balance of trade receivables:

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016 (Proforma)
Customer 1	123.08	82.06	- *
Customer 2	98.51	63.95	51.57
Customer 3	98.21	70.71	56.77
Customer 4	82.42	130.91	87.19
Customer 5	- *	- *	35.82
	402.22	**347.63**	**231.35**

* Represents customer not having more than 5% of total balance of trade receivable as on respective reporting dates

vi) Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business.

vii) Trade receivables have been pledged to secure term loans and cash credit (Refer note 20)

15. Cash and cash equivalents

For the purpose of statement of cashflows, cash and cash equivalents includes cash on hand and balance in banks. cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the balance sheet as follows

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016 (Proforma)
Cash on hand	10.04	10.86	6.84
Balance with Banks			
- In current accounts	106.89	8.89	20.77
- In demand deposit accounts	250.00	-	-
Total	**366.93**	**19.75**	**27.61**

Note:
Cash and cash equivalents have been pledged to secure term loans and cash credit. (Refer note 20)

16. Other bank balances

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016 (Proforma)
Balances with banks			
- In deposit accounts	-	-	15.52
- In earmarked deposit accounts held as margin money against borrowings and guarantees.	123.91	112.61	60.15
Total	**123.91**	**112.61**	**75.67**

Note:
Other bank balances have been pledged to secure term loans and cash credit (Refer note 20)

17. Equity share capital

Particulars	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016 (Proforma)	
	Number	Amount	Number	Amount	Number	Amount
Authorised share capital:						
Equity share capital						
Equity Shares of ₹ 2 each (March 31, 2017: ₹ 1 each, March 31, 2016 (proforma): ₹ 1 each) with voting rights	180,000,000	360.00	360,000,000	360.00	130,000,000	130.00
Preference share capital						
Preference shares of ₹ 1 each (March 31, 2017: ₹ 1 each, March 31, 2016 (proforma): ₹ 1 each)	20,000,000	20.00	20,000,000	20.00	20,000,000	20.00
	200,000,000	**380.00**	**380,000,000**	**380.00**	**150,000,000**	**150.00**
Issued share capital:						
Equity Shares of ₹ 2 each (March 31, 2017: ₹ 1 each, March 31, 2016 (proforma): ₹ 1 each) with voting rights	56,370,398	112.74	111,240,799	111.24	91,739,060	91.74
	56,370,398	**112.74**	**111,240,799**	**111.24**	**91,739,060**	**91.74**
Subscribed and Paid-up share capital						
Equity Shares of ₹ 2 each (March 31, 2017: ₹ 1 each, March 31, 2016 (proforma): ₹ 1 each) with voting rights	56,370,398	112.74	111,240,799	111.24	91,739,060	91.74
Total	**56,370,398**	**112.74**	**111,240,799**	**111.24**	**91,739,060**	**91.74**

a. Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	For the year ended March 31, 2018		For the year ended March 31, 2017	
	Number	Amount	Number	Amount
Equity shares with voting rights				
At the beginning of the year	111,240,799	111.24	91,739,060	91.74
Shares issued during the year	750,000	1.50	8,671,943	8.67
Shares converted during the year	-	-	10,829,796	10.83
Less: Impact of fraction shares	3	-	-	-
Less: Effect of change in face value of shares (refer note 'e' below)	55,620,398	-	-	-
At the end of the year	**56,370,398**	**112.74**	**111,240,799**	**111.24**

b. Details of shares held by each shareholder holding more than 5% shares

Class of shares / Name of the shareholder	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016 (Proforma)	
	Number of shares held (Refer note 'e' below)	% holding in that class of shares	Number of shares held (Refer note 'e' below)	% holding in that class of shares	Number of shares held (Refer note 'e' below)	% holding in that class of shares
Equity shares with voting rights						
Onkar Singh Pasricha	9,192,989	16.31%	18,385,978	16.53%	23,709,438	25.84%
Arvinder Singh Pasricha	12,185,256	21.62%	24,370,512	21.91%	32,060,732	34.95%
Wagner Limited	24,931,803	44.23%	49,863,607	44.82%	-	-
Parmeet Pasricha	3,203,405	5.68%	-	-	-	-
Matrix Partners India Investment, LLC	-	-	-	-	5,396,420	5.88%
Matrix Partners India Investment Holdings, LLC	-	-	-	-	7,126,008	7.77%

c. Shares reserved for issuance towards outstanding employee stock options granted/available for grant

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Equity shares of ₹ 2 each (March 31, 2017: ₹ 1 each, April 1, 2016: ₹ 1 each) (in numbers)	11.59	13.13	21.70

d. Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 2 each as at March 31, 2018 (March 31, 2017: ₹ 1 each, March 31, 2016 (proforma): ₹ 1 each). Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, holder of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

e. Change in face value of equity shares

The Company has changed the face value of its equity shares from ₹ 1 per equity share to ₹ 2 per equity share on January 5, 2018.

18. Instruments entirely equity in nature

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016 (Proforma)
Convertible redeemable debentures	242.27	-	-
	242.27	-	-

Terms and conditions for Convertible redeemable debentures.

On February 2, 2018 the Company has issued 1,298,132 fully paid up Convertible Redeemable Debentures ("CRDs") at a price of ₹ 186.63 per CRD amounting to ₹ 242.27 millions carrying an interest rate of 0.01% per annum. The holder of the CRD, may, at any time, cause the Company to convert such CRD into Equity Shares of ₹ 1 each on a 1:1 basis, provided, however, that the CRDs shall automatically be converted into Equity Shares immediately prior to the filing of a red herring prospectus by the Company in connection with a proposed initial public offering of its Equity Shares. The Company has converted above CRDs into 649,066 equity share of face value of ₹ 2 each in the board meeting held on May 28, 2018.

19. Other equity

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016 (Proforma)
General reserve	29.60	29.60	29.60
Share premium reserve	1,820.09	1,617.29	492.55
Share option outstanding account	1,117.76	1,046.58	-
Equity component of compound financial instruments	-	-	11.33
Retained earnings	992.22	14.55	(141.96)
Total	**3,959.67**	**2,708.02**	**391.52**

i) General reserve

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016 (Proforma)
Balance as at beginning of the year	29.60	29.60	29.60
Addition during the year	-	-	-
Balance as at end of the year	**29.60**	**29.60**	**29.60**

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in general reserve will not be reclassified subsequently to profit or loss.

ii) Share premium reserve

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016 (Proforma)
Balance as at beginning of the year	1,617.29	492.55	492.55
Issue of shares	58.50	322.37	-
Transfer from share option outstanding account	144.30	802.37	-
Balance as at end of the year	**1,820.09**	**1,617.29**	**492.55**

iii) Share option outstanding account

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016 (Proforma)
Balance as at beginning of the year	1,046.58	-	-
Modification of Employee stock option plan	-	1,112.47	-
Recognition of share based payments	215.48	736.48	-
Transfer to Share premium	(144.30)	(802.37)	-
Balance as at end of the year	**1,117.76**	**1,046.58**	**-**

The above reserve relates to share option granted by the company to its employees under its employee share option plan. Further information about share - based payments to employees is set out in note 42.

iv) Equity component of compound financial instruments

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016 (Proforma)
Balance as at beginning of the year	-	11.33	11.33
Shares issued during the year	-	-	-
Shares converted into equity shares during the year	-	(11.33)	-
Balance as at end of the year	**-**	**-**	**11.33**

Convertible instruments:

Series A - Compulsorily Convertible Preference Shares ("CCPS")

The Company had issued 10,792,830 Series 'A' Compulsorily Convertible Preference Shares ("CCPS") which would be converted to equity shares at any time within a period of 20 years, beginning from October 18, 2011 in terms of the agreement. These Series 'A' CCPS were converted to 10,792,830 Equity shares of ₹ 1 per share on October 6, 2016.

Series A1 - Compulsorily Convertible Preference Shares ("CCPS")

The Company had issued 1,232,200 Series 'A1' Compulsorily Convertible Preference Shares ("CCPS") which would be converted to equity shares at any time within a period of 20 years, beginning from July 9, 2013 in terms of the agreement. These Series 'A1' CCPS were converted to 36,966 Equity shares of ₹ 1 per share on October 6, 2016.

v) Retained earnings

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016 (Proforma)
Balance as at beginning of the year	14.55	(141.96)	274.10
Profit for the year	980.97	157.97	(414.96)
Other comprehensive income / (loss) arising from remeasurement of defined benefit obligation (net of income tax)	(3.30)	(1.46)	(1.10)
Balance as at end of the year	**992.22**	**14.55**	**(141.96)**

Retained earnings reflect surplus / deficit after taxes in the restated statement of profit or loss. The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the balance in this reserve and also considering the requirements of the Companies Act, 2013.

20. Borrowings

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016 (Proforma)
Secured - at amortised cost			
Non-current borrowings			
(a) Term loans from bank (Refer note '1' below)	-	-	73.31
(b) Vehicle loans from banks (Refer note '2' below)	-	-	1.77
(c) Vehicle loans from others (Refer note '2' below)	2.18	2.66	3.10
Current maturities of long-term borrowings (secured)			
(a) Term loans from bank (Refer note '1' below)	-	-	20.77
(b) Vehicle loans from banks (Refer note '2' below)	-	1.77	4.53
(c) Vehicle loans from others (Refer note '2' below)	0.48	0.44	0.39
	2.66	4.87	103.87
Less: Reclasified to other financial liabilities (Refer Note 21)	(0.48)	(2.21)	(25.69)
Total	**2.18**	**2.66**	**78.18**
Current borrowings			
Cash credit from bank (Refer note '3' below)	0.04	83.32	278.47
Total	**0.04**	**83.32**	**278.47**

Notes:
1. Term loans

1.1 Interest

Interest rate on term loans shall be calculated at a sum of the floating base rate of HDFC bank plus 180 basis points. The interest rate is subject to changes in the base rate of HDFC bank from time to time.

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016 (Proforma)
Interest rate	-	11.05%	11.10%

1.2 Repayment tems

The repayment schedule of outstanding balances of term loans is as under:

Repayable in	As at March 31, 2018	As at March 31, 2017 *	As at March 31, 2016 (Proforma)
2016-2017	-	-	20.77
2017-2018	-	-	30.30
2018-2019	-	-	23.47
2019-2020	-	-	19.54
	-	**-**	**94.08**

* During the year ended March 31, 2017, the Company had repaid the remaining balance term loans.

1.3 Security

Term loans were secured by hypothecation of entire current assets, movable and immovable assets of the Company. This loan was further guaranteed by all the directors and collateral owners of the Company till January 23, 2018.

1.4 Prepayment terms

The Company has an option to repay its term loan as and when required, as agreed with the Bank and there was no prepayment penalty and interest.

2. Vehicle loans

2.1 Interest

Interest rate on vehicle loans shall be calculated on 9.65% - 10.50% per annum. The interest rate is given in a range which is depending upon the rate at which loan is taken from different banks.

2.2 Repayment terms

The repayment schedule of outstanding balances of vehicle loans is as under:

Repayable in	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016 (Proforma)
2016-2017	-	-	4.92
2017-2018	-	2.21	2.21
2018-2019	0.48	0.48	0.48
2019-2020	2.18	2.18	2.18
	2.66	**4.87**	**9.79**

2.3 Security

Vehicle loans are secured by first and exclusive charge on respective vehicles.

3. Cash credit facility

Cash Credit were secured by hypothecation of entire current assets, movable and immovable assets of the Company. This loan is further guaranteed by all the directors and collateral owners of the Company till January 23, 2018.

21. Other financial liabilities

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Non-Current			
(a) Security deposits	59.15	38.36	42.61
(b) Derivative liability of compound financial instruments	-	-	2.21
Total	**59.15**	**38.36**	**44.82**
Current			
(a) Current maturities of long-term borrowings (secured) (refer note 20)	0.48	2.21	25.69
(b) Liability for share based payment	-	-	1,112.49
(c) Security deposits	45.83	65.31	33.56
(d) Creditors for capital goods	21.38	23.30	10.00
(e) Interest accrued on trade payables	0.83	0.04	-
Total	**68.52**	**90.86**	**1,181.74**

22. Provisions

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Non-Current			
Provision for employee benefits:			
- Provision for compensated absences	4.90	5.78	5.40
- Provision for gratuity	50.83	31.55	19.29
Total	**55.73**	**37.33**	**24.69**
Current			
Provision for employee benefits:			
- Provision for compensated absences	0.50	0.47	0.34
- Provision for gratuity	0.72	0.52	0.32
Total	**1.22**	**0.99**	**0.66**

23. Other liabilities

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016 (Proforma)
Non-Current			
Deferred income	4.09	5.41	3.64
	4.09	**5.41**	**3.64**
Current			
(a) Deferred income	4.99	3.98	4.21
(c) Advances from customers	8.69	8.16	10.63
(d) Statutory dues	99.98	74.43	35.52
Total	**113.66**	**86.57**	**50.36**

24. Trade payables

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016 (Proforma)
Trade Payables			
(i) Total outstanding dues of micro, small and medium enterprises	16.86	15.59	-
(ii) Total outstanding dues other than micro, small and medium enterprises	1,127.46	1,077.69	846.08
Total	**1,144.32**	**1,093.28**	**846.08**

Note:
The average credit period on purchases of goods and services are within 30 to 75 days.

25. Current tax liabilities

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016 (Proforma)
Current tax liabilities			
Income tax payable	-	-	389.70
Less: Advance income tax (including TDS receivable)	-	-	293.76
Net current tax liabilities	**-**	**-**	**95.94**

26. Revenue from operations

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016 (Proforma)
(a) Sale of products	8,423.53	7,108.90	4,860.74
(b) Other operating revenue			-
- Duty drawback and export scheme license	0.72	1.42	
Total	**8,424.25**	**7,110.32**	**4,860.74**

27. Other income

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016 (Proforma)
(a) Interest income earned on financial assets that are measured at amortised cost			
- Bank deposits	13.22	8.99	6.19
- Security deposits	48.37	7.04	-
(b) Other gains and losses			
- Net gain arising on financial assets designated as at fair value through profit or loss	0.62	0.98	2.18
- Miscellaneous income	5.11	2.40	12.24
Total	**67.32**	**19.41**	**20.61**

28. Cost of materials consumed

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016 (Proforma)
(a) Opening stock (including Goods-in-transit)	220.06	137.52	74.24
(b) Add: Purchases	2,218.31	1,886.49	1,501.28
	2,438.37	2,024.01	1,575.52
(c) Less: Closing stock (including Goods-in-transit)	239.83	220.06	137.52
Total	**2,198.54**	**1,803.95**	**1,438.00**

29. Changes in inventories of finished goods and work-in-progress

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016 (Proforma)
(a) Closing stock			
- Finished goods	1,622.05	1,373.22	967.27
- Work-in-progress	449.62	346.97	266.62
	2,071.67	1,720.19	1,233.89
(b) Opening stock			
- Finished goods	1,373.22	967.27	682.17
- Work-in-progress	346.97	266.62	146.31
	1,720.19	1,233.89	828.48
Total	**(351.48)**	**(486.30)**	**(405.41)**

30. Employee benefits expense

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016 (Proforma)
(a) Salaries and wages	926.67	717.44	614.14
(b) Share based payments to employees (refer note 42)	215.48	736.48	898.36
(c) Contribution to provident fund	44.65	34.20	24.25
(d) Gratuity expense (refer note 39)	14.44	10.39	7.26
(e) Staff welfare expenses	34.90	35.90	32.19
Total	**1,236.14**	**1,534.41**	**1,576.20**

31. Finance costs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016 (Proforma)
(a) Interest expenses for financial liabilities not classified as at fair value through profit or loss:			
- Borrowings	2.79	17.76	22.70
- Trade payables	0.85	0.69	0.89
- Security deposits	1.37	1.68	1.40
(b) Interest on delayed payment of taxes	0.04	0.02	0.02
(c) Other borrowing costs	1.66	4.53	4.45
Total	**6.71**	**24.68**	**29.46**

32. Depreciation and amortisation expense

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016 (Proforma)
(a) Depreciation of plant and equipment	160.64	127.90	84.54
(b) Amortisation of intangible assets	6.07	6.15	4.20
Total	**166.71**	**134.05**	**88.74**

33. Other expenses

	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016 (Proforma)
(a)	Fabrication charges	1,527.94	1,275.12	844.28
(b)	Consumption of packing material	26.95	28.84	19.25
(c)	Power and fuel	65.00	53.39	37.95
(d)	Rent (Refer note 37)	938.38	775.80	568.10
(e)	Repair and maintenance	131.77	110.47	75.49
(f)	Insurance expenses	3.88	2.53	2.21
(g)	Rates and taxes	9.16	5.46	2.50
(h)	Communication	10.63	11.06	10.20
(i)	Travelling and conveyance	24.77	28.07	27.94
(j)	Printing and stationery	6.33	5.15	3.98
(k)	Freight charges	67.14	77.56	59.70
(l)	Sales commission and brokerage	94.98	64.69	57.56
(m)	Advertisement and sales promotion	334.55	395.06	246.89
(n)	Donations and contributions	0.53	3.30	2.23
(o)	Legal and professional	47.29	35.75	30.27
(p)	Payments to auditors [Refer note (i) below]	9.68	2.53	1.42
(q)	Expenditure on corporate social responsibility	14.43	6.55	2.84
(r)	Loss on property, plant and euipment sold / scrapped / written off	9.50	18.43	6.23
(s)	Allowance for diminution in value of investments	-	0.10	-
(t)	Product development expenses	62.45	51.60	45.19
(u)	Selling and distribution expenses	370.84	385.83	218.07
(v)	Allowance for expected credit loss	9.28	-	0.19
(w)	(Decrease) / increase of excise duty on inventory	(39.86)	35.23	4.63
(x)	Miscellaneous expenses	21.68	15.74	11.12
Total		**3,747.30**	**3,388.26**	**2,278.24**

Note:
Payment to auditors comprise (net of tax input credit, where applicable):

	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016 (Proforma)
To Statutory auditors for*:				
(a)	For audit	5.10	2.53	1.42
(b)	For taxation matters	0.75	-	-
(c)	For other services	3.70	-	-
(d)	Reimbursement of expenses	0.13	-	-
		9.68	**2.53**	**1.42**

*This excludes ₹ 14.04 relating to IPO services which is included in other advances. (Refer note 11)

34. Tax expense

(i) Income tax recognised in profit or loss

	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016 (Proforma)
(a)	Current tax	483.58	406.39	389.70
(b)	Deferred tax	(16.27)	59.25	(111.12)
Total		**467.31**	**465.64**	**278.58**

(ii) The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016 (Proforma)
Profit before tax	1,448.28	623.61	(136.38)
Income tax expense calculated at 34.608% (For the year ended March 31, 2017: 34.608%;For the year ended March 31, 2016 (Proforma): 34.608%)	501.22	215.82	(47.20)
Effect of expenses that are not deductible in determining taxable profit			
- Corporate social responsibility expenses (Including donations)	3.11	2.01	1.37
- Impact of share based payments to employees	(54.16)	254.88	312.39
- Deduction u/s 80JJAA in respect of employment of new employees	(3.22)	(5.40)	-
- Effect of deferred tax balances due to change in income tax rate from 34.608% to 34.944%	(0.75)	-	-
- Others	21.11	(1.67)	12.02
	467.31	465.64	278.58
Income tax expense recognised in profit or loss	**467.31**	**465.64**	**278.58**

(iii) Income tax recognised in other comprehensive income

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016 (Proforma)
Deferred tax arising on expense recognised in other comprehensive income:			
Items that will not be reclassified to profit or loss			
- Remeasurement of the defined benefit plans	1.74	0.77	0.58
Total	**1.74**	**0.77**	**0.58**

35. Contingent liabilities and commitments (to the extent not provided for)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016 (Proforma)
A. Contingent Liabilities			
Claims against the Company not acknowledged as debts (Refer note 35.1 below)			
- Demand raised by sales tax authorities	3.89	32.98	4.61
- Demand raised by income tax authorities	1.92	1.17	1.17
B. Commitments			
Estimated amount of contracts remaining to be executed on tangible assets and not provided for (net of advances) (Refer note 35.2 below)	15.36	3.24	-

Notes:

35.1. No provision is considered necessary since the Company expects favorable decisions.

35.2. Apart from the commitments disclosed above, the Company has no financial commitments other than those in the nature of regular business operations.

35.3. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses

36. Segment Reporting

The Company is primarily engaged in the business of manufacturing of women apparels. The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company Performance, allocate resources based on the analysis of the various Performance indicator of the Company as a single unit. Therefore there are no separate reportable business segments as per Ind AS 108- "Operating Segments".

Geographic wise details of revenue from operation

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016 (Proforma)
Within India	8,385.32	7,077.43	4,842.97
Outside India	38.21	31.47	17.77

Geographic wise details of non-current assets *

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016 (Proforma)
Within India	671.56	544.57	496.17
Outside India	-	-	-

* Non-current assets excludes investments, other financial assets, deferred tax assets and tax assets

There is no single customer who contributes 10% or more to the Company's revenue for the years ended March 31, 2018, March 31, 2017 and March 31, 2016

37. Leases

The Company has entered into operating lease arrangements for office premises, warehouses and stores with lease terms of between 1to 5 years. The details of future minimun lease payment under non-cancellable leases are given below.

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016 (Proforma)
Lease payments recognised in the Statement of Profit and Loss (Refer note 33)	938.38	775.80	568.10
Future minimum lease payments under non-cancellable leases			
not later than one year	986.08	807.93	632.86
later than one year and not later than five years	3,257.42	2,748.56	2,056.28
later than five years	-	-	-

38. Earnings per share ('EPS')

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016 (Proforma)
Basic earnings per share			
Profit for the year (A)	980.97	157.97	(414.96)
Weighted average number of equity shares of ₹ 2 each (No. in millions) *	55.91	47.31	45.87
Add: Effect of share based payment (No. in millions)	4.31	7.97	-
Add: Effect of Convertible Preference Shares (No. in millions)	-	3.98	5.41
Add: Effect of Convertible Redeemable Debentures (No. in millions)	0.65	-	-
Weighted average number of equity shares of ₹ 2 each - for basic EPS (No. in millions) * (B)	60.87	59.26	51.28
Basic earnings per share (C=A/B)	**16.12**	**2.67**	**(8.09)**
Diluted earnings per share			
Profit for the year (A)	980.97	157.97	(414.96)
Weighted average number of equity shares of ₹ 2 each for Basic EPS (No. in millions) *	60.87	59.26	51.28
Add: Effect of share based payment (No. in millions)	3.00	1.22	1.22
Weighted average number of equity shares of ₹ 2 each - for diluted EPS (No. in millions) * (B)	63.87	60.48	52.50
Diluted earnings per share (C=A/B)	**15.36**	**2.61**	**(7.90)**

* Refer Note 17 (e) for change in face value

39. Employee benefit plans

i) Defined Contribution Plan

The Company's contribution to Provident Fund for the year ended March 31, 2018 ₹ 44.65 (for the year ended March 31, 2017: ₹ 32.40; for the year ended March 31, 2016: ₹ 24.25) has been recognised in the Statement of Profit and Loss under the head employee benefits expense.

ii) Defined Benefit Plan:

Gratuity

a) The Company offers its employees defined-benefit plans in the form of a gratuity scheme. Benefits under the defined benefit plans are based on years of service and the employee's compensation (immediately before retirement). Benefits payable to eligible employees of the Company with respect to gratuity, a defined benefit plan is accounted for on the basis of an actuarial valuation as at the balance sheet date.

b) This plan typically expose the Company to actuarial risks such as: interest rate risk, longevity risk and salary risk.

Interest risk

A decrease in the bond interest rate will increase the plan liability.

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

(c) Significant Actuarial Assumptions

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	Valuation		
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016 (Proforma)
a) Discount rate(s)	7.50% p.a.	7.50% p.a.	7.90% p.a.
b) Expected rate(s) of salary increase	8.00%	10% for the first three and 7% thereafter	10% for the first three and 7% thereafter
c) Mortality table used	IALM(2006-08)	IALM(2006-08)	IALM(2006-08)
d) Attrition rate			
Below 30 years	3.00%	3.00%	3.00%
Ages 31-44 years	2.00%	2.00%	2.00%
Ages 44 & above	1.00%	1.00%	1.00%

The discount rate is based on prevailing market yields of Government of India bonds as at the balance sheet date for the expected term of obligation.
The estimates of future salary increases considered, takes into account the inflation, seniority, promotions and other relevant factors, such as supply and demand in the employment market.

(d) The following tables sets out the funded status of the defined benefit scheme in respect of gratuity:

Particulars	Gratuity		
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016 (Proforma)
I. Amounts recognised in profit or loss in respect of these defined benefit plans are as follows:			
a) Current Service Cost	12.04	8.85	6.41
b) Past service cost and (gains)/losses from settlements	-	-	-
c) Net interest expense	2.40	1.54	0.85
Components of defined benefit costs recognised in profit or loss	**14.44**	**10.39**	**7.26**
Remeasurement on the net defined benefit liability			
a) Actuarial (gains)/loss arising form changes in financial assumptions	7.16	2.16	0.18
b) Actuarial (gains)/loss arising form changes in demographic assumptions	-	-	-
c) Actuarial (gains)/loss arising form experience adjustments	(2.12)	0.07	1.50
Components of defined benefit costs recognised in other comprehensive income	**5.04**	**2.23**	**1.68**
Total	**19.48**	**12.62**	**8.94**

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the Statement of Profit and Loss and the remeasurement of the net defined benefit liability is included in 'Other comprehensive income'.

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016 (Proforma)
II. Net Asset/(Liability) recognised in the Balance Sheet			
a) Present value of defined benefit obligation	51.55	32.07	19.61
b) Fair value of plan assets	-	-	-
c) Surplus/(Deficit)	**51.55**	**32.07**	**19.61**
d) Current portion of the above	0.72	0.52	0.32
e) Non current portion of the above	50.83	31.55	19.29

III. Change in the obligation during the year			
Present value of defined benefit obligation at the beginning of the year	32.07	19.61	10.90
Expenses Recognised in Profit and Loss Account			
- Current Service Cost	12.04	8.85	6.41
- Past Service Cost	-	-	-
- Interest Expense (Income)	2.40	1.54	0.85
Recognised in Other Comprehensive Income			
Remeasurement gains / (losses)			
- Actuarial Gain (Loss) arising from:			
i. Financial Assumptions	7.16	2.16	0.18
ii. Demographic Assumptions	-	-	-
iii. Experience Adjustments	(2.12)	0.07	1.50
Benefit payments	-	(0.16)	(0.23)
Present value of defined benefit obligation at the end of the year	**51.55**	**32.07**	**19.61**

e) Sensitivity for significant actuarial assumption is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by +/- 0.5%, keeping all other actuarial assumptions constant:

Principal assumption	Changes in assumption	Impact on defined benefit obligation	
		Increase in assumption	Decrease in assumption
a) Discount rate			
As at March 31, 2018	1%	43.22	62.06
As at March 31, 2017	1%	27.01	38.41
As at March 31, 2016 (Proforma)	1%	16.55	23.46
b) Salary growth rate			
As at March 31, 2018	1%	61.90	43.19
As at March 31, 2017	1%	38.36	26.96
As at March 31, 2016 (Proforma)	1%	23.44	16.51
c) Rate of employeee turnover			
As at March 31, 2018	1%	50.60	52.60
As at March 31, 2017	1%	31.94	32.16
As at March 31, 2016 (Proforma)	1%	19.64	19.54

Notes:

i) The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance sheet.

ii) The methods and types of assumptions used in preparing the sensitivity analyses did not change compared to previous period

40. Related party transactions and balances

a. Names of related parties and related party relationships

I. Subsidiary company
TCNS Aure Clothing Private Limited (up to August 12, 2017)

II. Key management personnel
Mr. Onkar Singh Pasricha, Director
Mr. Anant Kumar Daga, Managing Director (w.e.f September 7, 2016)
Mr. Venkatesh Tarakkad, Chief Financial Officer (w.e.f. May 15, 2017)
Mr. Naresh Patwari, Director (w.e.f. August 18, 2016)
Mr. Bhaskar parmanik, Director (w.e.f. December 14, 2017)
Ms. Neeru Abrol, Director (w.e.f. December 14, 2017)
Ms. Sangeeta Talwar, Director (w.e.f. December 14, 2017)

III. Relatives of key management personnel
Mr. Saranpreet Singh Pasricha (Son of Mr. Onkar Singh Pasricha)
Mr. Arvinder Singh Pasricha (Brother of Mr. Onkar Singh Pasricha)
Ms. Parmeet Pasricha (Daughter of Mr. Onkar Singh Pasricha)

IV. Companies under the significant influence of key management personnel
TCNS Limited

V. Individual having significant influence over the Company
Mr. Onkar Singh Pasricha
Mr. Arvinder Singh Pasricha

VI. Companies having significant influence over the Company
Wagner Limited

b. Related party transactions

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016 (Proforma)
Transactions during the year			
Investment in equity share capital			
- TCNS Aure Clothing Private Limited	-	0.10	-
Provision for diminution in value of investment			
- TCNS Aure Clothing Private Limited	-	0.10	-
Repayment of loan			
Key management personnel			
- Mr. Onkar Singh Pasricha	-	-	8.10
Sale of products			
- TCNS Limited	-	0.03	-
Purchase of goods			
- TCNS Limited	0.51	0.33	-
Interest on loan			
Key management personnel			
- Mr. Onkar Singh Pasricha	-	-	0.21
Rent and hire charges			
- TCNS Limited	0.11	0.13	-
- TCNS Technologies Private Limited	-	-	0.11
Fabrication charges			
- TCNS Limited	392.15	378.74	330.81
Issue of Convertible Redeemable Debenture			
Key management personnel / Indiviual having significant influence over the company			
- Mr. Onkar Singh Pasricha	121.14	-	-
Relatives of key management personnel			
- Mr. Arvind Singh Pasricha	121.14	-	-

c. Related party outstanding balances

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016 (Proforma)
Investment in equity share capital			
- TCNS Aure Clothing Private Limited	-	0.10	-
Trade payables			
- TCNS Limited	80.40	69.59	24.61
Advance given			
- TCNS Limited	1.00	-	-
Convertible Redeemable Debenture			
Key management personnel / Indiviual having significant influence over the company			
- Mr. Onkar Singh Pasricha	121.14	-	-
Relatives of key management personnel			
- Mr. Arvind Singh Pasricha	121.14	-	-

d. Compensation of key management personnel

The remuneration of directors and other members including relatives of key management personnel during the year was as follows:

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016 (Proforma)
Short-term benefits	39.75	42.05	4.97
Post-employment benefits	1.03	1.27	1.40
Share-based payments	149.03	526.67	598.17
Sitting fees	0.55	-	-
Total	190.36	569.99	604.54

41. Financial instruments

41.1 Capital Management

The Company's objective when managing capital is to safeguard its ability to continue as going concern so that the Company is able to provide maximum return to stakeholders and benefits for other stakeholders; and maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Company consists of total equity (Refer Note 17, 18 and 19) and net debt (Refer note 20 and 21).

The Company's risk management committee reviews the capital structure on a regular basis. As part of this review, the committee considers the cost of capital, risks associated with each class of capital.

Gearing Ratio

Following is the Company's gearing ratio:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Debt (refer note (i))	2.70	88.19	382.34
Less: cash and bank balances	490.84	132.36	103.28
Net Debt (I)	**(488.14)**	**(44.17)**	**279.06**
Total equity (II)	**4,314.68**	**2,819.26**	**483.26**
Net debt to equity ratio (I/II)	**0.00%**	**0.00%**	**57.75%**

Note:
(i) Debt is defined as long-term and short-term borrowing including current maturities of long term borrowings
(ii) Net debt to equity ratio is restricted to zero percentage wherever cash and bank balance are more than debt.

41.2 Categories of financial instruments

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Financial assets			
Measured at fair value through profit or loss (FVTPL) (mandatorily measured)			
(a) Investment in Unit Link Insurance Plan	20.77	17.16	13.17
Measured at amortised cost			
(a) Trade receivables	1,396.29	997.02	641.52
(b) Cash and cash equivalents	366.93	19.75	27.61
(c) Other bank balances	123.91	112.61	75.67
(d) Other financial assets	398.72	357.57	215.88
Financial liabilities			
Measured at fair value through profit or loss (FVTPL) (mandatorily measured)			
(a) Derivative liability of compound financial instr	-	-	2.21
(b) Liability for share-based payments	-	-	1,112.49
Measured at amortised cost			
(a) Borrowings (including current maturities of long-term borrowings)	2.70	88.19	382.34
(b) Trade payables	1,144.32	1,093.28	846.08
(c) Other financial liabilities (excluding current maturities of long-term borrowings)	127.19	127.01	88.38

At the end of the reporting period, there are no significant concentrations of credit risk for financial assets designated at FVTPL. The carrying amount reflected above represents the company's maximum exposure to credit risk for such Financial assets.

41.3 Financial risk management objectives

While ensuring liquidity is sufficient to meet Company's operational requirements, the Company's risk management committee also monitors and manages key financial risks relating to the operations of the Company by analyzing exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest risk and price risk), credit risk and liquidity risk.

41.3.1 Market Risk

Market risk is the risk or uncertainty arising from possible market price movements and their impact on the future performance of a business. There are no material market risk affecting the financial position of the Company.

41.3.1.1. Currency Risk

Currency risk is the risk or uncertainty arising from possible currency movements and their impact on the future cash flows of a business. There are no material currency risk affecting the financial position of the Company.

41.3.1.2. Interest Risk

Interest risk is the risk or uncertainty arising from possible interest rate movements and their impact on the future obligation and cash flow of a business. There are no material interest risk affecting the financial position of the Company.

41.3.1.3. Price Risk

Price risk is the risk or uncertainty arising from possible market price movements and their impact on the future performance of a business. There are no material price risk affecting the financial position of the Company.

41.3.2 Credit risk management

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments.

The concentration of credit risk in relation to trade receivables is high considering the number of customers having more than 5% of outstanding trade receivables as mentioned in Note 14. Credit risk has always been monitored and managed by the Company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business.

Bank balances are held with reputed and creditworthy banking institutions.

<u>Financial instrument and cash deposit</u>

Credit risk is limited as the Company generally invests in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investments in unit linked insurance plan. Counterparty credit limits are reviewed by the Company periodically and the limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

41.3.3 Liquidity risk management

The Company manages liquidity risk by maintaining sufficient cash and cash equivalents including bank deposits and availability of funding through an adequate amount of committed credit facilities to meet the obligations when due. Management monitors rolling forecasts of liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, liquidity management also involves projecting cash flows considering level of liquid assets necessary to meet obligations by matching the maturity profiles of financial assets & liabilities and monitoring balance sheet liquidity ratios.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The information included in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Particulars	Weighted average effective interest rate(%)	Less 1 month	1 month -1 year	1 year – 3 years	More than 3 years	Total	Carrying Amount
As at March 31, 2018							
Non-Interest bearing							
Trade payables	-	-	1,144.32	-	-	**1,144.32**	1,144.32
Other financial liabilities	-	-	22.21	-	-	**22.21**	22.21
Variable Interest rate instruments							
Vehicle Loans	10.50%	-	0.48	2.18	-	**2.66**	2.66
Bank overdraft	11.10%	0.04	-	-	-	**0.04**	0.04
Fixed Interest rate instruments							
Security Deposit received	8.70%	-	45.83	68.64		**114.47**	104.98
Total		**0.04**	**1,212.84**	**70.82**	**-**	**1,283.70**	**1,274.21**
As at March 31, 2017							
Non-Interest bearing							
Trade payables	-	-	1,093.28	-	-	**1,093.28**	1,093.28
Other financial liabilities	-	-	23.34	-	-	**23.34**	23.34
Variable Interest rate instruments							
Vehicle Loans	10.50%	-	2.21	2.66	-	**4.87**	4.87
Bank overdraft	11.10%	83.32	-	-	-	**83.32**	83.32
Fixed Interest rate instruments							
Security Deposit received	10.00%	-	65.31	47.96	-	**113.27**	103.67
						-	
Total		**83.32**	**1,184.14**	**50.62**	**-**	**1,318.08**	**1,308.48**
As at April 1, 2016							
Non-Interest bearing							
Trade payables	-	-	846.08	-	-	**846.08**	846.08
Other financial liabilities	-	-	1,124.70	-	-	**1,124.70**	1,124.70
Variable Interest rate instruments							
Vehicle Loans	10.50%	-	4.92	2.69	2.18	**9.79**	9.79
Term Loans	11.10%	-	20.77	53.77	19.54	**94.08**	94.08
Bank overdraft	11.10%	278.47	-	-	-	**278.47**	278.47
Fixed Interest rate instruments							
Security Deposit received	10.00%	-	33.56	50.82	-	**84.38**	76.17
Total		**278.47**	**2,030.03**	**107.28**	**21.72**	**2,437.50**	**2,429.29**

Further table below set out the detail of additional undrawn facility that the Company has at its disposal to further reduce liquidity risk:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Undrawn cash credit limit	50.00	45.72	101.53
Undrawn overdue limit	99.96	20.96	5.00

41.3.4 Fair value measurement

This note provides information about how the Company determines fair values of various financial assets.

Fair value of the Company's financial assets and financial liabilities that are measured at fair value on recurring basis

Financial assets / Financial liabilities	Fair values			Fair value hierarchy	Valuation technique(s) and key input(s)
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016		
Investment in Unit Linked Insurance Plan	20.77	17.16	13.17	Level 2	NAV declared by respective Asset Management Companies.
Derivative liability of compound financial instruments	-	-	2.21	Level 3	Expected price band ratio as per independent valuer's report
Liability for share-based payments	-	-	1,112.49	Level 3	Black Scholes model as per independent valuer's report

41.3.5 Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Management considers that the carrying amounts of financial assets and financial liabilities recognized in the restated financial information except as per note 41.3.4 approximate their fair values.

42. Share-based payment of the Company

42.1. Employee share option plan

42.1.1. TCNS ESOP Scheme 2014 - 2017

42.1.1.1 TCNS Employee Stock Option Plan 2014 ("the 2014 Plan"):

The Company had instituted the 2014 Plan, which was approved by the Board of Directors on July 1, 2014 which was further amended vide special resolution passed in extra ordinary general meeting held on March 16, 2015. The 2014 Plan provides for grant of stock options aggregating not more than 6,900,000 number of issued equity shares of the Company to eligible employees of the Company. The 2014 Plan is administered by the Compensation Committee appointed by the Board of Directors. Under the plan, the employees receive shares of the Company upon completion of vesting conditions. Vesting period ranges from one to four years and options can be exercised within 10 years from vesting date. As per the 2014 plan, the exercise price in respect of the options shall be such prices as decided by the Compensation Committee. However, the Exercise shall not be lower than nominal par value of the shares appearing in the company's books of account. Refer note 43 for change in assumptions on modification from cash settled to equity settled.

Employee stock options details are as follows:

Particulars	For the year ended March 31, 2018		For the year ended March 31, 2017		For the year ended March 31, 2016 (Proforma)	
	Number of options (in millions)	Weighted average exercise price (₹ per share)	Number of options (in millions)	Weighted average exercise price (₹ per share)	Number of options (in millions)	Weighted average exercise price (₹ per share)
Option outstanding at the beginning of the year:	2.56	77.16	6.90	38.29	6.90	76.58
Option granted during the year:	-	-	-		-	
Options exercised during the year:	0.75	80.00	4.34	76.24	-	
Options lapsed during the year:	-	-	-		-	
Options outstanding at the end of the year:	1.81	76.00	2.56	77.16	6.90	76.58
- Vested	1.81	76.00	2.56	77.16	0.89	76.00
- Balance to be vested	-	-	-	-	6.01	
Weighted average remaining contractual life for options outstanding		8.33 years		9.33 years		2.35 years
Range of Exercise Price		76.00		76-80		76-80
Grant date share price		59.64		59.64		59.64
Exercise price		76		76-80		76-80

The fair value of stock options was determined using the Black Scholes option pricing model with following assumptions:

	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016 (Proforma)
Expected volatility*	49.26%-49.39%	49.26%-49.39%	49.26%-49.39%
Option life	1.88-2.59	1.88-2.59	1.88-2.59
Dividend yield	-	-	-
Risk-free interest rate	6.85%-6.87%	6.85%-6.87%	6.85%-6.87%

42.1.2. TCNS Senior Management Stock Option Plan 2015:

The Company had instituted the TCNS Senior Management Stock Option Plan 2015, which was approved by the Board of Directors on November 17, 2015. The TCNS Senior Management Stock Option Plan 2015 provides for grant of stock options aggregating not more than 3,975,000 of number of issued equity shares of the Company to eligible employees of the Company. The TCNS Senior Management Stock Option Plan 2015 is administered by the Compensation Committee appointed by the Board of Directors. Under the plan, the employees receive shares of the Company upon completion of vesting conditions such as rendering of services across vesting period. Vesting period ranges from one to two years and options can be exercised within 10 years from vesting date. As per the TCNS Senior Management Stock Option Plan 2015, the exercise price in respect of the options shall be such price as decided by the Compensation Committee. However, the exercise price shall not be lower than nominal par value of the shares as appearing in the Company's books of account. Refer note 43 for change in assumptions on modification from cash settled to equity settled.

Employee stock options details are as follows:

Particulars	For the year ended March 31, 2018		For the year ended March 31, 2017		For the year ended March 31, 2016 (Proforma)	
	Number of options (in millions)	Weighted average exercise price (₹ per share)	Number of options (in millions)	Weighted average exercise price (₹ per share)	Number of options (in millions)	Weighted average exercise price (₹ per share)
Option outstanding at the beginning of the period/year	3.80	100.00	3.75	100.00	-	-
Option granted during the period/year	-	-	0.18	-	3.75	100.00
Options exercised during the year	-	-	-	-	-	-
Options lapsed during the year	-	-	0.13	-	-	-
Options outstanding at the end of the period/year:	3.80	100.00	3.80	100.00	3.75	100.00
- Vested	1.93	100.00	1.93	100.00	-	-
- Balance to be vested	1.88	100.00	1.87	100.00	3.75	100.00
Weighted average remaining contractual life for options outstanding		9.32 years		10.32 years		2.96 years
Range of Exercise Price		100.00		100.00		100.00
Grant date share price (Weighted average)		137.80		137.80		137.80
Weighted average fair value of options granted during the year		-		147.00		73.30
Exercise price		100.00		100.00		100.00

The fair value of stock options was determined using the Black Scholes option pricing model with following assumptions:

	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016 (Proforma)
Expected volatility*	49.26%	49.26%	49.26%
Option life	2.63	2.63	2.63
Dividend yield	-	-	-
Risk-free interest rate	6.87%	6.87%	6.87%

42.1.3. TCNS Senior Executive Stock Option Plan 2015:

The Company had instituted the TCNS Senior Executive Stock Option Plan 2015, which was approved by the Board of Directors on November 17, 2015. The TCNS Senior Executive Stock Option Plan 2015 provides for grant of stock options aggregating not more than 200,000 of number of issued equity shares of the Company to eligible employees of the Company. The TCNS Senior Executive Stock Option Plan 2015 is administered by the Compensation Committee appointed by the Board of Directors. Under the plan, the employees receive shares of the Company upon completion of vesting conditions such as rendering of services across vesting period. Vesting period ranges from one to two years and options can be exercised within 10 years from vesting date. As per the TCNS Senior Executive Stock Option Plan 2015, the exercise price in respect of the options shall be such price as decided by the Compensation Committee. However, the exercise price shall not be lower than nominal par value of the shares as appearing in the Company's books of account. Refer note 43 for change in assumptions on modification from cash settled to equity settled.

Employee stock options details are as follows:

Particulars	For the year ended March 31, 2018		For the year ended March 31, 2017		For the year ended March 31, 2016 (Proforma)	
	Number of options (in millions)	Weighted average exercise price (₹ per share)	Number of options (in millions)	Weighted average exercise price (₹ per share)	Number of options (in millions)	Weighted average exercise price (₹ per share)
Option outstanding at the beginning of the period/year	0.20	100.00	0.20	100.00	-	-
Option granted during the period/year	-	-	-	-	0.20	100.00
Options exercised during the year	-	-	-	-	-	-
Options lapsed during the year	-	-	-	-	-	-
Options outstanding at the end of the period/year:	0.20	100.00	0.20	100.00	0.20	100.00
- Vested	0.11	100.00	-	-	-	-
- Balance to be vested	0.09	100.00	0.20	100.00	0.20	100.00
Weighted average remaining contractual life for options outstanding		9.47 years		10.51 years		3 years
Range of Exercise Price		100.00		100.00		100.00
Grant date share price		137.80		137.80		137.80
Weighted average fair value of options granted during the year		-		67.00		67.00
Exercise price		100.00		100.00		100.00

The fair value of stock options was determined using the Black Scholes option pricing model with following assumptions:

	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016 (Proforma)
Expected volatility*	49.39%	49.39%	49.39%
Option life (Expected)	1.77	1.77	1.77
Dividend yield	-	-	-
Risk-free interest rate	6.85%	6.85%	6.85%

42.1.4. TCNS Employee Stock Option Plan 2015:

The Company had instituted the TCNS Employee Stock Option Plan 2015, which was approved by the Board of Directors on June 27, 2017. The TCNS Employee Stock Option Plan 2015 provides for grant of stock options aggregating not more than 600,000 of number of issued equity shares of the Company to eligible employees of the Company. The TCNS Employee Stock Option Plan 2015 is administered by the Compensation Committee appointed by the Board of Directors. Under the plan, the employees receive shares of the Company upon completion of vesting conditions such as rendering of services across vesting period. Vesting period ranges from one to four years and options can be exercised within 10 years from vesting date, or such other period as may be determined by the Compensation Committee in this regard. As per the TCNS Employee Stock Option Plan 2015, the Exercise Price in respect of the Options shall be such price as decided by the Compensation Committee. However, the Exercise price shall not be lower than nominal par value of the Shares as appearing in the Company's books of accounts.

Employee stock options details are as follows:

Particulars	For the year ended March 31, 2018	
	Number of options (in millions)	Weighted average exercise price (₹ per share)
Option outstanding at the beginning of the period/year	-	-
Option granted during the period/year	0.60	300.00
Options exercised during the year	-	-
Options lapsed during the year	-	-
Options outstanding at the end of the period/year:	0.60	300.00
- Vested	-	-
- Balance to be vested	0.60	300.00

Weighted average remaining contractual life for options outstanding	11.75 years
Range of Exercise Price	300.00
Grant date share price	261.28
Weighted average fair value of options granted during the year	117.56
Exercise price	300

The fair value of stock options was determined using the Black Scholes option pricing model with following assumptions:

Expected volatility*	45.83%
Option life	2.00
Dividend yield	-
Risk-free interest rate	6.68%

42.1.5. TCNS Employee Stock Option Plan 2017:

The Company had instituted the TCNS Employee Stock Option Plan 2017, which was approved by the Board of Directors on June 27, 2017. The TCNS Employee Stock Option Plan 2017 provides for grant of stock options aggregating not more than 107,500 of number of issued equity shares of the Company to eligible employees of the Company. The TCNS Employee Stock Option Plan 2017 is administered by the Compensation Committee appointed by the Board of Directors. Under the plan, the employees receive shares of the Company upon completion of vesting conditions such as rendering of services across vesting period. Vesting period ranges from one to two years and options can be exercised within 10 years from vesting date, or such other period as may be determined by the Compensation Committee in this regard. As per the TCNS Employee Stock Option Plan 2017, the Exercise Price in respect of the Options shall be such price as decided by the Compensation Committee. However, the Exercise shall not be lower than nominal par value of the Shares as appearing in the Company's books of account.

Employee stock options details are as follows:

Particulars	For the year ended March 31, 2018	
	Number of options (in millions)	Weighted average exercise price (₹ per share)
Option outstanding at the beginning of the period/year	-	-
Option granted during the period/year	0.11	300.00
Options exercised during the year	-	-
Options lapsed during the year	-	-
Options outstanding at the end of the period/year:	0.11	300.00
- Vested	-	-
- Balance to be vested	0.11	300.00

Weighted average remaining contractual life for options outstanding	10.94 years
Range of Exercise Price	300.00
Grant date share price	261.28
Weighted average fair value of options granted during the year	117.56
Exercise price	300.00

The fair value of stock options was determined using the Black Scholes option pricing model with following assumptions:

Expected volatility*	45.83%
Option life	5.00
Dividend yield	-
Risk-free interest rate	6.68%

42.1.6. TCNS ESOP Scheme 2018 - 2023

The Company had instituted the TCNS ESOP Scheme 2018 - 2023, which was approved by the Board of Directors on February 02, 2017. The TCNS ESOP Scheme 2018 provides for grant of stock options aggregating not more than 6,467,817 number of equity shares of the Company to eligible employees of the Company. The TCNS Employee Stock Option Plan scheme 2018-2023 is administered by the Nomination and Remuneration Committee appointed by the Board of Directors. Under the plan, the employees receive shares of the Company upon completion of specific vesting conditions based on specific events. Vesting period ranges from one to five years and options can be exercised within 10 years from grant date, or such other period as may be determined by the Nomination and Remuneration Committee in this regard. As per the ESOP Scheme, the Exercise Price in respect of the each option shall be ₹ 373.26 per share.

Particulars	For the year ended March 31, 2018	
	Number of options (in millions)	Weighted average exercise price (₹ per share)
Option outstanding at the beginning of the period/year	-	-
Option granted during the period/year	5.07	373.26
Options exercised during the year	-	-
Options lapsed during the year	-	-
Options outstanding at the end of the period/year:	5.07	373.26
- Vested	-	-
- Balance to be vested	5.07	373.26

Weighted average remaining contractual life for options outstanding	9.84 years
Range of Exercise Price	373.26
Grant date share price	288.68
Weighted average fair value of options granted during the year	76.26
Exercise price	373.26

The fair value of stock options was determined using the Black Scholes option pricing model with following assumptions:

Expected volatility*	44.28%
Option life	2.75
Dividend yield	-
Risk-free interest rate	7.16%

*** Based on historical volatility of comparable companies over periods corresponding to the remaining life of the respective options**

42.2. The Company has changed the face value of its equity shares from ₹ 1 per equity share to ₹ 2 per equity share on January 5, 2018. For the purpose of above disclosure, the number of equity shares and options have been considered based on face value of ₹ 2 per equity share.

43. Modification to employee stock option plan

As per original terms of Company's ESOP Plans (TCNS Employee Stock Option Plan 2014, TCNS Senior Management Stock Option Plan 2015, TCNS Senior Executive Stock Option Plan 2015 and TCNS Employee Stock Option plan 2015), it required (i) compulsorily buy out the ESOPs that have vested in the ESOP Holders/ any shares allotted to the ESOP Holders upon the exercise of the vested ESOPs and (ii) provide cash payment to the ESOP holders. Subsequently, based on release deed entered on 12 August, 2016, the terms of the ESOP plans were modified and based on modified terms the share options have been converted from cash payment option/compulsorily buy out to equity settled options. The incremental fair value impact due to modification is₹ 318.76 (out of which ₹ 199.63 is recognised recognised immediately for the vested options and₹ 119.13 is recognised over the balance vesting period for the options to be vested in future).

Particulars	Before modification	After modification
TCNS Employee Stock Option Plan 2014:		
Modification date option price	225.34	261.28
Expected volatility	49.26%-49.39%	49.39%
Option life	1.88-2.59 years	2 years
Dividend yield	-	-
Risk-free interest rate	6.85%-6.857%	6.85%
Option pricing model used	Black-scholes model	Black-scholes model
TCNS Senior Management Stock Option Plan 2015:		
Modification date option price	225.34	261.28
Expected volatility	49.26%	49.39%
Option life	2.63 years	2 years
Dividend yield	-	-
Risk-free interest rate	6.87%	6.85%
Option pricing model used	Black-scholes model	Black-scholes model
TCNS Senior Executive Stock Option Plan 2015:		
	225.34	261.28
Modification date option price	49.39%	49.39%
Expected volatility	1.77 years	2 years
Option life	-	-
Dividend yield	6.85%	6.85%
Risk-free interest rate	Black-scholes model	Black-scholes model
Option pricing model used		

44.1. Total equity reconciliation as at March 31, 2017 and April 1, 2016

Particulars	Notes	As at March 31, 2017	As at April 1, 2016 (Date of transition)
Total equity (Shareholders' funds) under Previous GAAP		**2,816.73**	**1,770.41**
Derecognition of lease equalisation reserve	a.	9.36	-
Retrospective adjustment of prior period leave encashment expense	b.	-	(5.31)
Effect of measuring investments in ULIP at fair value	c.	2.16	1.17
Effect of measuring Cumulative non-redeemable mandatorily and fully convertible preference share at fair value	d.	-	(2.21)
Fair Valuation / Effective interest rate accounting of deposits given	e.	(7.23)	(7.69)
Effect of measuring share based payment at fair value	f.	-	(1,112.46)
Retrospective adjustment of revenue reversal in case of prior period SOR (sale or return) sales	g.	-	(302.09)
Reversal of excess provision for sale return	h.	-	49.29
Fair Valuation / Effective interest rate accounting of deposits received	j.	0.22	0.36
Provision for expected credit loss	k.	(0.65)	(0.66)
Deferred tax on Ind AS adjustments	m.	(1.33)	92.45
Total equity under Ind AS		**2,819.26**	**483.26**

44.2. Total comprehensive income reconciliation for the year ended March 31, 2017

Particulars	Notes	For the year ended March 31, 2017 (Latest period presented under previous GAAP)
Profit as reported under Previous GAAP		**715.79**
Derecognition of lease equalisation reserve	a.	9.36
Retrospective adjustment of prior period leave encashment expense	b.	5.31
Effect of measuring investments in ULIP at fair value	c.	0.99
Effect of measuring compulsory convertible preference shares at fair value	d.	2.21
Fair Valuation / Effective interest rate accounting of deposits given	e.	0.46
Fair Valuation / Effective interest rate accounting of deposits received	j.	(0.14)
Effect of measuring ESOP at fair value	f.	(736.48)
Provision for expected credit loss		0.01
Reversal of excess provision for sale return	h.	(49.29)
Retrospective adjustment of revenue reversal in case of prior period SOR (sale or return) sales	g.	302.09
Actuarial gains and losses on defined benefit plan	i.	2.23
Deferred tax on Ind AS adjustments	l	(94.57)
Net Profit for the year as per Ind AS		**157.97**
Other Comprehensive Income (net of tax)	i.	(1.46)
Total Comprehensive Income for the year as per Ind AS		**156.51**

Note: Under previous GAAP, total comprehensive income was not reported. Therefore, the above reconciliation starts with profit under the previous GAAP.

Explanatory notes to material adjustments:

(a) Under the previous GAAP, operating lease charges are recognised as an expense in the Statement of Profit and Loss on a straight line basis over the lease term and Lease Equalisation Reserve ('LER') is to be amortised over the lease term. However, under Ind AS, lease payments under an operating lease shall be recognised as an expense on a straight line basis over lease term only if the payments to the lessor are not structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Since, escalation allowed in lease arrangement in respect of premises taken by the Company represents general inflation. Hence, lease payments under an operating lease has not recognised on a straight line basis over lease term.

The effect of the adjustments resulted in reversal in the value of LER as on March 31, 2017 of ₹ 9.36 with corresponding decrease in rent expenses for period ended March 31, 2017 of ₹ 9.36. No Lease equalisation reserve was made in previous GAAP prior to Financial year 2016- 2017.

Explanatory notes to material adjustments:

(b) Under the previous GAAP, prior period items are adjusted in current year itself. Under Ind-AS, prior period items are adjusted retrospectively with effect from the first reporting period presented. Leave encashment expense pertaining to prior periods ₹ 5.31 as at transition date has been recognised in retained earnings and correspondingly provision for leave encashment has increased by ₹ 5.31.

(c) Under the previous GAAP, investments in Unit Linked Insurance Plans (ULIPS) were classified as non-current investments. The non-current investments were carried at cost less diminution in value. Under Ind AS, these investments are required to be measured at fair value, the resulting fair value changes of these investments amounting to ₹ 1.17 have been recognised in retained earnings as at the date of transition (i e April 1, 2016) and subsequently in the profit and loss for the year ended March 31, 2017. This has increased the profit by ₹ 0.99 for the year ended March 31, 2017.

(d) Under the previous GAAP, Compulsory Convertible Preference Shares (CCPS) are recognised in share capital whereas under Ind-AS, compound instruments with embedded derivative features are fair valued at inception to arrive at the derivative / liability value, residual value is accounted for as equity. Subsequently, derivative / liability portion is fair value at every reporting period upto settlement.

(e) Under the previous GAAP, interest free security deposits (that are refundable in cash on completion of the term as per the contract) are recorded at their transaction value. Under Ind AS, such financial assets are required to be recognised initially at their fair value and subsequently at amortised cost. Difference between the fair value and transaction value of the security deposit has been recognised as deferred rent. Consequent to this change the amount of security deposit as on March 31, 2017 has decreased by ₹ 67.39 (April 1, 2016: ₹ 119.74) with a creation of deferred rent (included in other non-current and current assets) of ₹ 60.17 (April 1, 2016: ₹ 112.05). The other equity (net) decreased by ₹ 7.69 as at April 1, 2016. The unwinding of security deposit happens by recognition of a notional interest income in Statement of Profit and Loss at effective interest rate. The deferred rent gets amortised on a straight line basis over the term of the security deposits. The profit and other equity for the year ended March 31, 2017 increase by ₹ 0.46 due to amortisation of deferred rent by ₹ 4.49 (included in other expenses) and increase in notional interest income of ₹ 4.95 recognised on security deposits (included in other income).

(f) Under the previous GAAP, Employee Stock Option Plan (ESOP) are accounted under the 'Intrinsic Value Method' as stated in the Guidance Note on share base payments issued by the Institute of Chartered Accountants of India. Under Ind AS, employee stock options are accounted as per principles prescribed in Ind-AS 102. Liabilities arising out of cash settled share based payments are fair valued until settlement of liability whereas equity settled share based payments are fair value at inception only. Under previous GAAP, the Company didn't recognise expense on account of share based payments as options were granted at or below fair market value. Ind AS requires the fair value of the share options determined using an appropriate pricing model to be recognised over the vesting period. Accordingly, an additional expense of ₹ 1,112.46 has been recognised in retained earnings and as component of equity in ESOP reserve against retained earnings as at April 1, 2016 i.e. transition date. Further, there is decrease in the profit by ₹ 736.48 for the year ended March 31, 2017.

(g) Under the previous GAAP, prior period items are adjusted in current year itself. Under Ind-AS, prior period revenue and cost of goods reversal is adjusted retrospectively with effect from the first reporting period presented. Revenue pertaining to prior periods of ₹ 483.34 as at transition date has been recognised in retained earnings and accordingly trade receivables have decreased by ₹ 483.34. Correspondingly inventory is increased by ₹ 181.25 and cost of goods sold has decreased by ₹ 181.25 accordingly.

(h) Under the previous GAAP, anticipated returns on sales made on outright terms are recognised for expected loss of margin, whereas under Ind-AS, expected reversal of revenue is provided for instead of expected loss of margin only. Also, sale return provision pertaining to sales made on SOR terms is de-recognised as on transition date (Refer point g above). Net decrease in provision for sale return amounting to ₹ 49.29 is recognised in retained earnings and provision for sale return liability accordingly as on date of transition.

(i) Under lnd AS, re-measurements i.e. actuarial gains and losses on the net defined benefit liability are recognised in other comprehensive income instead of statement of profit and loss. Under the previous GAAP these were forming part of the statement of profit and loss for the year. As a result of this change, the employee benefit expense to the extent of actuarial loss amounting to ₹ 2.23 for the year ended March 31, 2017 has been reduced with corresponding impact on Other Comprehensive Income. There is no impact on the other equity as at March 31, 2016.

(j) Under the previous GAAP, interest free security deposits (that are refundable in cash on completion of the term as per the contract) are recorded at their transaction value. Under Ind AS, such financial assets are required to be recognised initially at their fair value and subsequently at amortised cost. Difference between the fair value and transaction value of the security deposit has been recognised as deferred revenue. Consequent to this change the amount of security deposit as on March 31, 2017 has decreased by ₹ 9.60 (April 1, 2016: ₹ 8.21) with a creation of deferred revenue (included in other non-current and current liabilities) of ₹ 9.39 (April 1, 2016: ₹ 7.84). The other equity (net) increased by ₹ 0.36 as at April 1, 2016. The unwinding of security deposit happens by recognition of a notional interest income in Statement of Profit and Loss at effective interest rate. The deferred revenue gets amortised on a straight line basis over the term of the security deposits. The profit and other equity for the year ended March 31, 2017 increased by ₹ 0.22 due to amortisation of deferred rent by ₹ 2.23 (included in other expenses), and increase in notional interest income of ₹ 2.09 recognised on security deposits (included in other income).

(k) Impairment for doubtful receivables were created based on incurred loss model under previous GAAP, on transition to Ind AS, impairment of receivables has been done based on expected credit loss method. This has resulted in reversal of impairment considered under the previous GAAP, this has in decrease the equity by ₹ 0.66 as at April 1, 2016 and by ₹ 0.65 as at March 31, 2017

(l) Consequential deferred tax on Ind AS adjustments.

44.3. Effect of Ind AS adoption on the Statement of Cash Flows for the year ended March 31, 2017

There were no significant reconciliation items between cash flows prepared under previous GAAP and those prepared under Ind AS.

45. Subsequent events

Subsequent to year-end, on May 28, 2018 the Company has granted 62,500 shares under the plan – TCNS ESOP Plan 2018 formulated under ESOP Scheme 2014-2017 to reward its key employees. Under the plan, the employees will receive shares of the Company upon completion of vesting conditions such as rendering of services across vesting period.

Annexure VI: Statement of Material Adjustments to Audited Financial Statements
(All amounts in ₹ million except otherwise specified)

1. Material regroupings

Appropriate adjustments have been made in the Restated Statement of Assets and Liabilities, Profit and Loss and Cash Flows, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financials of the Company as at and for year ended March 31, 2018, prepared in accordance with the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended).

2. Material adjustments

The summary of results of restatements made in the audited financial statements for the respective years and its impact on the profits of the Company is as follows:

Particulars	Notes	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016 (Proforma)
Net profit after tax as per audited financial statements prepared under previous GAAP		**977.67**	**715.79**	**625.14**
Derecognition of lease equalisation reserve	a.	-	9.36	-
Retrospective adjustment of prior period leave encashment expense	b.	-	5.31	(1.36)
Effect of measuring investments in ULIP at fair value	c.	-	0.99	(2.19)
Effect of measuring compulsory convertible preference shares at fair value	d.	-	2.21	(1.72)
Fair Valuation / Effective interest rate accounting of deposits given	e.	-	0.46	(5.59)
Effect of measuring ESOP at fair value	f.	-	(736.48)	(898.33)
Retrospective adjustment of revenue reversal in case of prior period SOR (sale or return) sales	g.	-	302.09	(264.93)
Reversal of excess provision for sale return	h.	-	(49.29)	56.50
Fair Valuation / Effective interest rate accounting of deposits received	i.	-	(0.14)	0.07
Provision for expected credit loss	j.	-	0.01	(0.19)
Deferred tax on above adjustments	k.	-	(93.80)	76.54
Total Restated comprehensive income/(loss)		**977.67**	**156.51**	**(416.06)**

Explanatory notes to material adjustments:

(a) Under the previous GAAP, operating lease charges are recognised as an expense in the Statement of Profit and Loss on a straight line basis over the lease term and Lease Equalisation Reserve ('LER') is to be amortised over the lease term. However, under Ind AS, lease payments under an operating lease shall be recognised as an expense on a straight line basis over lease term only if the payments to the lessor are not structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Since, escalation allowed in lease arrangement in respect of premises taken by the Company represents general inflation. Hence, lease payments under an operating lease has not recognised on a straight line basis over lease term.

(b) Under the previous GAAP, prior period items are adjusted in current year itself. Under Ind-AS, prior period items are adjusted retrospectively with effect from the first reporting period presented. Leave encashment expense pertaining to prior periods as at transition date has been recognised in retained earnings and correspondingly provision for leave encashment has increased.

(c) Under the previous GAAP, investments in Unit Linked Insurance Plans (ULIPS) were classified as non-current investments. The non-current investments were carried at cost less diminution in value. Under Ind AS, these investments are required to be measured at fair value, the resulting fair value changes of these investments have been recognised in retained earnings as at the date of transition and subsequently in the profit and loss.

(d) Under the previous GAAP, Compulsory Convertible Preference Shares (CCPS) are recognised in share capital whereas under Ind-AS, compound instruments with embedded derivative features are fair valued at inception to arrive at the derivative / liability value, residual value is accounted for as equity. Subsequently, derivative / liability portion is fair value at every reporting period upto settlement.

(e) Under the previous GAAP, interest free security deposits (that are refundable in cash on completion of the term as per the contract) are recorded at their transaction value. Under Ind AS, such financial assets are required to be recognised initially at their fair value and subsequently at amortised cost. Difference between the fair value and transaction value of the security deposit has been recognised as deferred rent. The unwinding of security deposit happens by recognition of a notional interest income in Statement of Profit and Loss at effective interest rate. The deferred rent gets amortised on a straight line basis over the term of the security deposits.

(f) Under the previous GAAP, Employee Stock Option Plan (ESOP) are accounted under the 'Intrinsic Value Method' as stated in the Guidance Note on share base payments issued by the Institute of Chartered Accountants of India. Under Ind AS, employee stock options are accounted as per principles prescribed in Ind-AS 102. Liabilities arising out of cash settled share based payments are fair valued until settlement of liability whereas equity settled share based payments are fair value at inception only. Under the previous GAAP, the Company didn't recognise expense on account of share based payments as options were granted at or below fair market value. Ind AS requires the fair value of the share options determined using an appropriate pricing model to be recognised over the vesting period.

(g) Under the previous GAAP, prior period items are adjusted in current year itself. Under Ind-AS, prior period revenue and cost of goods reversal is adjusted retrospectively with effect from the first reporting period presented.

(h) Under the previous GAAP, anticipated returns on sales made on outright terms are recognised for expected loss of margin, whereas under Ind-AS, expected reversal of revenue is provided for instead of expected loss of margin only. Also, sale return provision pertaining to sales made on SOR terms is de-recognised as on transition date (Refer point g above).

(i) Under the previous GAAP, interest free security deposits (that are refundable in cash on completion of the term as per the contract) are recorded at their transaction value. Under Ind AS, such financial assets are required to be recognised initially at their fair value and subsequently at amortised cost. Difference between the fair value and transaction value of the security deposit has been recognised as deferred revenue. Furter, the unwinding of security deposit happens by recognition of a notional interest income in Statement of Profit and Loss at effective interest rate. The deferred revenue gets amortised on a straight line basis over the term of the security deposits.

(j) Impairment for doubtful receivables were created based on incurred loss model under the previous GAAP, on transition to Ind AS, impairment of receivables has been done based on expected credit loss method.

(k) Consequential deferred tax on above adjustments.

Annexure VII: Restated Statement of Accounting Ratios (Refer note 8 below)
(All amounts in ₹ million except otherwise specified)

Particulars		March 31, 2018	March 31, 2017	March 31, 2016 (Proforma)
Net profit after tax (as restated) attributable to equity shareholders	A	980.97	157.97	(414.96)
Weighted average no. of equity shares outstanding during the year used for computing Basic Earning Per Share (EPS) (Refer note 4)	B	60.87	59.26	51.28
Add: Effect of dilution				
Effect of Employee Stock Options		3.00	1.22	1.22
Weighted average no. of equity shares for calculating diluted EPS	C	**63.87**	**60.48**	**52.50**
Net worth at the end of the year (₹) (Refer Note 6)	D	**4,314.68**	**2,819.26**	**483.26**
Number of equity shares outstanding at the end of the period / years (Refer note 5)	E	56.37	55.62	45.87
Accounting ratios:				
Basic earnings per share (Rs.) (Face value of ₹ 2 per equity share) (Refer Note 3(a))	F = A/B	16.12	2.67	(8.09)
Diluted earnings per share (Rs.) (Face value of ₹ 2 per equity share) (Refer Note 3(b))	G = A/C	15.36	2.61	(7.90)
Return on Net Worth (%) (Refer Note 3(c))	H = A/D	22.74%	5.60%	(85.87%)
Net asset value per equity share (Rs.) (Face value of ₹ 2 per equity share) (Refer Note 3(d))	I = D/E	76.54	50.69	10.54

Notes:

1. The figures disclosed above are based on the Restated Financial Information of the Company.
2. The above statement should be read with the notes to Restated Statement of Assets and Liabilities, Restated Statement of Profits and Loss, Restated Statement of Changes in Equity and Restated Statement of Cash Flows appearing in Annexures I, Annexure II, Annexure III and Annexure IV respectively.
3. The ratios have been computed as below:

(a) Basic Earnings per share (₹) = $\frac{\text{Net profit after tax (as restated) attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the year}}$

(b) Diluted earnings per share (₹) = $\frac{\text{Net profit after tax (as restated) attributable to equity shareholders}}{\text{Weighted average number of diluted equity shares outstanding during the year}}$

(c) Return on net worth (%) = $\frac{\text{Net profit after tax (as restated) attributable to equity shareholders}}{\text{Net worth at the end of the year}}$

(d) Net asset value per share (₹) = $\frac{\text{Net worth at the end of the year}}{\text{Total number of equity shares outstanding at the end of the year}}$

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 weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.
5. Total no. of equity shares outstanding at the end of the year is determined by considering the total number of fully paid up equity shares as at the year end.
6. Net worth for ratios mentioned in note 3(c) and 3(d) represents the aggregate of the paid up share capital, instruments entirely equity in nature and other equity as stated in Restated Statement of Share capital, Restated Statement of instruments entirely equity in nature and Restated Statement of Other equity.
7. Earnings per share calculations are in accordance with Accounting Standard 20 "Earnings per Share" notified under section 133 of the Companies Act 2013, read together along with paragraph 7 of the Companies (Accounts) Rules, 2014.
8. The face value of the equity share of the Company has been consolidated from ₹ 1 to ₹ 2 per equity share with the effect from January 5, 2018. Accordingly, the calculation above reflect the effect of share consolidation retrospectively for all years presented.

TCNS Clothing Co. Limited (Formerly known as TCNS Clothing Co. Private Limited)

Annexure VIII Restated Statement of Capitalisation

(All amounts in ₹ million except otherwise specified)

S.No	PARTICULARS	Pre-Issue As at March 31, 2018 A	Post Issue Amount after considering the Issue (Refer Note 2 below) C (A+B)
I	**Borrowings:**		
	Short-term borrowings	0.04	-
	Long-term borrowings	2.18	-
	Add: Current maturities of long-term borrowings	0.48	-
	Total borrowings - a	**2.70**	**-**
II	**Shareholders' fund**		
	Share capital	112.74	-
	Instruments entirely equity in nature	242.27	
	Other equity	3,959.67	-
	Total shareholders' fund - b	**4,314.68**	**-**
III	**Total borrowings / shareholders' fund - a/b**	**0.001**	**-**
IV	**Long-term borrowings / shareholders' fund**	**0.001**	**-**

Notes:

1. The above ratios have been computed on the basis of Restated Statement of Financial Information
2. The Company is proposing an IPO through offer for sale. Hence, there will be no change in the shareholder's funds post issue.

TCNS Clothing Co. Limited (Formerly known as TCNS Clothing Co. Private Limited)

Annexure IX: Restated Statement of Tax shelter
(All amounts in ₹ million except otherwise specified)

	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016 (Proforma)
A	Restated profit before tax	1,448.28	623.61	(136.38)
B	Normal tax rate	34.608%	34.608%	34.608%
C	Tax thereon at the above rate (A * B)	501.22	215.82	(47.20)
D	**Tax impact of permanent differences due to:**			
	- Interest / Penalty disallowed	0.27	0.02	-
	- Donations disallowed	-	(0.26)	0.39
	- Corporate social responsibility expense	3.11	2.27	0.98
	- Deduction u/s 80JJAA in respect of employment of new employees	(3.22)	(5.40)	-
	- Interest expense on late payment of income tax	-	-	11.57
	- Impact of share based payments to employees	(54.16)	254.88	312.39
	- Others	18.35	(2.46)	(0.13)
	Total	**(35.65)**	**249.05**	**325.20**
E	**Tax impact of Timing differences due to:**			
	- On account of revenue reversal in case of sale or return basis	-	104.55	(91.92)
	- Provision for employee benefits	(6.64)	(4.49)	(7.43)
	- Plant and equipment and intangible assets	(29.98)	(26.05)	(28.55)
	- Fair value of deposit given	(0.91)	0.16	(1.95)
	- Provision for loss of margin on estimated sales returns	22.50	(16.76)	19.51
	- Others	(2.98)	1.07	(1.36)
	Total	**(18.01)**	**58.48**	**(111.70)**
F	**Net adjustments (D - E)**	**(17.64)**	**190.57**	**436.90**
G	**Adjusted tax liability (C+F)**	**483.58**	**406.39**	**389.70**

Notes:

1. The aforesaid Restated Statement of Tax Shelter has been prepared as per the Restated Statement of profits and loss of the Company.

2. Income tax rate includes surcharge, education cess and secondary higher education cess as applicable for the years concerned.

Annexure I (A) : Restated Statement of Assets and Liabilities
(All amounts in ₹ million except otherwise specified)

Particulars	Notes	As at March 31, 2015	As at March 31, 2014
A. EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share capital	3	103.76	103.76
(b) Reserves and surplus	4	1,000.16	730.47
		1,103.92	**834.23**
2. Non-current liabilities			
(a) Long-term borrowings	5	64.50	24.12
(b) Other long-term liabilities	6	51.09	43.01
(c) Long-term provisions	7	13.57	9.52
		129.16	**76.65**
3. Current liabilities			
(a) Short-term borrowings	8	309.40	303.79
(b) Trade payables	9		
(i) Total outstanding dues of micro and small enterprises		-	-
(ii) Total outstanding dues other than micro and small enterprises		454.37	278.96
(c) Other current liabilities	10	108.29	94.87
(d) Short-term provisions	11	38.77	21.44
		910.83	**699.06**
TOTAL		**2,143.91**	**1,609.94**
B. ASSETS			
1. Non-current assets			
(a) Fixed assets			
(i) Tangible assets	12	203.09	117.64
(ii) Intangible assets	13	7.57	6.09
(iii) Capital work-in-progress		0.94	-
(b) Non-current investments	14	9.00	6.00
(c) Deferred tax assets (net)	15	50.30	36.00
(d) Long-term loans and advances	16	233.42	149.37
		504.32	**315.10**
2. Current assets			
(a) Inventories	17	891.91	592.60
(b) Trade receivables	18	652.01	610.30
(c) Cash and cash equivalents	19	68.65	70.26
(d) Short-term loans and advances	20	17.06	16.32
(e) Other current assets	21	9.96	5.36
		1,639.59	**1,294.84**
TOTAL		**2,143.91**	**1,609.94**

Note:
The above statement should be read with the Statement of Material Adjustments to Audited Financial Statements and Significant Accounting Policies of the Restated Financial Information appearing in note 2 of Annexure X and Annexure XI respectively.

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

Satpal Singh Arora
Partner

Onkar Singh Pasricha
Chairman

Anant Kumar Daga
Managing Director

Venkatesh Tarakkad
Chief Financial Officer

Piyush Asija
Company Secretary

Place: New Delhi
Date:

Place : New Delhi
Date :

Annexure II (A) : Restated Statement of Profit and Loss

(All amounts in ₹ million except otherwise specified)

Particulars	Notes	For the year ended March 31, 2015	For the year ended March 31, 2014
REVENUE			
1. Revenue from operations (gross)	22	3,009.59	1,695.90
2. Other income	23	9.67	6.78
3. Total revenue (1+2)		**3,019.26**	**1,702.68**
4. EXPENSES			
(a) Cost of materials consumed	24	989.27	519.94
(b) Purchase of stock-in-trade (traded goods)	25	3.30	5.86
(c) Changes in inventories of finished goods and work-in-progress	26	(278.64)	(80.20)
(d) Employee benefits expense	27	354.17	219.79
(e) Other expenses	28	1,430.54	815.61
Total expenses		**2,498.64**	**1,481.00**
5. Restated profit before interest, tax, depreciation and amortisation (EBITDA) (3 - 4)		**520.62**	**221.68**
6. Finance costs	29	48.80	48.97
7. Depreciation and amortisation expense	30	62.27	39.89
8. Restated profit before tax (5-6-7)		**409.55**	**132.82**
9. Tax expense			
(a) Current tax		161.05	52.59
(b) Deferred tax		(14.31)	(7.27)
Net tax expense		**146.74**	**45.32**
10. Restated profit for the year (8-9)		**262.81**	**87.50**
11. Earnings per share (of Rs. 2 each)			
(a) Basic		**5.13**	**1.71**
(b) Diluted		**5.01**	**1.67**

Note:
The above statement should be read with the Statement of Material Adjustments to Audited Financial Statements and Significant Accounting Policies of the Restated Financial Information appearing in note 2 of Annexure X and Annexure XI respectively.

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Satpal Singh Arora
Partner

For and on behalf of the Board of Directors

Onkar Singh Pasricha
Chairman

Anant Kumar Daga
Managing Director

Venkatesh Tarakkad
Chief Financial Officer

Piyush Asija
Company Secretary

Place: New Delhi
Date:

Place : New Delhi
Date :

Annexure III (A) : Restated Statement of Cash Flows

(All amounts in ₹ million except otherwise specified)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
CASH FLOW FROM OPERATING ACTIVITIES		
Restated profit before tax	409.55	132.82
Adjustments for		
Finance costs	48.80	48.97
Interest income	(5.59)	(5.60)
Profit on sale of fixed assets	(0.15)	-
Depreciation and amortisation expense	62.27	39.89
Provision for lease equalisation reserve	3.50	5.08
Provision for loss of margin on estimated sales returns	(3.93)	(1.18)
Operating profit before working capital changes	**514.45**	**219.98**
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(299.31)	(82.67)
Trade receivables	(41.71)	(61.50)
Short-term loans and advances	(0.74)	(1.99)
Long-term loans and advances	(80.32)	(43.77)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	175.41	84.45
Other current liabilities	0.05	21.41
Other long-term liabilities	8.08	7.86
Short-term provisions	0.17	0.08
Long-term provisions	4.05	0.88
Cash generated from operations	**280.13**	**144.73**
Net income tax paid	(139.96)	(64.44)
NET CASH GENERATED FROM OPERATING ACTIVITIES (A)	**140.17**	**80.29**
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure on fixed assets including capital advances	(148.17)	(80.94)
Proceeds from sale of fixed assets	1.27	-
Purchase of long term investments in unit linked insurance plans	(3.00)	(3.00)
Net proceeds from / (investment in) bank deposits	4.00	(3.98)
Interest received	0.99	3.49
NET CASH USED IN INVESTING ACTIVITIES (B)	**(144.91)**	**(84.43)**
CASH FLOW FROM FINANCING ACTIVITIES		
Net proceeds from issue of equity shares	-	0.70
Net proceeds from long-term borrowings	50.32	11.33
Net proceeds from short-term borrowings	5.61	22.37
Finance costs paid	(48.80)	(48.97)
NET CASH GENERATED FROM / (USED) IN FINANCING ACTIVITIES (C)	**7.13**	**(14.57)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**2.39**	**(18.71)**
Cash and cash equivalents at the beginning of the year	5.56	24.27
Cash and cash equivalents at the end of the year	**7.95**	**5.56**
Notes:		
Components of cash and cash equivalents:		
Cash on hand	3.82	4.55
Balances with banks - in current accounts	4.13	1.01
Total cash and cash equivalents	**7.95**	**5.56**

Note:
The above statement should be read with the Statement of Material Adjustments to Audited Financial Statements and Significant Accounting Policies of the Restated Financial Information appearing in note 2 of Annexure X and Annexure XI respectively.

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

Satpal Singh Arora
Partner

Onkar Singh Pasricha
Chairman

Anant Kumar Daga
Managing Director

Venkatesh Tarakkad
Chief Financial Officer

Piyush Asija
Company Secretary

Place: New Delhi
Date:

Place : New Delhi
Date :

1. Corporate information

TCNS Clothing Co. Limited (Formerly known as TCNS Clothing Co. Private Limited) 'the Company' was incorporated on December 3, 1997 and is engaged mainly in manufacture and sale of women apparels under the brand name 'W', 'Aurelia' and 'Wishful'. A fresh certificate of incorporation consequent to the change in name to TCNS Clothing Co. Limited was issued by the Registrar of Companies Delhi on January 19, 2018 under section 18 of the Companies Act, 2013 to give effect to the change in name of the Company.

2. Significant Accounting Policies

2.1 Basis for preparation of Restated Financial Information

The Restated Statement of Assets and Liabilities of the Company as at March 31, 2015 and March 31, 2014 and Restated Statement of Profit and Loss and Restated Statement of Cash Flows for the years ended March 31, 2015 and March 31, 2014 [collectively referred to as the ('Restated Financial Information')] have been prepared in accordance with the Generally Accepted Accounting Principles in India ("Indian GAAP") to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 / 1956, and the relevant provisions of the Companies Act, 2013 / 1956 as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

The Restated Financial Information for the years March 31, 2015 and March 31, 2014 have been compiled by the Company from the Audited Financial Statements of the Company for the years ended March 31, 2015 and March 31, 2014 prepared under the Indian GAAP.

The Restated Financial Information have been prepared by the management in connection with the proposed listing of equity shares of the Company by way of an offer for sale by the selling shareholders, to be filed by the Company with SEBI, in accordance with the requirements of:

- Section 26 of the Companies Act, 2013; and

- The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by the Securities and Exchange Board of India ("SEBI") on August 26, 2009, as amended to date in pursuance of provisions of Securities and Exchange Board of India Act, 1992 read along with SEBI circular No. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 2016 (together referred to as the "SEBI regulations"); and

- Guidance note on reports in company prospectuses issued by The Institute of Chartered Accountants of India ('ICAI').

The Restated Financial Information is presented in Indian Rupees (₹) and all values are rounded to the nearest millions upto two decimals, expect where otherwise indicated.

2.2 Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the period/year. The Management believes that the estimates used in preparation of the Restated Financial Information are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.3 Inventories

Inventories are valued at the lower of cost (on weighted average basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

2.4 Cash and cash equivalents (for purposes of the Restated Statement of Cash Flows)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.5 The Restated Statement of Cash Flows

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 flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.6 Tangible Fixed Assets

Fixed assets are carried at costs less accumulated depreciation, amortisation and impairment loss, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets upto the date the asset is ready for its intended use. Exchange difference arising on restatement/settlement of long term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining life of fixed assets. Subsequent expenditure on fixed assets after its purchase / completion is capitalised only if such expenditure results in increase in the future benefits from such asset beyond its previously assessed standard of performance.

Fixed assets acquired and put to use for project purpose are capitalised and depreciation thereon is included in the project cost till the project is ready for its intended use.

Capital work-in-progress:

The assets which are not ready for their intended use and other capital work in progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

2.7 Intangible Assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

2.8 Depreciation and Amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

Plant and machinery:	4 years
Vehicles:	5 years
Office equipment:	3 years

Intangible assets are amortised over their estimated useful life of 3 years on straight line method. The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

2.9 Revenue Recognition:

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Sale of Goods

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty (only on excisable goods) but excludes sales tax and value added tax.

Interest income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

2.10 Foreign currency transactions and translations

Initial recognition

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement at the reporting date

Foreign currency monetary items (other than derivative contracts) of the Company, outstanding at the balance sheet date are restated at the year end rates. Non-monetary items of the Company are carried at historical cost.

Measurement at the reporting date

Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Restated Statement of Profit and Loss.

2.11 Export incentives

Export incentives are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

2.12 Investments

Long-term investments are stated at cost, less provision for other than temporary diminution in the carrying value of each investment. Current investments are stated at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

2.13 Employee Benefits

Employee benefits include provident fund, gratuity fund and compensated absences.

a. Post employment benefit plan

Contributions to defined contribution retirement benefit schemes are recognised as an expense when employees have rendered services entitling them to such benefits.

For defined benefit plan in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Restated Statement of Assets and Liabilities represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

b. Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under :

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
(b) in case of non-accumulating compensated absences, when the absences occur.

c. Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.

2.14 Employee share based payments

The Company has constituted an Employee Stock Option Plan- 2014, TCNS Senior Management Stock Option Plan 2015, TCNS Senior Executive Stock Option Plan 2015 and Employee Stock Option Plan- 2015. Employee Stock Options granted on or after April 1, 2005 are accounted under the 'Intrinsic Value Method' stated in the Guidance Note on Employee Share Based Payments issued by the Institute of Chartered Accountants of India.

2.15 Segment reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / (loss) amounts are evaluated regularly by the executive management in deciding how to allocate resources and in assessing performance.

2.16 Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Restated Statement of Profit and Loss on a straight-line basis over the lease term.

2.17 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.18 Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax expense or benefit is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and is likely to reverse in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

In the event of unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available to realise such assets. In other situations, deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realise these assets.

The Company offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Restated Statement of Assets and Liabilities when it is highly probable that future economic benefit associated with it will flow to the Company.

2.19 Impairment of assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Restated Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Restated Statement of Profit and Loss, to the extent the amount was previously charged to the Restated Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

2.20 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the Restated Financial Information.

2.21 Expected loss of margin on estimated sales returns

Provision is made for expected loss of margin on estimated sales returns in future periods against products sold during the year based on management's estimate and past experience.

2.22 Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

2.23 Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

Note 3: Restated Statement of Share capital

Particulars	As at March 31, 2015 Number	As at March 31, 2015 Amount (₹)	As at March 31, 2014 Number	As at March 31, 2014 Amount (₹)
Authorised				
Equity share capital				
Equity shares of Re. 1 each with voting rights (Refer note 'e' below)	130,000,000	130.00	130,000,000	130.00
Preference share capital				
Preference shares of Re. 1 each	20,000,000	20.00	20,000,000	20.00
Total	**150,000,000**	**150.00**	**150,000,000**	**150.00**
Issued, subscribed and fully paid-up				
Equity share capital				
Equity shares of Re. 1 each (Refer note 'e' below)	91,739,060	91.74	91,739,060	91.74
Preference share capital				
Non - redeemable cumulative mandatorily and fully convertible preference shares (Series A preference shares) of Re. 1 each	10,792,830	10.79	10,792,830	10.79
Non - redeemable cumulative mandatorily and fully convertible preference shares (Series A1 preference shares) of Re. 1 each	1,232,200	1.23	1,232,200	1.23
Total	**103,764,090**	**103.76**	**103,764,090**	**103.76**

Notes:

a. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31, 2015 Number	As at March 31, 2015 Amount (₹)	As at March 31, 2014 Number	As at March 31, 2014 Amount (₹)
Equity shares with voting rights				
At the beginning of the year	91,739,060	91.74	91,739,060	91.74
Changes during the year	-	-	-	-
Outstanding at the end of the year	**91,739,060**	**91.74**	**91,739,060**	**91.74**
Compulsory convertible preference shares				
Non - redeemable cumulative mandatorily and fully convertible preference shares (Series A preference shares) of Re. 1 each				
At the beginning of the year	10,792,830	10.79	10,792,830	10.79
Changes during the year	-	-	-	-
Outstanding at the end of the year	**10,792,830**	**10.79**	**10,792,830**	**10.79**
Non - redeemable cumulative mandatorily and fully convertible preference shares (Series A1 preference shares) of Re. 1 each				
At the beginning of the year	1,232,200	1.23	-	-
Issued during the year	-	-	1,232,200	1.23
Outstanding at the end of the year	**1,232,200**	**1.23**	**1,232,200**	**1.23**

b. Details of equity shares held by each shareholder holding more than 5% shares:

Particulars	As at March 31, 2015 Number	As at March 31, 2015 % holding	As at March 31, 2014 Number	As at March 31, 2014 % holding
Equity shares with voting rights				
Onkar Singh Pasricha	23,488,226	25.60%	25,027,150	27.28%
Arvinder Singh Pasricha	30,390,966	33.13%	31,929,890	34.81%
Gurmeet Singh	-	-	6,516,430	7.10%
Vijay Kumar Misra	6,171,090	6.73%	6,171,090	6.73%
Matrix Partners India Investment, LLC	5,396,420	5.88%	5,396,420	5.88%
Matrix Partners India Investment Holdings, LLC	7,126,008	7.77%	-	-

c. Details of Compulsory Convertible Preference Shares held by each shareholder holding more than 5% shares:

Particulars	As at March 31, 2015 Number	As at March 31, 2015 % holding	As at March 31, 2014 Number	As at March 31, 2014 % holding
Compulsory Convertible Preference Shares				
Matrix Partners India Investment Holdings, LLC	12,025,030	100.00%	12,025,030	100.00%

Note 3: Restated Statement of Share capital

d. Rights, preferences and restrictions attached to shares:

Equity shares
The Company has only one class of equity shares having a par value of Re. 1 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, holder of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

Preference shares
Non - redeemable cumulative mandatorily and fully convertible preference shares (Series A preference shares) and Non - redeemable cumulative mandatorily and fully convertible preference shares (Series A1 preference shares) carry terms and conditions as provided in the Shareholders' Agreement (SHA) dated 19 October, 2011 and 25 September, 2013 respectively. The preference shares rank for dividend in priority to the equity shares of the Company. In the event of winding up of the Company, the preference shares shall be entitled to rank, as regards repayment of capital and arrears of dividend upto the commencement of the winding up in priority of the equity shares. Each holder of preference shares shall have a right to receive notice of any meeting, participation and all other rights enjoyed by equity shareholders and shall be entitled to one vote on each preference share at all shareholder meetings on all matters.

e. Change in face value of equity shares:

The Company has changed the face value of its equity shares from Re. 1 per equity share to Rs. 2 per equity share on January 5, 2018

Reconciliation of number of equity shares at the end of each reporting period assuming the effect of change in face value is considered retrospectively

Particulars	As at March 31, 2015	As at March 31, 2014
Number of equity shares of Re. 1 each outstanding before change in face value	91,739,060	91,739,060
Less: Effect of change in face value (in numbers)	45,869,530	45,869,530
Number of equity shares of Rs. 2 each outstanding after change in face value	45,869,530	45,869,530

Note 4 : Restated Statement of Reserves and Surplus
(All amounts in ₹ million except otherwise specified)

Particulars	As at March 31, 2015	As at March 31, 2014
Securities premium account		
Opening balance	492.55	493.08
Less: Issue related expense (Refer note 'i' below)	-	0.53
Closing balance	**492.55**	**492.55**
General reserve	**29.60**	**29.60**
Surplus in Restated Statement of Profit and Loss		
Opening balance	208.32	120.82
Add: Restated profit for the year	262.81	87.50
Add: Adjustment related to change in useful life of fixed assets (Refer note 'ii' below)	6.88	-
Closing balance	**478.01**	**208.32**
Total	**1,000.16**	**730.47**

Note i:
Issue related expense
Share issue expenses and redemption premium are adjusted against the Securities Premium Account as permissible under Section 78(2) of the Companies Act, 1956, to the extent balance is available for utilisation in the Securities Premium Account.

Note ii:
Adjustment related to change in useful life of fixed assets
Effective from April 1, 2014, the Company has charged depreciation based on the remaining useful life of the assets as per the requirements of Schedule II of the Companies Act, 2013 ("the Act"). In accordance with the transitional provisions provided in Note 7(b) of Schedule II of the Act, an amount of ₹ 6.88, was adjusted against the opening balance as on April 1, 2014 of retained earnings in respect of assets wherein the remaining useful life of the assets were nil.

Note 5 : Restated Statement of Long-term borrowings

Particulars	As at March 31, 2015	As at March 31, 2014
Secured		
Term loans		
- From banks (Refer note 'i')	79.70	32.41
Vehicle loans		
- From banks (Refer note 'ii')	8.99	5.96
	88.69	**38.37**
Less: Amount disclosed as 'Other current liabilities'		
Term loans from banks	(18.97)	(10.94)
Vehicle loans from banks	(5.22)	(3.31)
Total	**64.50**	**24.12**

Notes:

i. Term loans

The following are the principal terms of loans:

1.1 Interest

Interest rate on term loans outstanding at each reporting date have been calculated at a sum of the floating base rate of HDFC bank plus 180 basis points. The interest rate was subject to changes in the base rate of HDFC bank from time to time.

Particulars	As at March 31, 2015	As at March 31, 2014
Interest rate	11.80%	12.25%

1.2 Repayment terms

The repayment schedule of outstanding balances of term loans is as under:

Repayable in	As at March 31, 2015	As at March 31, 2014
2014-2015	-	8.50
2015-2016	19.15	9.64
2016-2017	57.94	11.66
2017-2018	2.61	2.61
	79.70	**32.41**

1.3 Security

Term loans were secured by hypothecation of entire current assets, movable and immovable assets of the Company. This loan was further guaranteed by all the directors and collateral owners of the Company.

1.4 Prepayment terms

The Company has an option to repay its term loan as and when required, as agreed with the Bank and there is no prepayment penalty and interest.

ii. Vehicle loans

2.1 Interest

Interest rate on vehicle loans shall be calculated on 9.65% per annum - 10.50% per annum. The interest rate is given in a range which is depending upon the rate at which loan is taken from different banks.

2.2 Repayment terms

The repayment schedule of outstanding balances of vehicle loans is as under:

Repayable in	As at March 31, 2015	As at March 31, 2014
2014-2015	-	2.92
2015-2016	5.18	1.61
2016-2017	3.34	1.43
2017-2018	0.47	-
	8.99	**5.96**

2.3 Security

Vehicle loan is secured by first and exclusive charge on respective vehicle.

Note 6 : Restated Statement of Other long-term liabilities

Particulars	As at March 31, 2015	As at March 31, 2014
Security deposits received	51.09	43.01
Total	**51.09**	**43.01**

Note 7 : Restated Statement of Long-term provisions

Particulars	As at March 31, 2015	As at March 31, 2014
Provision for employee benefits:		
- Provision for gratuity	10.72	8.05
- Provision for compensated absences	2.85	1.47
Total	**13.57**	**9.52**

Note 8 : Restated Statement of Short-term borrowings

Particulars	As at March 31, 2015	As at March 31, 2014
Secured		
Cash credit facility from bank (Refer note below)	301.26	301.92
Unsecured		
From directors	8.10	0.21
From other parties	0.04	1.66
Total	**309.40**	**303.79**

Note:
Cash credit facility from bank
Cash credit facility from bank is secured by hypothecation of entire current assets, movable and immovable assets of the Company. This facility is further guaranteed by all the directors and collateral owners of the Company.

Note 9 : Restated Statement of Trade payables

Particulars	As at March 31, 2015	As at March 31, 2014
Trade Payables (other than acceptances)		
- Total outstanding dues of micro and small enterprises	-	-
- Total outstanding dues other than micro and small enterprises	454.37	278.96
Total	**454.37**	**278.96**

Note 10 : Restated Statement of Other current liabilities

Particulars	As at March 31, 2015	As at March 31, 2014
Current maturities of long-term borrowings		
(i) Term loans from banks	18.97	10.94
(ii) Vehicles loans from banks	5.22	3.31
Lease equalisation reserve	17.94	14.44
Advance from customers	19.99	15.59
Others:		
(i) Statutory dues	15.41	9.79
(ii) Payables on purchase of fixed assets	3.51	3.57
(iii) Security deposits	27.25	37.23
Total	**108.29**	**94.87**

Note 11 : Restated Statement of Short-term provisions

Particulars	As at March 31, 2015	As at March 31, 2014
Provision for employee benefits		
- Provision for gratuity	0.18	0.10
- Provision for compensated absences	0.23	0.14
	0.41	0.24
Provision - Others:		
Provision for income tax		
- Provision for income tax	161.05	52.59
- Less: Advance tax	(129.90)	(42.53)
Net Provision for income tax	31.15	10.06
- Provision for loss of margin on estimated sales returns (Refer note 'i' below)	7.21	11.14
Total	**38.77**	**21.44**

Note 'i':

The Company creates provision for loss of margin on estimated sales returns in future periods against products sold during the year, based on management's estimate and past experience. The management estimates that this provision would be fully utilised over the next one year. Movement of provision for loss of margin on estimated sales returns:

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Provision at the beginning of the year	11.14	12.32
Add: Provision made during the year	7.21	11.14
Less: Provision utilised / reversed during the year	(11.14)	(12.32)
Closing balance at the end of the year	**7.21**	**11.14**

Note 12 : Restated Statement of Fixed Assets - Tangible assets

Particulars	Plant and machinery	Office equipment	Leasehold improvements	Computers	Vehicles	Total
Gross block						
As at April 1, 2013	**1.93**	**7.36**	**140.83**	**17.14**	**7.59**	**174.85**
Additions during the year	1.44	6.73	56.21	1.93	7.29	73.60
Disposals during the year	-	-	-	-	-	-
As at March 31, 2014	**3.37**	**14.09**	**197.04**	**19.07**	**14.88**	**248.45**
Additions during the year	3.45	13.65	108.59	4.05	9.25	138.99
Disposals during the year	-	(0.01)	(1.38)	(0.03)	(2.09)	(3.51)
As at March 31, 2015	**6.82**	**27.73**	**304.25**	**23.09**	**22.04**	**383.93**
Accumulated deprecation						
As at April 1, 2013	**1.71**	**3.90**	**71.58**	**14.10**	**2.39**	**93.68**
Expense for the year	0.24	2.54	30.29	2.12	1.94	37.13
Deletions / adjustments	-	-	-	-	-	-
As at March 31, 2014	**1.95**	**6.44**	**101.87**	**16.22**	**4.33**	**130.81**
Expense for the year	0.77	5.30	46.82	2.29	3.72	58.90
Deletions / adjustments (Refer note below)	(0.04)	(0.36)	(5.74)	(0.36)	(2.37)	(8.87)
As at March 31, 2015	**2.68**	**11.38**	**142.95**	**18.15**	**5.68**	**180.84**
Net block						
As at March 31, 2014	**1.42**	**7.65**	**95.17**	**2.85**	**10.55**	**117.64**
As at March 31, 2015	**4.14**	**16.35**	**161.30**	**4.94**	**16.36**	**203.09**

Note:

Effective from April 1, 2014, the Company has charged depreciation based on the remaining useful life of the assets as per the requirements of Schedule II of the Companies Act, 2013 ("the Act"). In accordance with the transitional provisions provided in Note 7(b) of Schedule II of the Act, an amount of ₹ 6.47, was adjusted against the opening balance as on April 1, 2014 of retained earnings in respect of assets wherein the remaining useful life of the assets is Nil.

Note 13 : Restated Statement of Fixed Assets - Intangible assets

Particulars	Computer software
Gross block	
As at April 1, 2013	**24.45**
Additions during the year	4.65
Disposals during the year	-
As at March 31, 2014	**29.10**
Additions during the year	4.44
Disposals during the year	-
As at March 31, 2015	**33.54**
Accumulated amortisation	
As at April 1, 2013	**20.25**
Expense for the year	2.76
Deletions / adjustments	-
As at March 31, 2014	**23.01**
Expense for the year	3.37
Deletions / adjustments	-
Other Adjustment (Refer Note below)	(0.41)
As at March 31, 2015	**25.97**
Net block	
As at March 31, 2014	**6.09**
As at March 31, 2015	**7.57**

Note:

Effective from April 1, 2014, the Company has charged depreciation based on the remaining useful life of the assets as per the requirements of Schedule II of the Companies Act, 2013 ("the Act"). In accordance with the transitional provisions provided in Note 7(b) of Schedule II of the Act, an amount of ₹ 0.41 million, was adjusted against the opening balance as on April 1, 2014 of retained earnings in respect of assets wherein the remaining useful life of the assets is Nil.

Note 14 : Restated Statement of Non-current investments

Particulars	As at March 31, 2015	As at March 31, 2014
Investments (At cost):		
Investment in unit linked insurance plans (unquoted)		
HDFC SL ProGrowth Super II	9.00	6.00
Total	**9.00**	**6.00**

Note 15 : Restated Statement of Deferred tax assets

Particulars	As at March 31, 2015	As at March 31, 2014
Tax effect of items constituting deferred tax assets		
- On difference between book balance and tax balance of fixed assets	24.36	18.23
- On account of sales reversal	12.63	5.75
- Provision for employee benefits	4.75	3.32
- Provision for loss of margin on estimated sales returns	2.46	3.79
- Provision for lease equalisation reserve	6.10	4.91
Total Deferred tax assets	**50.30**	**36.00**

Note 16 : Restated Statement of Long-term loans and advances

Particulars	As at March 31, 2015	As at March 31, 2014
Unsecured, considered good		
Capital advances	8.39	4.66
Security deposits	219.03	138.16
Balance with government authorities	6.00	6.55
Total	**233.42**	**149.37**

Note 17 : Restated Statement of Inventories

Particulars	As at March 31, 2015	As at March 31, 2014
Raw materials	74.24	53.57
Work-in-progress	146.31	79.10
Finished goods	671.36	459.93
Total	**891.91**	**592.60**

Note 18 : Restated Statement of Trade receivables

Particulars	As at March 31, 2015	As at March 31, 2014
Unsecured, considered good		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	62.00	90.95
Other trade receivables	590.01	519.35
Total	**652.01**	**610.30**

Note 19 : Restated Statement of Cash and cash equivalents

Particulars	As at March 31, 2015	As at March 31, 2014
Cash and cash equivalents		
Cash on hand	3.82	4.55
Balance with banks - in current accounts	4.13	1.01
Cash and cash equivalents (As per AS 3 Cash flow statement)	7.95	5.56
Other bank balances		
In earmarked accounts		
- Balances held as margin money against borrowings and guarantees	60.70	14.68
Deposits		
- With original maturity of more than 3 months but less than 12 months	-	50.02
Total	**68.65**	**70.26**

Note 20 : Restated Statement of Short-term loans and advances

Particulars	As at March 31, 2015	As at March 31, 2014
Unsecured, considered good		
Advance for security deposits	2.63	-
Loans and advances to employees	2.34	4.38
Prepaid expenses	3.17	2.59
Advance to suppliers	8.05	6.37
Advance rent	0.23	1.31
Other advances	0.64	1.67
Total	**17.06**	**16.32**

Note 21 : Restated Statement of Other current assets

Particulars	As at March 31, 2015	As at March 31, 2014
Accruals		
Interest accrued on deposits	9.96	5.36
Total	**9.96**	**5.36**

Note 22 : Restated Statement of Revenue from operations

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Sale of products		
- Manufactured goods - apparels	3,005.64	1,693.40
- Traded goods - accessories	3.95	2.50
Revenue from operations	**3,009.59**	**1,695.90**

Note 23 : Restated Statement of Other income

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
<u>Recurring</u>		
Interest income on deposits with banks	5.59	5.60
<u>Non - recurring</u>		
Net gain on sale of fixed assets	0.15	-
Other non-operating income		
- Provision for loss of margin on estimated sales returns written back	3.93	1.18
Total	**9.67**	**6.78**

Note:
The classification of other income as recurring/non-recurring is based on the current operations of the Company, as determined by the management.

Note 24 : Restated Statement of Cost of materials consumed

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Opening stock (including goods-in-transit)	53.57	51.09
Add: Purchases	1,009.94	522.42
	1,063.51	**573.51**
Less: Closing stock (including goods-in-transit)	74.24	53.57
Total	**989.27**	**519.94**

Note 25 : Restated Statement of Purchase of stock-in-trade (traded goods)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Purchase of accessories	3.30	5.86
Total	**3.30**	**5.86**

Note 26 : Restated Statement of Changes in inventories of finished goods and work-in-progress

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Closing Stock		
- Work-in-progress	146.31	79.10
- Finished goods	671.36	459.93
	817.67	**539.03**
Opening Stock		
- Work-in-progress	79.10	85.05
- Finished goods	459.93	373.78
	539.03	**458.83**
Net increase in inventories	**(278.64)**	**(80.20)**

Note 27 : Restated Statement of Employee benefits expense

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Salaries and wages	324.78	199.00
Contributions to provident fund	12.69	8.00
Gratuity expense	3.04	1.25
Staff welfare expenses	13.66	11.54
Total	**354.17**	**219.79**

Note 28 : Restated Statement of Other expenses

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Fabrication charges	567.53	328.94
Consumption of packing materials	14.83	8.87
Power and fuels	20.67	11.41
Rent and hire charges	291.30	158.32
Repair and maintenance - others	47.67	31.32
Insurance	1.84	1.62
Rates and taxes	1.44	7.18
Communication	5.92	4.24
Travelling and conveyance	15.10	12.85
Printing and stationery	2.49	2.96
Freight and forwarding	34.40	20.63
Sales commission and brokerage	47.29	29.65
Advertisement and sales promotion	79.37	40.41
Legal and professional	20.10	20.67
Donations and contributions	0.15	0.75
Payments to auditors (Refer note below)	1.13	1.01
Expenditure on corporate social responsibility	1.52	-
Product development expenses	24.36	12.73
Selling and distribution expenses	246.95	117.52
Miscellaneous expenses	6.48	4.53
Total	**1,430.54**	**815.61**

Note:

Payments to the auditors comprises (including taxes):

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Statutory auditors		
- Audit fee	1.13	1.01
Total	**1.13**	**1.01**

Note 29 : Restated Statement of Finance costs

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Interest expense on:		
- Borrowings from banks	34.53	37.60
- Trade payables	5.20	1.76
Others:		
- Interest on delayed payment of taxes	2.37	2.69
- Interest on security deposits	1.97	2.43
Other borrowing costs	4.73	4.49
Total	**48.80**	**48.97**

Note 30 : Restated Statement of Depreciation and amortisation

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Depreciation (Refer note 12)	58.90	37.13
Amortisation (Refer note 13)	3.37	2.76
Total	**62.27**	**39.89**

Note 31 : Restated Statement of Related party transactions and balances

a. Names of related parties and related party relationships

I. Key management personnel
Mr. Onkar Singh Pasricha, Director

II. Relatives of key management personnel
Mr. Saranpreet Pasricha (Son of Mr. Onkar Singh Pasricha)

III. Companies under the significant influence of key management personnel
TCNS Limited
TCNS Technologies Private Limited

IV. Individual having significant influence over the Company
Mr. Arvinder Singh Pasricha

b. Related party transactions

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Transactions during the year		
Repayment of loan		
Key management personnel		
- Mr. Onkar Singh Pasricha	0.17	6.66
Individual having significant influence over the Company		
- Mr. Arvinder Singh Pasricha	0.09	2.60
Loan received		
Key management personnel		
- Mr. Onkar Singh Pasricha	8.15	-
Individual having significant influence over the Company		
- Mr. Arvinder Singh Pasricha	-	2.50
Sale of products		
Companies under the significant influence of key management personnel		
- TCNS Limited	-	0.10
Purchase of goods		
Companies under the significant influence of key management personnel		
- TCNS Limited	0.13	6.24
Rent and hire charges		
Companies under the significant influence of key management personnel		
- TCNS Technologies Private Limited	0.10	0.10

Note 31 : Restated Statement of Related party transactions and balances

b. Related party transactions

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Fabrication charges		
Companies under the significant influence of key management personnel		
- TCNS Limited	283.79	165.29
Relatives of key management personnel		
- Mr. Saranpreet Pasricha	2.81	2.74

c. Related party outstanding balances

Particulars	As at March 31, 2015	As at March 31, 2014
Loan outstanding		
Key management personnel		
- Mr. Onkar Singh Pasricha	8.10	0.12
Individual having significant influence over the Company		
- Mr. Arvinder Singh Pasricha	-	0.09
Trade payables		
Companies under the significant influence of key management personnel		
- TCNS Limited	29.74	17.04

1. Material regroupings

Appropriate adjustments have been made in the Restated Statement of Assets and Liabilities, Profit and Loss and Cash Flows, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financials of the Company as at and for year ended March 31, 2017, prepared in accordance with the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended).

2. Material adjustments

The summary of results of restatements made in the audited financial statements for the respective years and its impact on the profits of the Company is as follows:

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Profit after tax for the year as per audited financial statements	272.78	84.11
Add/less: adjustments on account of:		
Short/excess provision for employee benefit (Refer note 2.1)		
- Gratuity	5.70	(0.47)
- Compensated absences	(1.55)	(0.37)
Short/excess rent expense recorded/reversed as per lease equalisation reserve (Refer note 2.2)	(3.45)	(5.06)
Sale or return basis: (Refer note 2.3)		
- Excess/short sales reversed/recorded	(32.40)	3.05
- Corresponding effect of change in cost of goods sold	12.15	(1.14)
Outright sale: (Refer note 2.4)		
- Short/excess provision for loss of margin created/reversed	3.93	1.18
Add: Tax impact	5.65	6.20
	(9.97)	3.39
Restated profit after tax	**262.81**	**87.50**

Notes on material adjustments:

Details of adjustments pertaining to prior years:

2.1 Provision for employee benefit:
Upto the period ended March 31, 2015, the Company did not make provision for gratuity and compensated absences in accordance with the requirements of Accounting Standard 15 "Employee Benefits" ("AS 15"). Accordingly, provision for gratuity and compensated absences has been restated by the Company for the years ended March 31, 2015 and March 31, 2014 as per the requirements of AS 15.

2.2 Provision for lease equalisation reserve:
The Company did not make provision for lease equalisation reserve in accordance with the requirements of Accounting Standard 19 "Leases" ("AS 19"). Accordingly, provision for lease equalisation reserve has been restated by the Company for the years ended March 31, 2015 and March 31, 2014 as per the requirements of AS 19.

2.3 Adjustment of revenue for sale or return basis sales:
The Company recognised its revenue at the time of delivery of goods to the third parties with whom the sales were made on 'Sale or Return' basis as per the terms of the agreement. As per the new revenue recognition policy, the Company recognises its sales at the time of sales made to end customers which coincides with transfer of risk and rewards. As a result of this change, the Company has restated its revenue and corresponding cost of goods sold for the years ended March 31, 2015 and March 31, 2014.

2.4 Provision for loss of margin on estimated sales returns:
The Company has reassessed its revenue recognition policy (refer point 2.3 above) for sale on 'Sale or Return' basis and accordingly the Company has restated its provision for loss of margin on estimated sales return for the years ended March 31, 2015 and March 31, 2014 .

3. Opening reserve reconciliation (As at April 1, 2013)

Particulars	Amount
Surplus in statement of profit and loss as at April 1, 2013 as per audited financial statements	155.58
Adjustments:	
Sale or return basis adjustment	(18.81)
Provision for loss of margin on estimated sales returns	(12.32)
Provision for employee benefit	(4.77)
Provision for lease equalisation reserve	(9.39)
Tax impact of above transactions	10.53
Surplus in the Restated Statement of Profit and Loss as at April 1, 2013	**120.82**

Annexure XII: Additional Information to Restated Statement of Financial Information
(All amounts in ₹ million except otherwise specified)

1. Contingent liabilities and commitments (to the extent not provided for)

Particulars	As at March 31, 2015	As at March 31, 2014
A. Contingent Liabilities		
Claims against the Company not acknowledged as debt (Refer note 1.2)		
- Demand raised by Sales tax authorities	3.35	2.08

Notes:
1.1 The Company has no financial commitments other than those in the nature of regular business operations.
1.2 No provision is considered necessary since the Company expects favourable decisions.

2. Employee benefit plans

2.1 Defined contribution plans

The Company makes provident fund contribution to a defined contribution retirement benefit plan for qualifying employees. The Company's contribution to the Employees provident fund is deposited with the Regional Provident Fund Commissioner. Under the scheme, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit scheme to fund the benefits. The Company has recognised the following amounts in the Restated Statement of Profit and Loss in the following years:

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Provident Fund Contributions	12.69	8.00

2.2 Defined benefit plans

The Company offers its employees defined-benefit plans in the form of a gratuity scheme. Benefits under the defined benefit plans are based on years of service and the employee's compensation (immediately before retirement). Benefits payable to eligible employees of the Company with respect to gratuity, a defined benefit plan is accounted for on the basis of an actuarial valuation as at the balance sheet date. Actuarial valuation is done based on "Projected Unit Credit" method.

The following tables sets out the funded status of the defined benefit scheme in respect of Gratuity and amount recognised in the Restated Financial Information:

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
(a) Change in Defined Benefit Obligations ('DBO')		
Present value of obligations at beginning of the year	8.15	7.45
Past service cost	-	-
Current service cost	3.32	3.00
Interest cost	0.76	0.62
Settlement cost / (credit)	-	-
Actuarial losses / (gains)	(1.04)	(2.37)
Benefits paid	(0.29)	(0.55)
Present value of DBO at the end of the year	**10.90**	**8.15**

Particulars	As at March 31, 2015	As at March 31, 2014
(b) Net liability recognised in the Restated Statement of Assets and Liabilities		
Short-term provision	0.18	0.10
Long-term provision	10.72	8.05
	10.90	**8.15**

Annexure XII: Additional Information to Restated Statement of Financial Information
(All amounts in ₹ million except otherwise specified)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
(c) Expense recognised in the Restated Statement of Profit and Loss		
Past service cost	-	-
Current service cost	3.32	3.00
Interest cost	0.76	0.62
Actuarial losses/(gains)	(1.04)	(2.37)
Adjustments due to restatement	-	-
Total expense recognised in the Restated Statement of Profit and Loss	**3.04**	**1.25**

Particulars	As at March 31, 2015	As at March 31, 2014
(d) Balance Sheet reconciliation		
Net liability at the beginning of the year	8.15	7.45
Expense recognised for the year	3.04	1.25
Benefits paid	(0.29)	(0.55)
Net liability at the end of the year	**10.90**	**8.15**

(e) Since the gratuity plan is unfunded, next year estimated contribution to gratuity fund is Rs. Nil.

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
(f) Principal actuarial assumptions		
Discount rate	7.80% p.a.	9.30% p.a.
Expected salary escalation	10% for the first three and 7% thereafter.	10.00% p.a.
Attrition rate (upto the age of 30 years)	3.00%	3.00%
Attrition rate (31-44 years)	2.00%	2.00%
Attrition rate (beyond the age of 44 years)	1.00%	1.00%
Mortality table used	IALM(2006-08)	IALM(2006-08)

The discount rate is based on prevailing market yields of Government of India bonds as at the valuation date balance sheet date for the expected term of obligation.

The estimates of future salary increases considered, takes into account the inflation, seniority, promotions and other relevant factors, such as supply and demand in the employment market.

(g) Experience adjustments

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Present value of DBO	10.90	8.15
Fair value of plan assets	-	-
Surplus / (Deficit)	(10.90)	(8.15)
Experience gain/(loss) adjustments on plan liabilities	(1.04)	(2.37)
Experience gain/(loss) adjustments on plan assets	-	-

(h) Actuarial assumptions for long-term compensated absences

The assumptions considered in the actuarial valuation of compensated absences payable to eligible employees of the Company are as follows:

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Discount rate	7.80% p.a.	9.30% p.a.
Expected salary escalation	10% for first two years and 7% thereafter	10% for first two years and 7% thereafter
Attrition rate (upto the age of 30 years)	3.00%	3.00%
Attrition rate (31-44 years)	2.00%	2.00%
Attrition rate (beyond the age of 44 years)	1.00%	1.00%
Mortality table used	IALM(2006-08)	IALM(2006-08)

3. Segment Reporting

The Company is primarily engaged in the business of manufacturing and sale of women apparels in India. The entire operations of the Company are governed by the same set of risk and rewards. Accordingly, the Company views these activities as one business segment, therefore there are no separate reportable segments as per Accounting Standard 17 prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

4. Leases

The Company has entered into operating lease arrangements for certain facilities and office premises.

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Lease payments recognised in the Restated Statement of Profit and Loss	291.30	158.32
Future minimum lease payments under non-cancellable leases		
not later than one year	399.27	224.45
later than one year and not later than five years	1,294.90	816.83
later than five years	-	-

5. Earnings Per Share ('EPS') (Refer note below)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Basic		
Restated profit for the year	262.81	87.50
Weighted average number of equity shares of ₹ 2 each (No. in millions)	45.87	45.87
Add: Effect of Convertible Preference Shares (No. in millions)	5.41	5.41
Weighted average number of equity shares of ₹ 2 each - for basic EPS (No. in millions)	51.28	51.28
Basic earnings per share	**5.13**	**1.71**
Diluted		
Restated profit for the year	262.81	87.50
Weighted average number of equity shares of ₹ 2 each for Basic EPS (No. in millions)	51.28	51.28
Add: Effect of Employee Stock Options (No. in millions)	1.22	1.22
Weighted average number of equity shares of ₹ 2 each - for diluted EPS (No. in millions)	52.50	52.50
Diluted earnings per share	**5.01**	**1.67**

Note:

The face value of the equity share of the Company has been consolidated from ₹ 1 to ₹ 2 per equity share with the effect from January 5, 2018. Accordingly, the calculation above reflect the effect of share consolidation retrospectively for all periods present.

6. Change in face value of equity shares

The Company has changed the face value of its equity shares from ₹ 1 per equity share to ₹ 2 per equity share on January 5, 2018.

Annexure XIII: Summary of events pertaining to Employee Stock Options Plans
(All amounts in ₹ million except otherwise specified)

1. Employee Stock Option Plan (disclosures made under the ICAI Guidance Note on Share Based Payments), (Refer note 1.2 below)

1.1 TCNS Employee Stock Option Plan 2014 ("the 2014 Plan"):

The Company had instituted the 2014 Plan, which was approved by the Board of Directors in July 1, 2014 which was further amended vide special resolution passed in extra ordinary general meeting dated March 16, 2015. The 2014 Plan provides for grant of stock options aggregating not more than 13,800,000 of number of issued equity shares of the Company to eligible employees of the Company. The 2014 Plan is administered by the Compensation Committee appointed by the Board of Directors. Under the plan, the employees receive shares of the Company upon completion of vesting conditions. Vesting period ranges from one to four years and options can be exercised within 10 years from vesting date. As per the 2014 plan, the Option Price will be determined by the Compensation Committee, from time to time, in accordance with the provisions of applicable law, provided that the Option Price shall not be below the face value of the equity shares of the Company.

Particulars	For the year ended March 31, 2015		For the year ended * March 31, 2014	
	Pre-consolidation	Post-consolidation	Pre-consolidation	Post-consolidation
Option outstanding at the beginning of the year:	-	-	-	-
Option granted during the year:	13.80	6.90	-	-
Options exercised during the year:	-	-	-	-
Options lapsed during the year:	-	-	-	-
Options outstanding at the end of the year:	13.80	6.90	-	-
- Vested	-	-	-	-
- Balance to be vested	13.80	6.90	-	-
Weighted average exercise price per option (in ₹)	38.29	76.58	-	-
Weighted average remaining contractual life for options outstanding (years)	3.36	3.36	-	-
Range of Exercise Price (in ₹)	38-40	76-80	-	-

* No employee stock option plans were issued by the Company prior to financial year 2014-15.

1.2 The Company has changed the face value of its equity shares from ₹ 1 per equity share to ₹ 2 per equity share on January 5, 2018.

Annexure XIV : Restated Statement of Accounting Ratios (Refer note 8 below)
(All amounts in ₹ million except otherwise specified)

Particulars		For the year ended March 31, 2015	For the year ended March 31, 2014
Net profit after tax (as restated) attributable to equity shareholders	A	262.81	87.50
Weighted average no. of equity shares outstanding during the year used for computing Basic Earning Per Share (EPS) (Refer note 4)	B	51.28	51.28
Add: Effect of dilution			
Effect of Employee Stock Options		1.22	1.22
Weighted average no. of equity shares for calculating diluted EPS	C	**52.50**	**52.50**
Net worth at the end of the year (₹) (Refer note 6)	D	**1,103.92**	**834.23**
Number of equity shares outstanding at the end of the year (Refer note 5)	E	**45.87**	**45.87**
Accounting ratios:			
Basic earnings per share (Rs.) (Face value of Rs. 2 per equity share) (Refer Note 3(a))	F = A/B	5.13	1.71
Diluted earnings per share (Rs.) (Face value of Rs. 2 per equity share) (Refer Note 3(b))	G = A/C	5.01	1.67
Return on Net Worth (%) (Refer Note 3(c))	H = A/D	23.81%	10.49%
Net asset value per equity share (Rs.) (Face value of Rs. 2 per equity share) (Refer Note 3(d))	I = D/E	24.07	18.19

Notes:

1. The figures disclosed above are based on the Restated Financial Information of the Company.
2. The above statement should be read with the notes to Restated Statement of Assets and Liabilities, Restated Statement of Profits and Loss and Restated Statement of Cash Flows appearing in Annexures I (A), Annexure II (A) and Annexure III (A) respectively.
3. The ratios have been computed as below:

(a)	Basic Earnings per share (₹)	$\frac{\text{Restated net profit after tax attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the year}}$
(b)	Diluted earnings per share (₹)	$\frac{\text{Restated net profit after tax}}{\text{Weighted average number of diluted equity shares outstanding during the year}}$
(c)	Return on net worth (%)	$\frac{\text{Restated net profit after tax}}{\text{Net worth at the end of the year}}$
(d)	Net asset value per share (₹)	$\frac{\text{Net worth at the end of the year}}{\text{Total number of equity shares outstanding at the end of the year}}$

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 weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.
5. Total no. of equity shares outstanding at the beginning and end of the year is determined by considering the total number of fully paid up equity shares as at the year end.
6. Net worth for ratios mentioned in note 3(c) and 3(d) represents the aggregate of the paid up share capital and reserves and surplus as stated in Restated Statement of Share capital and Restated Statement of Reserves and surplus.
7. Earnings per share calculations are in accordance with Accounting Standard 20 "Earnings per Share" notified under section 133 of the Companies Act 2013, read together along with paragraph 7 of the Companies (Accounts) Rules, 2014. ESOP being anti dilutive in nature are not considered for calculation of diluted earnings per share.
8. The face value of the equity share of the Company has been consolidated from ₹ 1 to ₹ 2 per equity share with the effect from January 5, 2018. Accordingly, the calculation above reflect the effect of share consolidation retrospectively for all periods presented.

TCNS Clothing Co. Limited (Formerly known as TCNS Clothing Co. Private Limited)

Annexure XV : Restated statement of Capitalisation
(All amounts in ₹ million except otherwise specified)

	PARTICULARS	Pre-Issue As at March 31, 2015	Post Issue Amount after considering the Issue (Refer Note 2 below)
I	**Borrowings:**		
	Short-term borrowings	309.40	-
	Long-term borrowings	64.50	-
	Add: Current maturities of long-term borrowings	24.19	-
	Total borrowings - (a)	**398.09**	**-**
II	**Shareholders' fund**		
	Share capital	103.76	-
	Reserves and surplus	1,000.16	-
	Total shareholders' fund - (b)	**1,103.92**	**-**
III	**Total borrowings / shareholders' fund - (a/b)**	**0.361**	-
IV	**Long-term borrowings / shareholders' fund**	**0.080**	-

Notes:
1. The above ratios have been computed on the basis of Restated Financial Information
2. Shareholders fund post issue can be calculated only on the conclusion of the book building process.

Annexure XVI : Restated Statement of Tax shelter
(All amounts in ₹ million except otherwise specified)

	Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
A	Restated profit before tax	409.55	132.82
B	Normal tax rate	33.99%	33.99%
C	Tax thereon at the above rate (A * B)	139.21	45.15
D	**Tax impact of permanent differences due to:**		
	Interest /Penalty disallowed	4.65	0.89
	Corporate social responsibility expenses (Including donations)	0.54	0.13
	Prior period expense	-	0.02
	Others	2.33	(0.87)
	Total	**7.53**	**0.17**
E	**Tax impact of Timing differences due to:**		
	Difference between book balance and tax balance of fixed assets	6.13	5.49
	On account of sales reversal	6.88	(0.13)
	Provision for employee benefits	1.43	0.52
	Provision for loss of margin on estimated sales returns	(1.33)	(0.16)
	Provision for lease equalisation reserve	1.20	1.91
	Effect of deferred tax balance due to change in income tax rate	-	(0.36)
	Total	**14.31**	**7.27**
F	**Net adjustments (D + E)**	**21.84**	**7.44**
G	**Adjusted tax liability (C+F)**	**161.05**	**52.59**

Notes:
1. The aforesaid Restated Statement of Tax Shelter has been prepared as per the Restated Statement of profit and loss of the Company.
2. Income tax rate includes surcharge, education cess and secondary higher education cess as applicable for the years concerned.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion in conjunction with our Restated Financial Information for Fiscals 2018, 2017, 2016, 2015 and 2014, including the related notes, schedules and annexures.

*Our Restated Financial Information as of and for Fiscal 2018, together with the comparative period as of and for Fiscal 2017, included in this Prospectus has been prepared under Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 read with the Companies Act, 2013. The restated financial information as of and for Fiscal 2018 has been compiled from the audited consolidated financial statements of our Company prepared under Ind AS. Our date of transition to Ind AS was April 1, 2016 and the audited financial statements for Fiscal 2018 were the first to be prepared in accordance with Ind AS. The restated financial information as of and for Fiscals 2017 and 2016 have been prepared by making Ind AS adjustments to the audited financial statements prepared under previous generally accepted accounting principles followed in India ("**Indian GAAP**") as of and for Fiscals 2017 and 2016, respectively. The restated financial statements as of and for Fiscals 2015 and 2014 included in this Prospectus have been prepared under Indian GAAP. The Restated Financial Information are restated in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations.*

Our Fiscal ends on March 31 of each year. Accordingly, all references to a particular Fiscal are to the 12-month period ended March 31 of that year.

The industry information contained in this section is derived from a report "Women's Ethnic Wear Industry Report" dated May 2018, prepared by Technopak, and commissioned by our Company in connection with the Offer. Neither we, nor the BRLMs, nor any other person connected with the Offer has independently verified this information.

*This discussion contains forward-looking statements that involve risks and uncertainties and reflects our current view with respect to future events and financial performance. Actual results may differ from those anticipated in these forward-looking statements as a result of factors such as those set forth under "**Forward-looking Statements**" and "**Risk Factors**" on pages 12 and 14, respectively.*

Overview

We are India's leading women's branded apparel company in terms of total number of exclusive brand outlets as of May 2018, according to Technopak. We design, manufacture, market and retail a wide portfolio of women's branded apparel across multiple brands. We sell our products across India and through multiple distribution channels. As of March 31, 2018, we sold our products through 465 exclusive brand outlets, 1,469 large format store outlets and 1,522 multi-brand outlets, located in 31 states and union territories in India. As of March 31, 2018, we also sold our products through six exclusive brand outlets in Nepal, Mauritius and Sri Lanka. In addition, we sold our products through our own website and online retailers.

Our product portfolio includes top-wear, bottom-wear, drapes, combination-sets and accessories that caters to a wide variety of the wardrobe requirements of the Indian woman, including every-day wear, casual wear, work wear and occasion wear.

We have a track record of developing home-grown brands leveraging our deep understanding of the needs and aspirations of Indian women. Over the years, we have expanded our brand portfolio to three brands, each positioned to cater to well-defined needs of their respective target consumers:

- W is a premium fusion wear brand, which merges Indian and western sensibilities with an emphasis on distinctive design and styling. This brand is targeted primarily at the modern Indian woman's work and casual wear requirements. W has been recognized as the 'IMAGES Most Admired Fashion Brand of the Year: Women's Indianwear' by India Fashion Forum consecutively for past four years between 2014 to 2017. As of March 31, 2018, W had 281 exclusive brand outlets and 717 large format store outlets located across 157 cities in India and five outlets outside India. Revenue from sales of products under brand W grew at a CAGR of 23.43% during Fiscals 2016 to 2018 and accounted for ₹ 4,856.30 million, or 57.65% of our revenue from operations for the Fiscal 2018;

- Aurelia is a contemporary ethnic wear brand targeted at women looking for great design, fit and quality for their casual and work wear requirements. As of March 31, 2018, Aurelia had 183 exclusive brand outlets and

752 large format store outlets located across 184 cities in India and one outlet outside India. Revenue from sales of products under brand Aurelia grew at a CAGR of 47.80% during Fiscals 2016 to 2018 and accounted for ₹ 2,837.13 million, or 33.68% of our revenue from operations, for the Fiscal 2018; and

- Wishful is a premium occasion wear brand, with elegant designs catering to women's apparel requirements for evening wear and occasions such as weddings, events and festivals. We have been leveraging our W store network for selling Wishful products, however, we recently launched our first exclusive brand outlet for Wishful, in September 2017. Revenue from sales of products under brand Wishful grew at a CAGR of 39.73% during Fiscals 2016 to 2018 and accounted for ₹ 730.82 million, or 8.68% of our revenue from operations, for the Fiscal 2018.

We focus on creating innovative designs and optimizing fit and sizing, while emphasizing higher quality. For example, across two seasons in a twelve month period ending March 31, 2018, we launched approximately 1,600 products in various sizes across product categories. We presently seek to refresh our product offerings at an average interval ranging from two to three weeks. We are able to achieve these parameters through an institutionalized product development process which relies on team-work across functions and includes research and trend forecasting, concept or story development, fabric and textile design, clothes styling, sample development, presentations to internal teams and roadshows for our sales partners. We utilize in-depth market research and data analysis to emphasize the fit and comfort of our products and to introduce new and niche concepts. For example, we have commissioned anthropometric studies of Indian women in the past to assess apparel sizes.

Over the twelve month period ended March 31, 2018, we sourced raw materials, such as printed fabrics, unprocessed fabrics and trim materials from approximately 181 suppliers, located across India. We believe one of our competitive strengths lies in building and managing an extensive sourcing network to support the requirements of our product development teams. We have also implemented several quality control mechanisms and regularly conduct inspections of fabrics sourced from our suppliers. Further, we manufacture our products through agreements with job workers of whom a significant majority are located in the National Capital Region. We exercise control and regular supervision over the manufacturing of our products at the facilities of such job workers through our personnel, who are either stationed at such facilities or periodically visit these facilities for inspections.

We endeavour to utilize novel and distinctive marketing, advertising and customer engagement initiatives such as creating new fashion trends which combine western and ethnic apparel and introducing products in seasonal thematic collections. We use digital and print advertisements, email communications, public relations initiatives, in-store communication and store facades and shutters, in order to increase brand awareness, acquire new customers, drive customer traffic across our retail channels and strengthen and reinforce our brand image.

Our Promoters, Mr. Onkar Singh Pasricha and Mr. Arvinder Singh Pasricha, each have over 40 years of experience in the apparel industry, and our Managing Director, Anant Kumar Daga, leads an experienced and professional management team. Our management team, including Anant Kumar Daga currently has a significant ownership stake in our Company. Together, they have demonstrated an ability to manage and grow our sales and expand our distribution and retail network. Our shareholders also include a fund affiliated with TA Associates, a marquee private equity group.

Significant Factors Affecting our Results of Operations

Our results of operations and financial condition are affected by a number of important factors including:

Growth of our retail network

Our revenues are impacted by the scale and growth of retail network through which we sell our products, namely exclusive brand outlets, large format stores and multi-brand outlets as well as through online retailers and our websites. As of March 31, 2015, we sold our products through 235 exclusive brand outlets, 565 large format stores and approximately 748 multi-brand outlets and have grown our presence, such that as of March 31, 2018, we sold our products through 465 exclusive brand outlets, 1,469 large format store outlets and 1,522 multi-brand outlets, located in 31 states and union territories in India and six exclusive brand outlets located outside India. Exclusive brand outlets, large format stores, multi-brand outlets and online retailers, accounted for ₹ 4184.15 million, ₹ 2336.21 million, ₹ 930.78 million and ₹ 846.93 million revenue for Fiscal 2018, and ₹ 3,414.99 million, ₹ 2,084.93

million, ₹ 801.26 million and ₹ 718.84 million revenue for Fiscal 2017, respectivley. Correspondingly, we incur expenses in order to maintain and expand our presence across these retail channels. We incur rent charges primarily towards payment of rent for our leased exclusive brand outlets, warehouse and offices and selling and distribution expenses towards sales incentives provided to retail channel partners. Rent charges and selling and distribution expenses accounted for 11.14% and 4.40%, respectively, of our revenue from operations, for Fiscal 2018, and 10.91% and 5.43%, respectively, of our revenue from operations, for Fiscal 2017.

Sales of products across our three brands

Over the years we have developed three distinctive brands, W, Aurelia and Wishful, under which we sell our products. Revenue from sales of products under W, Aurelia and Wishful grew at a CAGR of 23.43%, 47.80% and 39.73%, respectively, during Fiscals 2016 to 2018. Revenue from sale of products under W, Aurelia and Wishful, was ₹ 4856.30 million, ₹ 2837.13 million and ₹ 730.82 million, respectively, or 57.65%, 33.68% and 8.68%, respectively, of our revenue from operations for the Fiscal 2018. The revenue contribution of each brand is impacted by, among other things, the number of points of sale comprising exclusive brand outlets, large format stores and multi-brand outlets as well as online channels through which products under each brand are sold, the relative recognition and customer acceptance of each brand and the marketing and advertising as well as sales and promotion activities undertaken for each brand.

Further, the products under these three brands are sold at a range of price points and to distinct customer categories. For example, W is a premium fusion wear brand and majority of the top-wear under this brand sells at maximum retail prices ranging from ₹ 1,299 to ₹ 1,899; Aurelia is a contemporary ethnic wear brand and majority of top-wear under Aurelia sells at maximum retail prices ranging from ₹ 799 to ₹ 1,499 while maximum retail prices of majority of the combination-sets range from ₹ 1,999 to ₹ 4,499; and Wishful is a premium occasion wear brand and majority of top-wear under this brand sells at maximum retail prices ranging from ₹ 2,999 to ₹ 4,999, as of March 31, 2018. The varying designs, cost of materials and maximum retail prices across our three brands, result in varying profitability across our brands. For example, our brand W is our most profitable brand for the Fiscals 2018 and 2017. Consequently, our profit margins are impacted by the changing revenue contribution of our brands.

Cost of procuring raw materials and manufacturing our products

We have established long-standing relationships with our suppliers, job workers, in order to ensure the delivery of quality products to our customers. Over the twelve month period ended March 31, 2018, we sourced raw materials, such as printed fabrics, unprocessed fabrics and trim materials from approximately 181 suppliers (third-party traders, mills or weavers), located across India. We have not entered into formal arrangements or contracts with such suppliers and rely on pre-booking capacity, generally six months ahead of delivery, based on our internal projections. Our cost of goods sold is impacted by the amount of raw materials procured and the price at which we procure such raw materials, and may fluctuate from time to time. The availability and price of our raw materials may be subject to a number of factors beyond our control, including economic factors, seasonal factors, environmental factors and changes in Government policies and regulations.

Further, we manufacture our products through job workers by way of job work agreements and incur fabrication charges as expenses incurred pursuant to such agreements. Fabrication charges incurred by us were ₹ 1,527.94 million, ₹ 1,275.12 million and ₹ 844.28 million, or 18.14%, 17.93% and 17.37%, respectively, of our revenue from operations for the Fiscals 2018, 2017 and 2016, respectively. Changes in quantity of products manufactured through our job workers and increase in costs of production of job workers (which may increase in the future, including due to increase in the cost of labour and other utilities) may affect expenses incurred towards fabrication charges and consequently our profitability and results of operations.

Advertising and marketing expenses

We believe that increased brand recognition is a critical sales driver in the women's apparel industry. Our marketing and advertising initiatives are directed to increase brand awareness, acquire new customers, drive customer traffic across our retail channels as well as strengthen and reinforce our brand image. For the Fiscals 2018, 2017 and 2016 our advertisement and sales promotion expenses were ₹ 334.55 million, ₹ 395.06 million and ₹ 246.89 million, or 3.97%, 5.56% and 5.08%, of our revenue from operations, respectively, and we intend to increase this proportion in the future with focus on Aurelia and Wishful. See "***Our Business – Description of Our Business – Branding, Marketing and Advertising***" on page 115.

Employee benefit expenses

We incur employee benefits expenses towards employee remuneration and benefits includes salaries and wages, employee stock options, contributions to the provident fund, gratuity expenses and staff welfare expenses. The growth of our retail operations, particularly through exclusive brand outlets and large format stores (where we position our employees) results in the increase of our retail staff and corresponding increase in our employee benefits expenses. As of March 31, 2018, 2017 and 2016, we had 3,387, 2,661 and 2,147 employees, respectively, of which 85.24%, 82.68% and 82.72%, respectively, were employed at our exclusive brand outlets and large format stores. As of March 31, 2018, in addition to our full-time employees, we utilized 301 personnel who are engaged on a contractual basis.

For the Fiscals 2018, 2017 and 2016, our employee benefit expenses excluding share based payments to employees were ₹ 1,020.66 million, ₹ 797.93 million and ₹ 677.84 million or 12.12%, 11.22% and 13.95% of our revenue from operations respectively. Our Share based payments to employees in relation to ESOPs granted for the fiscals 2018, 2017 and 2016 were ₹ 215.48 million, ₹ 736.48 million and ₹ 898.36 million or 2.56%, 10.36% and 18.48% of our revenue from operations respectively. The impact of ESOP grants was particularly high during fiscals 2016 and 2017 which had an impact on our financial condition. We expect employee benefit expenses (other than share based payments to employees) to increase in line with the growth of our operations while our share based payments are expected to reduce compared to payments charged to profit and loss account during Fiscal 2018.

Working capital management

Our working capital management efficiency is important for maintaining our profitability. Our ability to successfully manage our working capital depends on ability to manage payments across our retail channels, monitor inventory and manage our debtor's days and Trade Payables to Net Sales days. As of March 31, 2018, 2017 and 2016, we had trade payables of ₹ 1,144.32 million, ₹ 1,093.28 million and ₹ 846.08 million, respectively and trade receivables of ₹ 1,396.29 million, ₹ 997.02 million and ₹ 641.52 million, respectively. Successfully managing our inventory will help us effectively prevent stock shortfall and deal with unsold stock, while reducing our debtor days will improve our cash flow cycle and enable us to redeploy working capital in an efficient manner. As of March 31, 2018, 2017 and 2016, we had average debtor days of 60.02 days, 51.18 days and 48.17 days, respectively, and Trade Payables to Net Sales days of 49.19 days, 56.12 days and 63.53 days, respectively.

Changes in customer preferences, market trends and the Indian economy

The women's branded apparel company is characterized by changing customer preferences. Our results of operations are dependent on our ability to anticipate, gauge and respond to such changes in customer preferences and design new products or modify our existing products in line with changes in fashion trends as well as customer demands and preferences. We incur significant time and effort in the design and development of our products. Further, our performance and growth are, and will be, dependent to a large extent on the health of the Indian economy. Economic growth in India is affected by various factors including domestic consumption and savings, rate of inflation in India, balance of trade movements, and global economic uncertainty. Consequently, future changes in the Indian economy may impact our revenues and results of operations.

Key indicators of operating performance

The table below illustrates certain key operational data for the exclusive brand outlets, large format stores and multi-brand outlets utilized by us:

	March 31, 2018	March 31, 2017	March 31, 2016
W			
Exclusive brand outlets	281	233	202
Large format store outlets	717	535	426
International Outlets	5	5	2
Aurelia			
Exclusive brand outlets	183	148	103
Large format store outlets	752	456	368
International Outlets	1	1	0
Wishful			
Exclusive brand outlets [1]	1	-	-
Our Company			

Exclusive brand outlets	465	381	305
Large format store outlets [2]	1,469	991	794
Multi-brand outlets [3]	1,522	1,109	960
International Outlets	6	6	2
Total points of sale	3,462	2,487	2,061

[1] *Products under Wishful are also sold at exclusive brand outlets for W, as of March 31, 2018.*
[2] *Large format stores which have separate points of sale for W and Aurelia, even though physically located at the same store, have been considered as two distinct outlets.*
[3] *We have entered into agreements with 21 distributors, as of March 31, 2018, for the sale of both W and Aurelia through multi-brand outlets.*

Statement of Significant Accounting Policies (As per Ind AS)

Revenue recognition

Our Company's revenue majorly represents revenue from sale of garments. Our Company sells garments through own stores and through business partners such as distributors, franchisees, large format stores and e-commerce.

Principal / Agent considerations

Our Company assesses its revenue arrangement in order to determine if its business partner is acting as a principal or as an agent by analysing various factors such as whether our Company has exposure to the risk of unsold inventory, if it has price latitude and exposure to credit risk associated with the sale of goods. Our Company has concluded that certain arrangements with its business partner, where our Company has an unconditional obligation relating to unsold inventory, are on principal to agent basis and in such cases revenue is not recognised till the merchandise is sold to the end customers. For other cases our Company has concluded that its arrangements with business partners are on principal to principal and in such cases revenue is recognised when significant risks and rewards are transferred to the business partners.

Recognition and measurement of revenue

Our Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria of transfer of risk and reward as described below. In all cases revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, discounts, value added taxes and amounts collected on behalf of third parties, if any. Revenue recognised is net of the anticipated sales return which is estimated based on past trends.

Transfer of significant risks and rewards

Revenue is recognised on transfer of significant risk and rewards which generally coincides with the delivery of goods to customers. For business partner acting as principal revenue is recognised upon sale to business partner. For business partner acting as agent revenue is recognised once goods are sold by business partner to end-customers.

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to our Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease payments under operating leases are recognised as an expense on a straight line basis in the profit or loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure or qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Employee benefits

Our Company's employee benefit obligations include short-term obligations, compensated absences, and post-employment obligations which includes contributions to provident fund and gratuity fund.

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Compensated absences

Compensated absences in form of earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

Post-employment obligations

Defined benefit plans

Our Company has defined benefit plans namely gratuity. The liability or asset recognised in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Defined contribution plans

Our Company has defined contribution plans for post-employment benefit namely the provident fund. Our Company's contribution thereto is charged to the statement of profit and loss every year. Our Company has no further payment obligations once the contributions have been paid.

Share-based payment to employees

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on our Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, our Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to our Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. The other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method on a pro-rata basis from the date on which each asset is put to use to allocate their cost, net of their residual values, over their estimated useful lives. Depreciation has been provided in accordance with useful lives prescribed in the Companies Act, 2013 except for certain fixed assets where, based on technical evaluation of the useful lives of the assets, higher depreciation has been provided on the straight line method over the following useful lives:

Plant and machinery	4 years
Furniture and fixtures	5 years
Office equipment	3 years
Vehicles	5 years

Leasehold improvements are amortised on a straight line basis over its estimated useful life i.e. 5 years. The assets' residual values and useful lives are reviewed and adjusted, if applicable, at the end of each reporting period.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss. Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains / (losses)."

Inventories

Inventories are valued at the lower of cost (on weighted average basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

Provisions and contingencies

Provisions: Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of our Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

First Time adoption of Indian Accounting Standards

In accordance with the notification dated February 16, 2015 issued by the Ministry of Corporate Affairs, our Company has adopted Indian Accounting Standards (referred to as “Ind AS”) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from April 1, 2017.
The Financial Statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) issued by the Institute of Chartered Accountants of India. These

are our Company's first Ind AS Financial Statements. The date of transition to Ind AS is April 1, 2016. The mandatory exceptions and optional exemptions availed by our Company on First-time adoption have been detailed in Note 4.

Previous year figures in the Ind AS Financial Statements have been restated in compliance to Ind AS.

Up to the year ended March 31, 2017, our Company had prepared the Financial Statements under the historical cost convention on accrual basis in accordance with the Generally Accepted Accounting Principles (Previous GAAP) applicable in India and the applicable Accounting Standards as prescribed under the provisions of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014.

In accordance with Ind AS 101-"First Time adoption of Indian Accounting Standards" (Ind AS 101), our Company has presented a reconciliation of Shareholders' equity under Previous GAAP and Ind AS at March 31, 2017, and April 1, 2016 and of the Net Profit as per Previous GAAP and Total Comprehensive Income under Ind AS for the year ended March 31, 2017 (refer note 44).

In preparing the Ind AS Financial Statements, our Company's opening balance sheet was prepared as at April 1, 2016, our Company's date of transition to Ind AS. According to Ind AS 101, the first Ind AS Financial Statements must use recognition and measurement principles that are based on standards and interpretations that are effective at March 31, 2017, the date of first-time preparation of Financial Statements according to Ind AS. These accounting principles and measurement principles must be applied retrospectively to the date of transition to Ind AS and for all periods presented within the first Ind AS Financial Statements.

Any resulting differences between carrying amounts of assets and liabilities according to Ind AS 101 as of April 1, 2016 compared with those presented in the Indian GAAP Balance Sheet as of March 31, 2016, were recognized in equity under retained earnings within the Ind AS Balance Sheet.

Optional exemptions availed and mandatory exceptions

Our Company has prepared the opening balance sheet as per Ind AS as of April 1, 2016 by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities.

Deemed cost for Property, Plant and Equipment and intangible assets

Our Company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets recognised as of April 1, 2016 measured as per the Previous GAAP and used that carrying value as its deemed cost as of the transition date.

Impairment of financial assets

Our Company has prepared the opening balance sheet as per Ind AS as of April 1, 2016 by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by our Company as detailed below.

Deemed cost for Property, Plant and Equipment and intangible assets

Our Company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets recognised as of April 1, 2016 measured as per the Previous GAAP and used that carrying value as its deemed cost as of the transition date.

Impairment of financial assets

Our Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, our Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

Critical accounting judgements

Income taxes

Our Company's tax jurisdiction is in India. Significant judgments are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions.

Employee Benefits:

Defined employee benefit assets / liabilities determined based on the present value of future obligations using assumptions determined by our Company with advice from an independent qualified actuary.

Property plant and equipment and Intangible assets:

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of our Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Components of Revenue and Expenses (As per Ind AS)

The following descriptions set forth information with respect to key components of our statement of profit and loss.

Revenue

Total income consists of revenue from operations and other income.

Revenue from operations. Revenue from operations is due to sales of products which are recognized, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty (only on excisable goods) but excludes sales tax and value added tax. See "***Our Business – Description of Our Business – Our Product Portfolio***" on page 110 for details of the products and accessories sold by us.

Other income. Other income comprises recurring income which includes interest income on fixed deposits placed with banks and financial institutions, as well as, certain non-recurring income such as gain on sale of fixed assets, gain on foreign currency transactions and branding income received from displaying advertisements at our exclusive brand outlets.

Expenses

Our total expenses consist of the following:

- cost of materials consumed and purchase of stock-in-trade, partially offset by the changes in inventories of finished goods and work-in-progress;
- excise duty on sale of goods;
- employee benefit expense;
- finance costs;
- depreciation and amortization expense; and
- other expenses.

Cost of materials consumed. Cost of materials consumed comprises expenses towards consumption of raw materials used in the manufacture of apparels. See "***Our Business – Description of Our Business – Raw Materials and Our Supply Chain Process***" on page 111 for further details.

Purchase of stock-in-trade. Purchase of stock-in-trade comprises expenses towards the acquisition of accessories for trading. We discontinued purchase of traded goods commencing from August 2016.

Changes in inventories of finished goods and work-in-progress. Changes in inventories of finished goods and work-in-progress comprises the increase or decrease in unsold apparels and accessories and work-in-progress.

Employee benefit expense. Expenditure towards employee remuneration and benefits includes salaries and wages, contributions to the provident fund, gratuity expenses,staff welfare expenses and share based payments to employees.

Excise duty. Excise duty comprises duty paid on the sale of our products.

Finance costs. Our finance costs comprise mainly interest expense on bank borrowings, as well as, other borrowing costs such as letter of credit charges, loan processing fee and bank charges.

Depreciation and amortization expense. This item consists of depreciation on plant and machinery, office equipment, leasehold improvements, computers and vehicles, as well as, amortization of computer software.

Other expenses. Other expenses include fabrication charges as expense incurred in relation to our job workers, rent charges paid in relation to our leased exclusive brand outlets, head office and warehouses, repair and maintenance expenses for stores, warehouse and office, advertisement and sales promotion expenses in relation to our marketing initiatives and selling and distribution expenses paid to our retail partners. See "***Our Business – Description of Our Business***" on page 109 for further details on our manufacturing arrangements, our distribution and retail network and our branding, marketing and advertising initiatives.

Tax expense. Our tax expense comprises current tax and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and provisions of the applicable tax laws. Deferred tax liability or credit is recognized based on the difference between taxable profit and book profit due to the effect of timing differences. Our deferred tax is measured based on the applicable tax rates and tax laws that have been enacted or substantively enacted by the relevant balance sheet date.

Our Results of Operations

	Fiscal					
	2018		**2017**		**2016**	
	(₹ in million)	***(% of Total income)***	***(₹ in million)***	***(% of Total income)***	***(₹ in million)***	***(% of Total income)***
Revenue from operations	8,424.25	99.21%	7,110.32	99.73%	4,860.74	99.58%
Other income	67.32	0.79%	19.41	0.27%	20.61	0.42%
Total Income	**8,491.57**	**100.00%**	**7,129.73**	**100.00%**	**4,881.35**	**100.00%**
EXPENSES						
Cost of materials consumed	2,198.54	25.89%	1,803.95	25.30%	1,438.00	29.46%
Purchase of stock-in-trade	-	-	6.10	0.09%	5.63	0.12%0
Changes in inventories of finished goods and work-in-progress	(351.48)	(4.14%)	(486.30)	(6.82%)	(405.41)	(8.31%)
Excise duty on sale of goods	39.37	0.46%	100.97	1.42%	6.87	0.14%
Employee benefits expense	1,236.14	14.56%	1,534.41	21.52%	1,576.20	32.29%
Finance costs	6.71	0.08%	24.68	0.35%	29.46	0.60%
Depreciation and amortisation expense	166.71	1.96%	134.05	1.88%	88.74	1.82%
Other expenses	3,747.30	44.13%	3,388.26	47.52%	2,278.24	46.67%
Total Expenses	**7,043.29**	**82.94%**	**6,506.12**	**91.25%**	**5,017.73**	**102.79%**
Profit/(Loss) before tax	**1,448.28**	**17.06%**	**623.61**	**8.75%**	**(136.38)**	**(2.79%)**
Total tax expense	467.31	5.50%	465.64	6.53%	278.58	5.71%
Profit/(Loss) for the year	**980.97**	**11.55%**	**157.97**	**2.22%**	**(414.96)**	**(8.50%)**
Total other comprehensive income/(loss) for the year (net of tax)	(3.30)	(0.04%)	(1.46)	(0.02%)	(1.10)	(0.02%)
Total comprehensive income/loss for the year	**977.67**	**11.51%**	**156.51**	**(2.20%)**	**(416.06)**	**(8.52%)**

Fiscal 2018 compared to Fiscal 2017

Revenue

Our total income increased by 19.10% from ₹ 7,129.73 million for Fiscal 2017 to ₹ 8,491.57 million for Fiscal 2018.

Revenue from operations. Our revenue from operations increased by 18.48% from ₹ 7,110.32 million for Fiscal 2017 to ₹ 8,424.25 million for Fiscal 2018.

The increase in our revenue from operations was due to an increase in the revenue from sale of products by 18.49% from ₹ 7,108.90 million for Fiscal 2017 to ₹ 8,423.59 million for Fiscal 2018 as a result of:

- increase in revenue from sales of products under W by 11.85% from ₹ 4,341.62 million for Fiscal 2017 to ₹ 4,856.30 million for Fiscal 2018, Aurelia by 31.10% from ₹ 2,164.10 million for Fiscal 2017 to ₹ 2,837.13 million for Fiscal 2018 and Wishful by 20.88% from ₹ 604.60 million for Fiscal 2017 to ₹ 730.82 million for Fiscal 2018; and

- increase in the number of our exclusive brand outlets from 233 for W and 148 for Aurelia as of March 31, 2017 to 281 for W and 183 for Aurelia as of March 31, 2018; increase in the total number of large format stores outlets selling our products from 991 as of March 31, 2017 to 1,469 as of March 31, 2018; increase in the total number of multi-brand outlets selling our products from 1,109 as of March 31, 2017 to 1,522 as of March 31, 2018.

Other income. Other income increased from ₹ 19.41 million for Fiscal 2017 to ₹ 67.32 million for Fiscal 2018, primarily due to an increase in interest income earned from security deposits, an increase in bank balances resulting in a corresponding increase in the interest income earned on these balances, as well as miscellaneous income of ₹ 5.11 million arising from branding income received from display of advertisements at our stores.

Expenses

Our total expenses increased by 8.26% from ₹ 6,506.12 million for Fiscal 2017 to ₹ 7,043.29 million for Fiscal 2018 due to increases in cost of materials consumed and purchase of stock-in-trade, as well as, increases in depreciation and amortization expenses and other expenses.

Our cost of goods sold was primarily determined by the cost of materials consumed, adjusted by changes in inventories of finished goods and work-in-progress, as follows:

- *Cost of materials consumed.* Cost of materials consumed increased by 21.87% from ₹ 1,803.95 million for Fiscal 2017 to ₹ 2,198.54 million for Fiscal 2018 as a result of increased production of apparels in line with increase in sale of our apparels and growth of our business;

- *Purchase of stock-in-trade.* Purchase of stock-in-trade decreased from ₹ 6.10 million for Fiscal 2017 to ₹ 0 for Fiscal 2018 as a result of discontinuing purchase of traded goods from August 2016 onwards; and

- *Changes in inventories of finished goods and work-in-progress.* Changes in inventories of finished goods and work-in-progress decreased by 27.72% from ₹ 486.30 million for Fiscal 2017 to ₹ 351.48 million for Fiscal 2018 due to better inventory management.

Excise duty on sale of goods. Excise duty on sale of goods decreased by 61.01% from ₹ 100.97 million for Fiscal 2017 to ₹ 39.37 million for Fiscal 2018 as a result of introduction of GST which subsumed the excise duty.

Employee benefits expense. Our employee benefits expenses decreased by 19.44% from ₹ 1,534.41 million for Fiscal 2017 to ₹ 1,236.14 million for Fiscal 2018 primarily as a result of a decrease in share based payments to employees due to recognition of share based payment expenses for prior periods in Fiscal 2017, which was partially offset by an increase in salaries and wages, which was due to an increase in our number of employees from 2,661 as of March 31, 2017 to 3,387 as of March 31, 2018.

Finance cost. Our finance costs decreased by 72.81% from ₹ 24.68 million for Fiscal 2017 to ₹ 6.71 million for Fiscal 2018, primarily as a result of a decrease in interest on borrowings from banks by 84.29% from ₹ 17.76 million for Fiscal 2017 to ₹ 2.79 million for Fiscal 2018 due to decrease in borrowings.

Depreciation and amortization expense. Our depreciation and amortization expenses increased by 24.36% from ₹ 134.05 million for Fiscal 2017 to ₹ 166.71 million for Fiscal 2018, as a result of depreciation expenses increasing by 25.60% from ₹ 127.90 million for Fiscal 2017 to ₹ 160.64 million for Fiscal 2018, which were partially offset by a decrease in amortization expenses by 1.30% from ₹ 6.15 million for Fiscal 2017 to ₹ 6.07 million for Fiscal 2018. Depreciation expenses increased primarily due to additions of fixed assets (including for expansion of our store network) during the year amounting to ₹ 229.04 million, which were partially offset by disposal of old store fixtures during the year, amounting to ₹ 40.43 million.

Other expenses. Other expenses increased by 10.60% from ₹ 3,388.26 million for Fiscal 2017 to ₹ 3,747.30 million for Fiscal 2018, primarily as a result of:

- an increase in fabrication charges by 19.83% from ₹ 1,275.12 million for Fiscal 2017 to ₹ 1,527.94 million for Fiscal 2018 due to an increase in production orders with job workers in line with growth in sales volumes of our products;

- an increase in rent charges by 20.96% from ₹ 775.80 million for Fiscal 2017 to ₹ 938.38 million for Fiscal 2018 due to an increase in the number of exclusive brand outlets leased by us and opening of new exclusive brand outlets at premium locations. The number of exclusive brand outlets leased by us increased from 225 as of March 31, 2017 to 289 as of March 31, 2018; and

- an increase in repair and maintenance expenses by 19.28% from ₹ 110.47 million for Fiscal 2017 to ₹ 131.77 million for Fiscal 2018 in line with increased operations, which was partially offset by decrease in advertisement and sales promotion expenses which received GST credit in Fiscal 2018 and selling and distribution expenses which were lower in Fiscal 2018 compared to Fiscal 2017 since we provided additional sales incentives to sales partners in November and December 2016 post demoitisation.

Restated profit before tax

As a result of the foregoing, our restated profit before tax for the year increased from ₹ 623.61 million for Fiscal 2017 to ₹ 1,448.28 million for Fiscal 2018.

Tax expense

Our tax expense increased by 0.36% from ₹ 465.64 million for Fiscal 2017 to ₹ 467.31 million for Fiscal 2018, as a result of an increase in current tax of 18.99% from ₹ 406.39 million for Fiscal 2017 to ₹ 483.58 million for Fiscal 2018 and a change in deferred tax from a deferred tax expense of ₹ 59.25 million for Fiscal 2017 to a deferred tax credit of ₹ 16.27 million for Fiscal 2018.

Restated profit for the year

As a result of the foregoing, our restated profit for the year increased from ₹ 157.97 million for Fiscal 2017 to ₹ 980.97 million for Fiscal 2018.

Fiscal 2017 compared to Fiscal 2016

Revenue

Our total income increased by 46.06% from ₹ 4,881.35 million for Fiscal 2016 to ₹ 7,129.73 million for Fiscal 2017.

Revenue from operations. Our revenue from operations increased by 46.28% from ₹ 4,860.74 million for Fiscal 2016 to ₹ 7,110.32 million for Fiscal 2017.

The increase in our revenue from operations was due to an increase in the revenue from sale of products by 46.28% from ₹ 4,860.74 million for Fiscal 2016 to ₹ 7,108.90 million for Fiscal 2017 as a result of:

- increase in revenue from sales of products under W by 36.20% from ₹ 3,187.73 million for Fiscal 2016 to ₹ 4,341.62 million for Fiscal 2017, Aurelia by 66.64% from ₹ 1,298.70 million for Fiscal 2016 to ₹ 2,164.10 million for Fiscal 2017 and Wishful by 61.53% from ₹ 374.31 million for Fiscal 2016 to ₹

604.60 million for Fiscal 2017;

- increase in the number of our exclusive brand outlets from 202 for W and 103 for Aurelia as of March 31, 2016 to 233 for W and 148 for Aurelia as of March 31, 2017; increase in the total number of large format stores outlets selling our products from 794 as of March 31, 2016 to 991 as of March 31, 2017 increase in the total number of multi-brand outlets selling our products from 960 as of March 31, 2016 to 1,109 as of March 31, 2017; and

- increase in sale through certain third-party online retailers.

Other income. Other income decreased by 5.82% from ₹ 20.61 million for Fiscal 2016 to ₹ 19.41 million for Fiscal 2017, primarily due to a decrease in miscellaneous income from ₹ 12.24 million for Fiscal 2016 to ₹ 2.40 million for Fiscal 2017 arising from branding income received from display of advertisements at our stores.

Expenses

Our total expenses increased by 29.66% from ₹ 5,017.73 million for Fiscal 2016 to ₹ 6,506.12 million for Fiscal 2017 due to increases in cost of materials consumed and purchase of stock-in-trade, partially offset by an increase in inventories of finished goods and work-in-progress, as well as, increases in other expenses and depreciation and amortization expenses.

Our cost of goods sold was primarily determined by the cost of materials consumed, adjusted by changes in inventories of finished goods and work-in-progress, as follows:

- *Cost of materials consumed.* Cost of materials consumed increased by 25.45% from ₹ 1,438.00 million for Fiscal 2016 to ₹ 1,803.95 million for Fiscal 2017 as a result of increased production of apparels in line with increase in sale of our apparels and growth of our business;

- *Purchase of stock-in-trade.* Purchase of stock-in-trade increased by 8.35% from ₹ 5.63 million for Fiscal 2016 to ₹ 6.10 million for Fiscal 2017 as a result of increased purchase of accessories for sale. We discontinued purchase of traded goods commencing from August 2016; and

- *Changes in inventories of finished goods and work-in-progress.* Changes in inventories of finished goods and work-in-progress increased by 19.95%% from an increase of ₹ 405.41 million for Fiscal 2016 to an increase of ₹ 486.30 million for Fiscal 2017 due to increased production and inventory in line with growth of our business.

Excise duty on sale of goods. Excise duty on sale of goods increased from ₹ 6.87 million for Fiscal 2016 to ₹ 100.97 million for Fiscal 2017 as a result of introduction of excise levy with effect from March 1, 2016 which had a full-year impact during Fiscal 2017.

Employee benefits expense. Our employee benefits expenses decreased by 2.65% from ₹ 1,576.20 million for Fiscal 2016 to ₹ 1,534.41 million for Fiscal 2017 primarily as a result of a decrease in share based payments to employees, which was partially offset by an increase in salaries and wages, which was due to an increase in our number of employees from 2,147 as of March 31, 2016 to 2,661 as of March 31, 2017.

Finance costs. Our finance costs decreased by 16.23% from ₹ 29.46 million for Fiscal 2016 to ₹ 24.68 million for Fiscal 2017, primarily as a result of a decrease in interest on borrowings from banks by 21.76% from ₹ 22.70 million for Fiscal 2016 to ₹ 17.76 million for Fiscal 2017 due to repayment of term loans during the year, which were partially offset by an increase in interest on security deposits by 20.00% from ₹ 1.40 million for Fiscal 2016 to ₹ 1.68 million for Fiscal 2017.

Depreciation and amortization expense. Our depreciation and amortization expenses increased by 51.06% from ₹ 88.74 million for Fiscal 2016 to ₹ 134.05 million for Fiscal 2017, as a result of depreciation expenses increasing by 51.29% from ₹ 84.54 million for Fiscal 2016 to ₹ 127.90 million for Fiscal 2017 and amortization expenses increasing by 46.43% from ₹ 4.20 million for Fiscal 2016 to ₹ 6.15 million for Fiscal 2017. Depreciation expenses increased primarily due to additions of fixed assets for store expansion during the year amounting to ₹ 224.84 million, which were partially offset by disposal of old store fixtures during the year, amounting to ₹ 34.13 million.

Other expenses. Other expenses increased by 48.72% from ₹ 2,278.24 million for Fiscal 2016 to ₹ 3,388.26 million for Fiscal 2017, primarily as a result of:

- an increase in fabrication charges by 51.03% from ₹ 844.28 million for Fiscal 2016 to ₹ 1,275.12 million for Fiscal 2017 due to an increase in production orders with job workers in line with growth in sales volumes of our products;
- an increase in rent charges by 36.56% from ₹ 568.10 million for Fiscal 2016 to ₹ 775.80 million for Fiscal 2017 due to an increase in the number of exclusive brand outlets leased by us and opening of new exclusive brand outlets at premium locations. The number of exclusive brand outlets leased by us increased from 173 as of March 31, 2016 to 225 as of March 31, 2017;
- an increase in advertisement and sales promotion expenses by 60.01% from ₹ 246.89 million for Fiscal 2016 to ₹ 395.06 million for Fiscal 2017 due to increase in sales promotion through digital media from ₹ 14.95 million for Fiscal 2016 to ₹ 99.15 million in Fiscal 2017. Further, there was an increase in marketing expenditure through in-store promotional events from ₹ 30.34 million for Fiscal 2016 to ₹ 83.92 million in Fiscal 2017 in line with our business decision to increase our advertising activities to improve brand recall; and
- an increase in selling and distribution expenses by 76.93% from ₹ 218.07 million for Fiscal 2016 to ₹ 385.83 million for Fiscal 2017 due to revenue growth and additional sales incentives provided to sales partners in November and December 2016.

Restated profit or loss before tax

As a result of the foregoing, our restated profit before tax was ₹ 623.61 million for Fiscal 2017 as opposed to a loss of ₹ 136.38 million for Fiscal 2016.

Tax expense

Our total tax expense increased by 67.15% from ₹ 278.58 million for Fiscal 2016 to ₹ 465.64 million for Fiscal 2017, as a result of an increase in current tax of 4.28% from ₹ 389.70 million for Fiscal 2016 to ₹ 406.39 million for Fiscal 2017 and a change in deferred tax from a deferred tax credit of ₹ 111.12 million for Fiscal 2016 to a deferred tax liability of ₹ 59.25 million for Fiscal 2017.

Restated profit or loss for the year

As a result of the foregoing, our restated profit was ₹ 157.97 million for Fiscal 2017 as opposed to a loss of ₹ 414.96 million for Fiscal 2016.

LIQUIDITY AND CASH FLOWS

Our primary sources of liquidity and capital resources is cash generated from operating activities. Our primary requirements for liquidity and capital are working capital and general corporate needs, including marketing, payroll, store occupancy costs and capital expenditures associated with opening new stores and remodeling existing stores. Additional future liquidity needs will include costs of operating as a public company. The following table sets forth certain information relating to our cash flows on a consolidated basis for the periods indicated:

	Fiscal		
	2018 ***(₹ in millions)***	**2017** ***(₹ in millions)***	**2016** ***(₹ in millions)***
Net cash generated from operating activities	413.32	251.03	344.29
Net cash used in investing activities	(276.20)	(270.60)	(279.16)
Net cash (used in)/generated from financing activities	210.06	11.71	(45.47)
Net increase/(decrease) in cash and cash equivalents	**347.18**	**(7.86)**	**19.66**

Operating Activities

Net cash generated from operating activities was ₹ 413.32 million for Fiscal 2018. While we had an operating profit before working capital changes of ₹ 1,837.08 million, we had a profit before tax of ₹ 980.97 million for the Fiscal 2018, primarily as a result of tax expense of ₹ 467.31 million, share based payments of ₹ 215.48 million and depreciation and amortization expenses of ₹ 166.71 million, which were partially offset by interest income of ₹ 13.22 million and re-measurement of defined benefit plan of ₹ 5.04 million. Our changes in working capital for the Fiscal 2018, primarily comprised adjustments for an increase in inventories of ₹ 371.25 million, an increase in trade receivables of ₹ 408.55 million and an increase in other assets of ₹ 249.56 million, which were partially offset by adjustments for an increase in trade payables of ₹ 51.04 million and an increase in other liabilities of ₹ 25.77 million. The increase in trade receivables of ₹ 408.55 million were in line with increased level of business.

Net cash generated from operating activities was ₹ 251.03 million for Fiscal 2017. While we had an operating profit before working capital changes of ₹ 1,525.14 million, we had a profit before tax of ₹ 157.97 million for Fiscal 2017, primarily as a result of share based payments of ₹ 736.48 million, tax expense of ₹ 465.64 million and depreciation and amortization expenses of ₹ 134.05 million, which were partially offset by interest income of ₹ 8.99 million and re-measurement of defined benefit plan of ₹ 2.23 million. Our changes in working capital for Fiscal 2017 primarily comprised adjustments for an increase in inventories of ₹ 568.84 million, an increase in trade receivables of ₹ 355.50 million and an increase in other financial assets of ₹ 144.30 million, which were partially offset by adjustments for an increase in trade payables of ₹ 247.20 million and an increase in other liabilities of ₹ 37.98 million. The increase in trade receivables of ₹ 355.50 million and the increase in trade payables of ₹ 247.20 million were in line with increased level of business.

Net cash generated from operating activities was ₹ 344.29 million for Fiscal 2016. While we had an operating profit before working capital changes of ₹ 880.91 million, we had a loss of ₹ 414.96 million for Fiscal 2016, primarily as a result of share based payments of ₹ 898.36 million, tax expense of ₹ 278.58 million and depreciation and amortization expenses of ₹ 88.74 million, which were partially offset by interest income of ₹ 6.19 million and re-measurement of defined benefit plan of ₹ 1.68 million. Our changes in working capital for Fiscal 2016 primarily comprised adjustments for an increase in inventories of ₹ 468.69 million, an increase in other financial assets of ₹ 58.77 million and an increase in other assets of ₹ 95.60 million, which were partially offset by adjustments for an increase in trade payables of ₹ 392.74 million. The increase in trade payables of ₹ 392.74 million were in line with increased level of business.

Investing Activities

Net cash used in investing activities was ₹ 276.20 million for Fiscal 2018. This primarily related to capital expenditure on fixed assets including capital advances of ₹ 244.91 million towards expenses incurred in fit-outs at our exclusive brand outlets, which was partially offset by interest received on bank deposits of ₹ 11.72 million.

Net cash used in investing activities was ₹ 270.60 million for Fiscal 2017. This primarily related to capital expenditure on fixed assets including capital advances of ₹ 199.14 million towards expenses incurred in fit-outs at our exclusive brand outlets, which was partially offset by interest received on bank deposits of ₹ 11.58 million.

Net cash used in investing activities was ₹ 279.16 million for Fiscal 2016. This primarily related to capital expenditure on fixed assets including capital advances of ₹ 270.59 million towards expenses incurred in fit-outs at our exclusive brand outlets, which was partially offset by interest received on bank deposits of ₹ 9.40 million.

Financing Activities

Net cash generated from financing activities was ₹ 210.06 million for Fiscal 2018. This primarily resulted from proceeds from the issue of convertible redeemable debentures of ₹ 242.27 million and issue of shares of ₹ 60 million due to shares issued in relation to additional employee stock options, which was partially offset by repayment of short-term borrowings of ₹ 83.28 million and finance costs of ₹ 6.71 million.

Net cash generated from financing activities was ₹ 11.71 million for Fiscal 2017. This primarily resulted from proceeds from the issue of shares of ₹ 330.54 million due to shares issued in relation to additional employee stock options, which was partially offset by repayment of long-term borrowings of ₹ 99.00 million and repayment of short-term borrowings of ₹ 195.15 million.

Net cash used in financing activities was ₹ 45.47 million for Fiscal 2016. This primarily resulted from additional long-term borrowings of ₹ 15.18 million, which was partially offset by repayment of short-term borrowings of ₹ 30.93 million and finance costs of ₹ 29.72 million.

Indebtedness

As on March 31, 2018, we have outstanding borrowings of ₹ 166.27 million. Set forth below is a brief summary of our aggregate outstanding borrowings as on March 31, 2018.

(in ₹ million)

Category of Borrowing	Sanctioned Amount	Outstanding amount as on March 31, 2018
Overdraft	130.00	Nil
Cash credit	180.00	0.04
Bills of Discounting	190.00	Nil
Total - Fund Based (A)	**500.00**	**0.04**
Letter of Credit	150.00	157.54
Bank Guarantee	20.00	8.69
Total - Non Fund based (B)	**170.00**	**166.23**
Total (A+B)	**670.00**	**166.27**

See "***Financial Indebtedness***" for a description of material terms of our indebtedness, on page 243.

Capital and Other Commitments

As of March 31, 2018, our estimated amount of contracts remaining to be executed on tangible assets and not provided for (net of advances) was ₹ 15.36 million.

Capital Expenditure

For the Fiscal 2018, we incurred a capital expenditure of ₹ 244.91 million, for Fiscal 2017, we incurred a capital expenditure of ₹ 199.14 million and for Fiscal 2016, we incurred a capital expenditure on tangible assets of ₹ 270.59 million.

During Fiscal 2019 and 2020, we expect to set up 75 to 85 new exclusive brand outlets.

Contingent Liabilities and Commitments

As of March 31, 2018, our contingent liabilities, that have not been provided for are as set out in the table below:

Particulars	As at March 31, 2018
Contingent Liabilities	
Demand raised by sales tax authorities	3.89
Demand raised by income tax authorities	1.92
Commitments	
Estimated amount of contracts remaining to be executed on tangible and intangible assets and not provided for (net of advances)	15.36

Off-Balance Sheet Commitments and Arrangements

We do not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with affiliates or other unconsolidated entities or financial partnerships that would have been established for the purpose of facilitating off-balance sheet arrangements.

Quantitative and Qualitative Analysis of Market Risks

We are exposed to various types of market risks during the normal course of business. We are exposed to credit risk, commodity risk, and inflation risk in the normal course of our business.

Credit Risk

Credit risk is the risk that a counter-party will not meet its obligations under a financial instrument or customer contract. Our operations involve extending credit for periods of time, ranging typically from 30 to 60 days, to our franchisee operated exclusive brand outlets, large format stores, multi-brand stores and online retailers, and consequently, we face the risk of the uncertainty regarding the receipt of these outstanding amounts. Accordingly, we may have high levels of outstanding receivables. As on March 31, 2018 our trade receivables were ₹ 1,396.29 million and trade receivables outstanding for a period of over 180 days (net of allowance for doubtful debts) as of March 31, 2018 were ₹ 4.49 million. If our franchisees, large format stores, multi-brand stores and online retailers delay or default in making payments in the future, our profits margins and cash flows may be adversely affected.

Commodity risk

We are exposed to the price risk associated with purchasing our raw materials, which form a significant component of our expenses. We typically do not enter into long terms arrangements with our vendors and typically source raw materials based on periodic purchase orders and price negotiations. Therefore, fluctuations in the price and availability of raw materials may affect our business, cash flows and results of operations. For further information, see "***Risk Factors – In the event we are unable to procure adequate amounts of raw materials, at competitive prices our business, results of operations and financial condition may be adversely affected***" on page 17.

Inflation risk

India has experienced fluctuations in inflation in the recent past. High fluctuation in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in our employee benefit payments or other expenses as a result of increase in inflation in India, which we are unable to pass on to our customers, whether entirely or in part, may adversely affect our business and financial condition.

Known Trends or Uncertainties

Our business has been affected and we expect that it will continue to be affected by the trends identified above in "***Significant Factors Affecting Our Results of Operations***" and the uncertainties described in the section "***Risk Factors***" on pages 226 and 14, respectively. To our knowledge, except as disclosed in this Prospectus, there are no known factors which we expect to have a material adverse effect on our income.

Future Relationship between Cost and Revenue

Other than as described in "***Risk Factors***" and this section, there are no known factors that might affect the future relationship between cost and revenue.

Related Party Transactions

We have entered into various transactions with related parties, including our group company, TCNS Limited, in relation to production of our apparels, lease of exclusive brand outlets, sale and purchase of goods. In the Fiscals 2018, 2017 and 2016, we incurred expenses in relation to transactions with TCNS Limited for fabrication charges, rent and hire charges, sale of products and purchase of goods, amounting to ₹ 392.77 million, ₹ 379.23 million and ₹ 330.81 million, respectively, which comprised 5.58%, 5.83% and 6.59% of our total expenses for the respective Fiscals. We have also leased our registered office from TCNS Limited.

Further, we our registered office premises were taken on rent from TCNS Technologies Private Limited, a Promoter Group Company. In aggregate, we have made payment to TCNS Technologies Private Limited of ₹0.41 million, since Fiscal 2013. In financial years 2016 and 2015, we made payments to TCNS Technologies Private Limited amounting to ₹0.11 million and ₹0.10 million. See "***Financial Statements – Restated Standalone Statement of Related Party Transactions and Balances***" beginning on page 181.

We cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. Such related party transactions may potentially involve conflicts of interest. For details on our related party transactions, see "***Related Party Transactions***" on page 144.

Competitive Conditions

We expect to continue to compete with existing and potential competitors. For details, please refer to the discussions of our competition in the sections "***Risk Factors***" and "***Our Business***" on pages 14 and 103, respectively.

Seasonality and Cyclicality of Business

We are impacted by seasonal variations in sales volumes, which may cause our revenues to vary significantly between different quarters in a Fiscal. Typically, we see an increase in our business during the festive periods in India, i.e., prior to Dussehra and Diwali, and end of season sales. Therefore, our results of operations and cash flows across quarters in a Fiscal may not be comparable and any such comparisons may not be meaningful, or may not be indicative of our annual financial results or our results in any future quarters or periods. See "***Risk Factors – Our business is subject to seasonality. Lower revenues in the festive period of any Fiscal may adversely affect our business, financial condition, results of operations and prospects***" on page 19.

New Products or Business Segments

Except as disclosed in "***Our Business***" on page 103, we have not announced and do not expect to announce in the near future any new products or business segments.

Significant Developments Occurring after March 31, 2018

Except as set out in this Prospectus, to our knowledge, no circumstances have arisen since the date of the last financial statements as disclosed in this Prospectus which materially or 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.

Recent Accounting Pronouncements

Our Company is required to prepare annual and interim financial statements under Ind AS for financial periods commencing April 1, 2017. Given that Ind AS is different in many respects from Indian GAAP, the transition to Ind AS may have a significant effect on our financial condition and results of operations. For further details, see "***Risk Factors – External Risk Factors – Certain companies in India, including us, are required to prepare financial statements under Ind AS. The transition to Ind AS in India is recent.***" on page 31.

Our Adjusted EBITDA and Adjusted Profit After Tax

The following table sets out our Adjusted EBITDA and Adjusted Profit After Tax (under Ind AS) for the periods specified:

	Fiscal 2018	**Fiscal 2017**	**Fiscal 2016 (Proforma)**
Part A: Adjusted EBITDA			
Profit for the year	980.97	157.97	(414.96)
Add back:			
Tax expense	467.31	465.64	278.58
Finance costs	6.71	24.68	29.46
Depreciation and amortisation expense	166.71	134.05	88.74
EBITDA (1)	1,621.70	782.34	(18.18)
Add back:			
Share based payments	215.48	736.48	898.36
Adjusted EBITDA (2)	1,837.18	1,518.82	880.18
Part B: Adjutsed Profit After Tax (PAT)			
Profit After Tax	980.97	157.97	(414.96)
Add back:			
Share based payments	215.48	736.48	898.36
Adjutsed PAT (3)	1,196.45	894.45	483.40
Notes:			
1. EBITDA represents profit for the year excluding the impact of tax benefit or expense, finance costs and depreciation and amortization.			
2. Adjusted EBITDA represents EBITDA adjusted for share based payments expenses.			
3. Adjusted PAT represents Profit after tax (PAT) adjusted for shared based payments expenses.			

Our Adjusted EBITDA and Adjusted Profit After Tax is a supplemental measure of our performance and liquidity and is not prepared under or required by Ind AS or Previous GAAP. See "***Risk Factors – We have presented certain supplemental information of our performance and liquidity which is not prepared under or required by Indian GAAP or Ind AS***" on page 29.

FINANCIAL INDEBTEDNESS

Our Company avails credit facilities in the ordinary course of our business. Pursuant to our Articles of Association, subject to applicable laws, our Board is authorised to borrow sums of money for the purpose of our Company, with or without security, upon such terms and conditions as the Board may think fit which, together with the monies borrowed by the Company (apart from the temporary loans obtained or to be obtained by the Company's banker in the ordinary course of business) shall not exceed the aggregate of paid-up share capital and free reserves of our Company.

As on March 31, 2018, we have outstanding borrowings of ₹ 166.27 million. Set forth below is a brief summary of our aggregate outstanding borrowings as on March 31, 2018.

(in ₹ million)

Category of Borrowing	Sanctioned Amount	Outstanding amount as on March 31, 2018
Overdraft	130.00	Nil
Cash credit	180.00	0.04
Bills of Discounting	190.00	Nil
Total - Fund Based (A)	**500.00**	**0.04**
Letter of Credit	150.00	157.54
Bank Guarantee	20.00	8.69
Total - Non Fund based (B)	**170.00**	**166.23**
Total (A+B)	**670.00**	**166.27**

Key terms of our borrowings are disclosed below:

- *Tenor and Re-payment*: The tenor of the loan facilities availed by us range from 6 months to 36 months.

- *Interest Rate*: The interest rates for our borrowings are linked to the base rates of the bank or such rate as may be mutually agreed between the lender and the Company from time to time.

- *Security*: Our secured borrowings are secured against:

  (i) mortgage of certain immovable properties of our Company;
  (ii) charge on all moveable fixed assets of our Company;
  (iii) charge on present and future stocks and book debts of our Company; and
  (iv) hypothecation of entire current assets of the Company, including plant and machinery.

- *Events of Default:* Our borrowing arrangements contain standard events of default, including:

  (i) non-payment of amounts due under the loan facility;
  (ii) Company's failure to furnish satisfactory additional security as may be required by the lender;
  (iii) suspension or cessation of the business activities of our Company to the satisfaction of the lender;
  (iv) dissolution of our Company;
  (v) service of insolvency notice upon the Company, execution or enforcement or distress against property or assets of the Company;
  (vi) use of facility for purpose other than for which facility has been sanctioned;
  (vii) default under any other agreement with the bank and/or any other person or under law;
  (viii) change or any likely change in the constitution of the Company which would materially affect the lender;
  (ix) seizure, nationalisation, expropriation or compulsory acquisition of any undertaking, assets or properties of the Company; and
  (x) occurrence of event or situation materially affecting the financial or business condition of the Company.

- *Pre-payment:* One of the loans availed by our Company provides for prepayment provisions which allow for pre-payment and rescheduling of the outstanding loan amount on receiving prior approval from the lender, subject to a pre-payment penalty charged at the rate of 2% of sanctioned amount or principal outstanding, whichever is higher, as may be decided by the lender.

- *Restrictive covenants*: Our Company, under the financing arrangements availed by it, requires the relevant lender's prior written consent for carrying out certain actions, including:

(i) change in effective beneficial ownership or control of our Company;
(ii) material change in the management of the business of our Company;
(iii) declaration or payment of dividend;
(iv) effecting any amalgamation, merger, reconstruction or consolidation;
(v) raising of new loans or creating of fresh charge on any of our assets;
(vi) change in equity, management or operating structure of our Company;
(vii) change in the shareholding of our Company;
(viii) sale of any of our brand; and
(ix) launch of any new scheme of expansion.

For further details of financial and other covenants required to be complied with in relation to our borrowing, see "***Risk Factors – Our inability to meet our obligations, including financial and other covenants under our debt financing arrangements could adversely affect our business and results of operations.***" on page 26.

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 involving our Company, Group Companies, Promoters or Directors; (ii) outstanding actions taken by statutory or regulatory authorities involving our Company, Group Companies, Promoters or Directors; (iii) outstanding claims involving our Company, Group Companies, Promoters or Directors for any direct and indirect tax liabilities; (iv) outstanding inquiries, inspections or investigations initiated or conducted under the Companies Act against our Company, (v) any outstanding compounding of offences under the Companies Act by our Company; (vi) outstanding dues to creditors of our Company as determined to be material by our Board of Directors as per the Materiality Policy in accordance with the SEBI ICDR Regulations; and (vii) outstanding dues to micro, small and medium enterprises and other creditors. Further, there are no pending proceedings initiated for economic offences against our Company.

In terms of the SEBI ICDR Regulations and the Materiality Policy adopted by our Board of Directors, pursuant to a resolution dated February 2, 2018 for the purposes of disclosure, all pending litigation involving our Company, Group Companies, Promoters or Directors, other than criminal proceedings, statutory or regulatory actions and taxation matters, would be considered 'material' if the monetary amount of claim by or against our Company its Directors, Promoters and Group Companies in any such pending litigation is in excess of 5% of our Company's profit after tax as per the Restated Financial Information for Fiscal 2018, being ₹ 49.04 million or any such litigation, an adverse outcome of which would materially and adversely affect our Company's business, prospects, operations, financial position or reputation, irrespective of the amount involved in such litigation.

Unless stated to the contrary, the information provided below is as of the date of this Prospectus.

I. LITIGATION INVOLVING OUR COMPANY

A. Outstanding criminal proceedings involving our Company

Criminal proceedings by our Company

(i) Our Company filed a criminal complaint dated January 17, 2018 before Court of Chief Metropolitan Magistrate, Saket Court against Ajay Kumar, the store manager of our store at Paschim Vihar, Delhi, in relation to dishonour of cheque of ₹ 0.14 million issued by him, in favour of our Company, to discharge his liability as a result of certain shortage of funds in the concerned store. The matter is currently pending.

B. Pending action by statutory or regulatory authorities against our Company

We have in the past received show cause notices from local and state authorities in relation to our failure to obtain registration under shops and commercial establishment legislations of relevant states and our failure to update human resource records in accordance with applicable laws. We have responded to these notices and complied with such regulatory requirements andcurrently there are no such notices pending against us.

Further, we have received summons from the Inspector, Shops and Establishments, Municipal Corporation of Greater Mumbai to appear before the Metropolitan Magistrate, Mumbai, for alleged violation of certain statutory and procedural non-compliance under the relevant provisions of the Bombay Shops and Establishments Act, 1948 and the rules made thereunder, including *inter alia*, failure to display the nameboard of the establishment in Marathi in Devangan script. The matter is currently pending.

C. Tax proceedings involving our Company

As on the date of this Prospectus, there are 10 tax proceedings, including direct and indirect tax, involving our Company.

(in ₹ million)

Particulars	Number of cases*	Ascertainable amount involved excluding interest demanded
	Direct tax proceedings	
Income Tax	3	1.31
	Indirect tax proceedings	
Value Added Tax	7	3.29**

* The tax proceedings include an additional income tax demand notice dated March 23, 2018 and two demand notices in relation to Delhi VAT dated March 21, 2018 and May 18, 2018, received by us post filing of the Draft Red Herring Prospectus.

**In relation to the indirect tax proceedings initiated against our Company, our Company has paid the tax demand in four out of the seven ongoing proceedings and has filed appeals only against the interest amount demanded.

D. Outstanding dues to creditors

As of March 31, 2018, we had 374 creditors. The aggregate amount outstanding to such creditors as on March 31, 2018 was ₹ 896.67 million. For further details, see www.wforwoman.com.

As per the Materiality Policy, a creditor of the Company, shall be considered to be material for the purpose of disclosure in the offer document, including this Prospectus, if amounts due to such creditor exceeds 5% of the total trade payables as on the date of the latest Restated Financial Information included in such offer documents. Based on the above, there are three material creditors of the Company as on March 31, 2018, to whom an aggregate amount of ₹ 334.31 million was outstanding on such date.

Further, based on information available with our Company, three creditors of our Company have been identified as micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006, to whom, an aggregate amount of ₹ 16.86 million was outstanding as on March 31, 2018.

Information provided on the website of our Company is not a part of this Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, www.wforwoman.com, would be doing so at their own risk.

II. LITIGATION INVOLVING OUR GROUP COMPANY

A. Tax proceedings involving our Group Companies

As on the date of this Prospectus, except as disclosed below, there are no tax proceedings involving any of our Group Companies.

TCNS Limited

Particulars	Number of cases	Ascertainable amount involved excluding interest demanded
	Direct tax proceedings	
Income Tax	1	Nil
	Indirect tax proceedings	
Custom Duty	3	Nil*

* *While TCNS Limited has paid the custom duty demanded along with the interest amount, it has filed compounding applications before the Director General of Foreign Trade, New Delhi in relation to the amount of interest involved, for regularisation of the cases and redemption of licence in relation to these demands.*

III. LITIGATION INVOLVING OUR PROMOTERS

A. Outstanding criminal litigation involving our Promoters

Criminal proceedings against our Promoters

(i) *Onkar Singh Pasricha*

a) A criminal complaint dated December 20, 2010 was filed by Nitesh Kumar against Onkar Singh Pasricha, Arvinder Singh Pasricha and Gurmeet Singh Pasricha before the Judicial Magistrate, Farukhabad Court alleging assault, use of criminal force and criminal intimidation. Onkar Singh Pasricha along with other defendants filed an application before the Allahabad High Court to obtain a stay against the criminal proceeding. The Allahabad High Court passed a stay order which was filed with the Farukhabad Court on February 16, 2012. The matter is currently pending for hearing and listing before the Allahabad High Court.

(ii) *Arvinder Singh Pasricha*

a) A criminal complaint dated December 20, 2010 was filed by Nitesh Kumar against Onkar Singh Pasricha, Arvinder Singh Pasricha and Gurmeet Singh Pasricha before the Judicial Magistrate, Farukhabad Court alleging assault, use of criminal force and criminal intimidation. For details, see "- ***Criminal proceedings against our Promoters - Onkar Singh Pasricha***" above.

Criminal proceedings by our Promoters

(i) *Onkar Singh Pasricha*

Our Promoter, Onkar Singh Pasricha, has filed a criminal complaint dated December 12, 2013, against Rajesh Aggarwal ("**Respondent**") before the Court of Chief Metropolitan Magistrate, Saket Court, New Delhi for dishonour of cheque involving an amount of ₹ 2.50 million issued by the Respondent for repayment of advance paid to the Respondent by Onkar Singh Pasricha for purchase of certain land. The matter is currently pending.

(ii) Arvinder Singh Pasricha

Our Promoter, Arvinder Singh Pasricha, has filed a criminal complaint dated December 12, 2013, against Rajesh Aggarwal ("**Respondent**") before the Court of Chief Metropolitan Magistrate, Saket Court, New Delhi for dishonour of cheque involving an amount of ₹ 3.00 million issued by the Respondent for repayment of advance paid to the Respondent by Arvinder Singh Pasricha for purchase of certain land. The matter is currently pending.

B. Tax proceedings involving our Promoters

As on the date of this Prospectus, except as disclosed below, there are no direct or indirect tax proceedings involving any of our Promoters.

(in ₹ million)

Particulars	Number of cases	Ascertainable amount involved
	Onkar Singh Pasricha	
Income Tax	1	14.34
	Arvinder Singh Pasricha	
Income Tax	1	12.34

IV. MATERIAL DEVELOPMENTS SINCE THE LAST BALANCE SHEET DATE

Except for the allotment of an aggregate of (i) 649,066 Equity Shares to our Promoters, Onkar Singh Pasricha and Arvinder Singh Pasricha, pursuant to conversion of CCRDs and (ii) 4,298,660 Equity Share pursuant to exercise of options under the TCNS ESOP-I, details of which are provided in "***Capital Structure***" on page 58; and as stated in "***Management's Discussion and Analysis of Financial Condition and Results of Operation – Significant Developments after March 31, 2018***" on page 242, no circumstances have arisen since March 31, 2018, the date of the last Restated Financial Information disclosed in this Prospectus, which materially and adversely affect or are likely to affect, our operations or earnings taken as a whole, the value of our assets or our ability to pay our material liabilities within the next twelve months.

GOVERNMENT AND OTHER APPROVALS

*Our Company is eligible to undertake the Offer and our Company can undertake its current business activities, including on the basis of the material approvals provided below, and other than as stated below, no further material approvals from any regulatory authority are required to undertake the Offer or continue such business activities. In the event that any of the approvals and licenses that are required for our business operations expire in the ordinary course of business, we make applications for their renewal from time to time. For details in connection with the regulatory and legal framework within which we operate, see the section titled "**Key Regulations and Policies in India**" on page* 118.

I. Incorporation details of our Company

1. Certificate of incorporation dated December 3, 1997 issued to our Company by the RoC in the name of 'TCNS Clothing Co. Private Limited'.

2. Fresh certificate of incorporation dated January 19, 2018 issued to our Company by the RoC on account of the change in name from 'TCNS Clothing Co. Private Limited' to 'TCNS Clothing Co. Limited'.

II. Approvals relating to the Offer

For details of corporate and other approvals in relation to the Offer, see "***Other Regulatory and Statutory Disclosures – Authority for the Offer - Corporate Approvals***" on page 251.

III. Approvals in relation to operations of our Company

We require various approvals to carry on our business in India. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with applicable procedures and requirements as disclosed below. We have received the following approvals pertaining to our business:

A. Tax related approvals

(i) The permanent account number of our Company is AAACT4432E.

(ii) The tax deduction account number of our Company is DELT06379C.

(iii) The import export code for our Company is 0597072582.

In addition to the above, our Company has also obtained various provisional goods and services tax registrations in the states in which it currently has operations.

B. Labour related approvals

(i) Under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 as amended, our Company has been allotted EPF code number 25873.

(ii) Under the Employees' State Insurance Act, 1948 our Company has been allotted the Employees' State Insurance code number 11-10-63718-19.

C. Approvals in relation to our operations

As of March 31, 2018, we had 465 exclusive brand outlets in India. We require certain approvals, licenses and registrations under several central or state-level acts, rules and regulations to carry on our business in India. These licenses differ on the basis of the location as well as the nature of operations carried out at such locations. In states where our owned stores are located, we obtain registrations under the respective shops and commercial establishment acts of those states, wherever enacted or in force. We also obtain trade licenses from the respective municipal authorities of areas where our owned stores are located and where local laws require such trade licenses to be obtained. Our Company has made or is in the process of making renewal applications for such licenses, approvals and registrations that have expired in the ordinary course of business.

D. Intellectual property approvals

As on the date of this Prospectus, our Company currently uses and owns the following registered trademarks in India as also discussed in ***"Our Business"*** at page 103:

Sl. No.	Description of the mark	Class	Trademark no.	Validity
1.		3, 18, 24, 22, 25	2013828	August 25, 2020
2.		25	1705102	June 30, 2028
3.		26	1134980	September 19, 2022
4.		3, 18, 22, 24, 25	2013827	August 25, 2020
5.		21	1118369	July 12, 2022
6.		14	1134983	September 19, 2022
7.	Wishful (word)	3, 18, 22, 24, 25	2013826	August 25, 2020
8.		18	1118368	July 12, 2022
9.		26	1134980	September 19, 2022
10.		14	1134983	September 19, 2022
11.		1	1134986	September 19, 2022
12.		8	1134984	September 19, 2022
13.		3	1118365	July 12, 2022
14.		8	1118366	July 12, 2022

As of the date of this Prospectus, in relation to the trademarks currently used by our Company, our Company has made the following applications for obtaining trademark registrations in India:

Sl. No.	Description of the mark	Class	Application number	Date of application
1.		3, 18, 22 & 24	2163530	June 22, 2011
2.		3, 18, 22 & 24	2163531	June 22, 2011
3.		25	2163532	June 22, 2011
4.		14, 18 & 25	2269774	January 20, 2012

Sl. No.	Description of the mark	Class	Application number	Date of application
5.		25	1129229	August 27, 2008
6.	W (Label)	25	1117850	July 10, 2002
7.	Aurelia (word)	3, 18, 22, 24 & 25	2013829	August 25, 2010
8.		18	1134982	September 19, 2002
9.		3, 18, 22, 24	2013830	August 25, 2010

For details on consequences arising due to failure on the part of our Company to successfully protect or register our trademarks, see "***Risk Factor - Our inability to protect or use our intellectual property rights may adversely affect our business***" on page 20.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Corporate approvals

- Our Board has authorized the Offer by a resolution dated December 14, 2017.
- Our Shareholders' have authorized the Offer by their resolution dated January 5, 2018.
- Our Board has approved the Red Herring Prospectus pursuant to its resolution dated July 5, 2018.
- The IPO Committee of our Board has approved this Prospectus pursuant to its resolution dated July 24, 2018.

Approvals from the Selling Shareholders

The Selling Shareholders have confirmed and approved the Offer for Sale and transfer of their respective proportion of Offered Shares as set out below:

Sl. No.	Name of the Selling Shareholder	Date of board resolution/ Consent letter	Maximum number of Equity Shares offered for sale
1.	Onkar Singh Pasricha	February 16, 2018	2,764,841
2.	Arvinder Singh Pasricha	February 16, 2018	3,039,118
3.	Anant Kumar Daga	January 19, 2018	1,256,670
4.	Saranpreet Pasricha	February 16, 2018	691,001
5.	Angad Pasricha	February 5, 2018	416,724
6.	Vijay Kumar Misra	January 19, 2018	458,022
7.	Amit Chand	January 19, 2018	175,978
8.	Wagner	Board resolution dated January 5, 2018 and consent letter dated February 19, 2018	6,911,684

Each Selling Shareholder, severally and not jointly, specifically confirms that, as required under Regulation 26(6) of the SEBI ICDR Regulations, it has held its respective portion of the Offered Shares for a period of at least one year prior to the date of filing of the Draft Red Herring Prospectus. Therefore, the Equity Shares offered by the Selling Shareholders in the Offer for Sale are eligible to be offered for sale in the Offer.

In-principle listing approvals

Our Company has received in-principle approvals from the BSE and the NSE for the listing of our Equity Shares pursuant to letters dated April 9, 2018 and April 11, 2018, respectively.

Prohibition by the SEBI, the RBI or governmental authorities

None of our Company, our Promoters, our Promoter Group, our Directors, our Group Companies, persons in control of our Company are or have ever been prohibited from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by the SEBI or any other governmental authorities. Neither our Promoters, nor any of our Directors or persons in control of our Company were or are a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI or any other governmental authorities. Further, there have been no violations of securities laws committed by any of them in the past or are currently pending against them.

Each of the Promoter Selling Shareholders and Other Selling Shareholders, severally and not jointly, specifically confirms that it has not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other governmental authority in India. Further, each of the Promoter Selling Shareholders and the Other Selling Shareholders, severally and not jointly, specifically confirms that it has not been classified as a wilful defaulter, as defined under the SEBI ICDR Regulations. There are no violations of securities laws committed by any of the Promoter Selling Shareholders or Other Selling Shareholders in the past and no such proceedings are currently pending against any of them.

The Investor Selling Shareholder specifically confirms that it has not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other governmental authority. Further, the Investor Selling Shareholder specifically confirms that it has not been classified as a wilful defaulter, as defined under the SEBI ICDR Regulations. There has been no violation of securities laws committed by the Investor Selling Shareholder in the past and no such proceedings are currently pending against it.

None of our Directors are in any manner associated with the securities market in any manner, including securities market related business and no action has been taken by the SEBI against our Directors or any entity in which our Directors are involved as promoters or directors.

Neither our Company, nor our Promoters, nor any member of our Promoter Group nor our Group Companies, nor our Directors, nor the relatives (as per the Companies Act) of our Promoter are or have been declared as wilful defaulters, as defined by the SEBI ICDR Regulations.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with the eligibility criteria provided in Regulation 26(1) of the SEBI ICDR Regulations, and as is in compliance with the conditions specified therein in the following manner:

- our Company has net tangible assets of at least ₹ 30 million in each of the preceding three full years (of 12 months each). As the Offer is being made entirely through an offer for sale, the limit of not more than 50% of net tangible assets being monetary assets, is not applicable to the Offer;

- our Company has a minimum average pre-tax operating profit of ₹ 150 million calculated on a restated basis, during the three most profitable years out of the immediately preceding five years;

- our Company has a pre-Offer net worth of at least ₹ 10 million in each of the three preceding full years (of 12 months each);

- the proposed Offer size does not exceed five times the pre-Offer net worth as per the audited accounts for the year ended March 31, 2017; and

- our Company did not change its name in the last Fiscal, and the revenue for the last Fiscal was earned by our Company under the name 'TCNS Clothing Co. Private Limited'. The name of our Company has changed to 'TCNS Clothing Co. Limited' in Fiscal 2018, upon conversion of our Company into a public limited company pursuant to a special resolution of the Shareholders of our Company dated January 5, 2018 and a fresh certificate of incorporation was issued by the RoC on January 19, 2018.

Our Company's pre-tax operating profit, net tangible assets, monetary assets, monetary assets as a percentage of our net tangible assets and net worth, derived from our Restated Financial Information, as of and for the five years ended March 2018, March 2017, March 2016, March 2015 and March 2014 included in this Prospectus are set forth below:

(₹ in million)

Particulars	Fiscal 2018 Ind AS	Fiscal 2017 Ind AS	Fiscal 2016 Proforma Ind AS	Fiscal 2015 Indian GAAP	Fiscal 2014 Indian GAAP
Net tangible assets(1)	4,130.48	2,687.09	314.21	1,046.05	792.14
Pre-tax operating profit/ (loss)(2)	1,387.67	628.88	(127.53)	448.68	175.01
Net worth(3)	4,314.68	2,819.26	483.26	1,103.92	834.23
Monetary assets(4)	490.84	132.36	103.28	68.65	70.26
Monetary assets as % of net tangible assets (4/1)	11.88%	4.93%	32.87%	6.56%	8.87%

Notes:

(1) 'Net tangible assets' means the restated net assets excluding deferred tax assets/ liabilities (net), intangible assets, intangibles under development, goodwill on consolidation and non-controlling interest.

(2) 'Pre-tax operating profit' is defined as restated profit before tax (excluding other income and finance costs). The management has considered Fiscals 2018, 2017 and 2015 as the three most profitable years of the Company out of the immediately preceding five years.

(3) 'Net worth' means the aggregate of the paid-up share capital and includes securities premium reserve, retained earnings, general reserve, share based payments, capital redemption reserve and non-controlling interest, as per Indian GAAP. Net worth represents the aggregate of the paid up share capital, instruments entirely equity in nature and other equity as stated in restated statement of share capital, restated statement of instruments entirely equity in nature and restated statement of other equity, as per Ind AS.

(4) Monetary assets comprise cash and cash equivalents as per Restated Financial Information.

Further, in accordance with Regulation 26(4) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Offer shall be not less than 1,000, failing which, the entire application money will be refunded. If our Company does not Allot Equity Shares pursuant to the Offer within six Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by the SEBI, it shall repay without interest all monies received from bidders. In case of any delay in refund within the timelines prescribed under applicable laws, an interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period by our Company and the respective Selling Shareholders. However, subject to applicable law, the Investor Selling Shareholder shall not be liable to reimburse any expenses towards refund or pay any interest thereon in respect to Allotment of their respective proportion of the Offered Shares or otherwise, unless the failure or default or delay, as the case may be, is solely on account of such Investor Selling Shareholder.

Our Company is in compliance with the conditions specified in Regulation 4(2) of the SEBI ICDR Regulations to the extent applicable.

Other than listing fees, which shall be borne by our Company, the fees and expenses relating to the Offer shall be borne by the Selling Shareholders, on a pro-rata basis, in proportion to the respective Offered Shares sold by each Selling Shareholder pursuant to the Offer, in accordance with applicable law, upon completion of the Offer.

DISCLAIMER CLAUSE OF THE SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO THE SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY THE 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 BOOK RUNNING LEAD MANAGERS, BEING KOTAK MAHINDRA CAPITAL COMPANY LIMITED AND CITIGROUP GLOBAL MARKETS INDIA PRIVATE LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, AND EACH SELLING SHAREHOLDER, SEVERALLY AND NOT JOINTLY, WILL BE RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY IT IN THE DRAFT RED HERRING PROSPECTUS IN RELATION TO ITSELF AND FOR ITS RESPECTIVE PROPORTION OF THE EQUITY SHARES OFFERED BY WAY OF THE OFFER FOR SALE. THE BOOK RUNNING LEAD MANAGERS, ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS, BEING KOTAK MAHINDRA CAPITAL COMPANY LIMITED AND CITIGROUP GLOBAL MARKETS INDIA PRIVATE LIMITED, HAVE FURNISHED TO THE SEBI A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 26, 2018 WHICH READS AS FOLLOWS:

WE, THE BOOK RUNNING LEAD MANAGERS TO THE ABOVE MENTIONED FORTHCOMING 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 DOCUMENTS IN CONNECTION WITH THE**

FINALISATION OF THE DRAFT RED HERRING PROSPECTUS DATED FEBRUARY 26, 2018 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, WE CONFIRM THAT:**

   A. **THE DRAFT RED HERRING PROSPECTUS FILED WITH THE 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 THE 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 INVESTMENT IN THE OFFER AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT 1956, TO THE EXTENT APPLICABLE, 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 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**

3. **WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH THE SEBI AND UNTIL DATE SUCH REGISTRATIONS ARE 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 WRITTEN CONSENT FROM THE PROMOTERS HAS 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 THE 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 UNTIL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS; <u>COMPLIED WITH</u>**

6. **WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED WHICH RELATES TO EQUITY SHARES INELIGIBLE FOR COMPUTATION OF PROMOTERS' CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS; <u>COMPLIED WITH</u>**

7. **WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE OFFER. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT**

SHALL BE DULY SUBMITTED TO THE SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE PROMOTERS' CONTRIBUTION WILL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC OFFER – <u>NOT APPLICABLE</u>;

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 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; <u>COMPLIED WITH TO THE EXTENT APPLICABLE</u>;**

9. **WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS 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 MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE OFFER, THE COMPANY AND THE SELLING SHAREHOLDERS SPECIFICALLY CONTAINS THIS CONDITION – <u>NOTED FOR COMPLIANCE. ALL MONIES RECEIVED FROM THE OFFER SHALL BE CREDITED/TRANSFERRED TO A SEPARATE BANK ACCOUNT AS PER SECTION 40(3) OF THE COMPANIES ACT 2013, AS NOTIFIED</u>;**

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 – <u>NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT 2013, EQUITY SHARES IN THE OFFER WILL BE ISSUED IN DEMATERIALISED FORM ONLY</u>;**

11. **WE CERTIFY THAT ALL APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION; <u>COMPLIED WITH</u>**

12. **WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS: <u>COMPLIED WITH</u>**

    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 THE SEBI FROM TIME TO TIME.**

13. **WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENTS IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED WHILE MAKING THE OFFER - <u>NOTED FOR COMPLIANCE</u>;**

14. **WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS' EXPERIENCE, ETC; <u>COMPLIED WITH</u>**

15. **WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED, 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 THE 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, AS PER THE RELEVANT ACCOUNTING STANDARDS IN THE FINANCIAL STATEMENTS AND INCLUDED IN THE DRAFT RED HERRING PROSPECTUS AND AS CERTIFIED BY GHOSH KHANNA & CO., CHARTERED ACCOUNTANTS, BY WAY OF CERTIFICATE DATED FEBRUARY 20, 2018;**

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 THE SEBI ICDR REGULATIONS. (IF APPLICABLE). – NOT APPLICABLE.**

The filing of this Prospectus does not, however, absolve any person who has authorized the issue of this 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 proposed Offer. SEBI further reserves the right to take up at any point of time, with the BRLMs, any irregularities or lapses in this Prospectus.

All legal requirements pertaining to the Offer will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act 2013. All legal requirements pertaining to the Offer will be complied with at the time of registration of this Prospectus with the RoC in terms of Sections 26, 30, 32, 33(1) and 33(2) of the Companies Act 2013.

Price Information of past issues handled by the BRLMs

Kotak Mahindra Capital Company Limited

1. *Price information of past issues (during the current financial year and two financial years preceding the current financial year) handled by Kotak Mahindra Capital Company Limited*

Sr. No.	Issue Name	Issue Size (in ₹ Mn.)	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.	Varroc Engineering Limited[(1)]	19,549.61	967	July 6, 2018	1,015.00	-	-	-
2.	IndoStar Capital Finance Limited	18,440.00	572	May 21, 2018	600.00	-0.96%[+1.84%]	-	-
3.	Lemon Tree Hotels Limited	10,386.85	56	April 9, 2018	61.60	+30.18%[+3.26%]	+29.91%[+3.79%]	-
4.	Bandhan Bank Limited	44,730.19	375	March 27, 2018	499.00	+31.81%[+3.79%]	+42.96[+6.26%]	-
5.	Aster DM Healthcare Limited	9,801.36	190	February 26, 2018	183.00	-13.66% [-3.77%]	-4.97%[+0.21%]	-

Sr. No.	Issue Name	Issue Size (in ₹ Mn.)	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
6.	The New India Assurance Company Limited(2)	95,858.22	800	November 13, 2017	750.00	-27.91% [+0.15%]	-12.93%[+2.25%]	-13.06%[+5.69%]
7.	Mahindra Logistics Limited(3)	8,288.84	429	November 10, 2017	429.00	+3.12% [-0.54%]	+9.48%[+1.50%]	+21.00%[+3.84%]
8.	General Insurance Corporation of India(4)	112,568.31	912	October 25, 2017	850.00	-12.92% [+0.52%]	-13.95%[+6.52%]	-20.78%[+2.61%]
9.	Indian Energy Exchange Limited	10,007.26	1650	October 23, 2017	1,500.00	-8.15% [+1.39%]	-1.77%[+6.97%]	-0.71%[+3.72%]
10.	Godrej Agrovet Limited	11,573.12	460	October 16, 2017	615.60	+14.96%[- 0.43%]	+34.95%[+4.40%]	+51.09%[+2.44%]

Source: www.nseindia.com

Notes:

1. *In Varroc Engineering Limited, the issue price to employees was ₹ 919 after a discount of ₹ 48 per equity share.*
2. *In The New India Assurance Company Limited, the issue price to retail individual bidders and employees was ₹ 770 per equity share after a discount of ₹ 30 per equity share.*
3. *In Mahindra Logistics Limited, the issue price to employees was ₹ 387 per equity share after a discount of ₹ 42 per equity share. The Anchor Investor Issue price was ₹ 429 per equity share.*
4. *In General Insurance Corporation of India, the issue price to retail individual bidders and employees was ₹ 867 per equity share after a discount of ₹ 45 per equity share.*
5. *In the event any day falls on a holiday, the price/index of the immediately preceding working day has been considered.*
6. *The 30th, 90th, 180th calendar days from listed day have been taken as listing day plus 29, 89 and 179 calendar days.*
7. *Nifty is considered as the benchmark index.*
8. *Restricted to last 10 issues.*

2. *Summary statement of price information of past issues (during the current financial year and two financial years preceding the current financial year) handled by Kotak Mahindra Capital Company Limited*

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ in 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%
2018-2019	3	28,826.85	-	-	1	-	1	-	-	-	-	-	-	-
2017-2018	9	384,510.39	-	1	5	-	1	2	-	-	4	1	1	1
2016-2017	11	135,676.30	-	-	4	2	1	4	-	1	2	5	2	1

Notes:

1. *The information is as on the date of this Prospectus.*
2. *The information for each of the financial years is based on issues listed during such financial year.*

<u>Citigroup Global Markets India Private Limited</u>

1. *Price information of past issues (during the current financial year and two financial years preceding the current financial year) handled by Citigroup Global Markets India Private Limited*

Sr. No.	Issuer Name	Issue size (in ₹ Mn)	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.	Varroc Engineering Limited	19,549.6	967.00	July 6, 2018	1,015.00	NA	NA	NA
2.	ICICI Securities Limited	35,148.5	520.00	April 4, 2018	435.00	(-)27.93% [+5.44%]	(-)38.63% [+5.64%]	NA
3.	General Insurance Corporation of India	112,568.3	912.00	October 25, 2017	850.00	(-)12.92% [+0.52%]	(-)13.95% [+6.52%]	(-)20.78% [+2.61%]
4.	SBI Life Insurance Company Limited	83,887.3	700.00	October 3, 2017	735.00	(-)7.56% [+5.89%]	(-)0.66% [+6.81%]	(-)3.11% [2.58%]
5.	AU Small Finance Bank Limited	19,125.1	358.00	July 10, 2017	530.00	+58.76% [+2.12%]	+71.80% [+2.14%]	+95.38% [+8.06%]
6.	Eris Lifesciences Limited	17,404.9	603.00	June 29, 2017	611.00	+0.87% [+5.37%]	(-)5.69% [+3.87%]	+27.19% [+10.40%]
7.	Tejas Networks Limited	7,766.9	257.00	June 27, 2017	257.00	+28.04% [+5.35%]	+23.27% [+4.76%]	+51.65% [+10.32%]
8.	India Grid Trust	22,499.6	100.00	June 6, 2017	99.70	(-)7.66% [+0.00%]	(-)3.50% [+3.50%]	(-)5.15% [+5.03%]
9.	Laurus Labs Limited	13,305.1	428.00	December 19, 2016	489.90	+11.44% [+3.62%]	+23.97% [+13.03%]	+41.43% [+18.31%]
10.	Endurance Technologies Limited	11,617.4	472.00	October 19, 2016	572.00	+16.06% [(-)6.69%]	+23.78% [(-)2.84%]	+76.32% [+5.68%]

Source: www.nseindia.com

Notes:

1. Nifty is considered as the benchmark index.
2. In case 30th/ 90th/180th day is not a trading day, closing price on the NSE of a trading day immediately prior to the 30th/ 90th/180th day, is considered.
3. Since the listing date of ICICI Securities Limited was April 4, 2018, information relating to closing prices and benchmark index as on 180th calendar day from listing date is not available.
4. Since the listing date of Varroc Engineering Limited was July 6, 2018, information relating to closing prices and benchmark index as on 30th / 90th / 180th calendar day from listing date is not available.

2. *Summary statement of price information of past issues (during the current financial year and two financial years preceding the current financial year) handled by Citigroup Global Markets India Private Limited*

Fiscal Year	Total No. of IPOs	Total Funds Raised (₹ in 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%				Over 50%	Between 25-50%	Less than 25%	Over 50%	
2018-19	2	54,700.3	-	1	-	-	-	-	-	-	-	-	-	-
2017-18	6	263,252.1	-	-	3	1	1	1	-	-	3	2	1	-
2016-17	5	59,804.8	-	-	1	-	1	3	-	-	1	3	1	-

Notes:
1. Since the listing date of ICICI Securities Limited was April 4, 2018, information relating to closing prices and benchmark index as on 180th calendar day from listing date is not available.
2. Since the listing date of Varroc Engineering Limited was July 6, 2018, information relating to closing prices and benchmark index as on 30th / 180th calendar day from listing date is not available.

Track record of past issues handled by the BRLMs

For details regarding the track record of the BRLMs, as specified under circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, see the websites of the BRLMs mentioned below.

BRLMs	Website
Kotak Mahindra Capital Company Limited	www.investmentbank.kotak.com
Citigroup Global Markets India Private Limited	www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm

Caution – Disclaimer from our Company, our Directors, the Selling Shareholders and the BRLMs

Our Company, our Directors and the BRLMs accept no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information, including our website, www.wforwomen.com, or any website of any of the members of our Promoter Group, Group Companies or any affiliate of our Company or Selling Shareholders, would be doing so at his or her own risk. It is clarified that each of the Promoter Selling Shareholders, Other Selling Shareholders and Investor Selling Shareholder or their respective directors, affiliates, associates and officers, severally and not jointly, accept no responsibility for any statements made or undertakings provided other than those made specifically by the respective Selling Shareholders in relation to themselves and/or the Equity Shares offered by such Selling Shareholder through the Offer for Sale.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement.

All information shall be made available by our Company, the respective Selling Shareholders and the BRLMs to the Bidders and public at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding Centres or elsewhere.

Neither our Company, the respective Selling Shareholders nor any member of the Syndicate shall be liable to the Bidders for any failure in uploading the Bids, due to faults in any software or hardware system, or otherwise.

The BRLMs and their respective associates may engage in transactions with, and perform services for our Company, the Promoters, members of the Promoter Group, Group Companies, the respective Selling Shareholders and their respective affiliates or associates 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 or the respective Selling Shareholders or their respective affiliates or associates for which they have received, and may in future receive compensation.

Bidders that bid in the Offer will be required to confirm, and will be deemed to have represented to our Company, the respective Selling Shareholders 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 applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Promoter Selling Shareholders, Investor Selling Shareholder, Other Selling Shareholders, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

Disclaimer in respect of Jurisdiction

This Offer is being made in India to persons resident in India (including Indian nationals resident in India, Hindu Undivided Families ("**HUFs**"), companies, other corporate bodies and societies registered under the applicable laws in India and authorized to invest in equity shares, Indian Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), systemically important non-banking financial companies or trusts under the applicable trust laws, and who are authorized under their respective constitutions to hold and invest in equity shares, public financial institutions as specified under Section 2(72) of the Companies Act 2013, venture capital funds, permitted insurance companies and pension funds and, to permitted non-residents including Eligible NRIs, Alternative Investment Funds ("**AIFs**"), Foreign Portfolio Investors registered with SEBI ("**FPIs**") and QIBs. The Red Herring Prospectus did not and this Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Red Herring Prospectus or this Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) at New Delhi, India only.

No action has been, or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Red Herring Prospectus has been and this Propsectus will be filed with the RoC. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and the Red Herring Prospectus has not and this Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Red Herring Prospectus nor this Prospectus, nor any offer or sale hereunder, shall, under any circumstances, create any implication that there has been no change in our affairs or in the affairs of the respective Selling Shareholders from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act of 1933 ("U.S. 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 U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur; and (ii) to "qualified institutional buyers" (as defined in Rule 144A ("Rule 144A") under the U.S. Securities Act), pursuant to the private placement exemption set out in Section 4(a) of the U.S. Securities Act.

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 the investment limits or maximum number of Equity Shares that can be held by them under applicable law.

Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

Disclaimer Clause of the BSE

As required, a copy of the Draft Red Herring Prospectus was submitted to the BSE. The disclaimer clause as intimated by the BSE to us post scrutiny of the Draft Red Herring Prospectus is provided below:

"*BSE Limited (the "**Exchange**") has given vide its letter dated April 9, 2018 permission to this Company to use the Exchange's name in this offer document as one of the stock exchanges on which the company's securities are proposed to be listed. The Exchange has scrutinised this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:*

1. *warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or*

2. *warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or*

3. *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 be 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 any other reason whatsoever."

Disclaimer Clause of the NSE

As required, a copy of the Draft Red Herring Prospectus was submitted to the NSE. The disclaimer clause as intimated by the NSE to us is provided below:

"*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/43603 dated April 11, 2018 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 the SEBI at Mumbai, India.

A copy of the Red Herring Prospectus, along with the documents required to be filed, were delivered for registration to the RoC in accordance with Section 32 of the Companies Act 2013, and a copy of this Prospectus along with the documents required to be filed will be delivered for registration to the RoC, in accordance with Section 26 of the Companies Act 2013, situated at the address mentioned below.

The Registrar of Companies, National Capital Territory of Delhi and Haryana
4th Floor, IFCI Tower
61, Nehru Place
New Delhi 110 019, India

Listing

Applications will be made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares being offered and sold in the Offer and BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Offer.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus in accordance with applicable law. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within six Working Days of the Bid/Offer Closing Date or such other period as may be prescribed by SEBI. If our Company does not allot Equity Shares pursuant to the Offer within six Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by SEBI, it shall repay without interest all monies received from Bidders. In case of any delay in refund within the timelines prescribed under applicable laws, an interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period by our Company and the respective Selling Shareholders. However, subject to applicable law, the Investor Selling Shareholder shall not be liable to reimburse any expenses towards refund or pay any interest thereon in respect to Allotment of their respective proportion of the Offered Shares or otherwise, unless the failure or default or delay, as the case may be, is solely on account of such Investor Selling Shareholder.

Each of the Promoter Selling Shareholders and Other Selling Shareholders, severally and not jointly, undertake to provide such reasonable support and extend reasonable cooperation as may be requested by our Company and the BRLMs, to the extent such support and cooperation is required from such Selling Shareholder to facilitate the process of listing and commencement of trading of the Equity Shares on the Stock Exchanges within six Working Days from the Bid/Offer Closing Date or such other period as may be prescribed by SEBI.

The Investor Selling Shareholder undertakes to extend cooperation, as may be reasonably required and necessary as a selling shareholder in accordance with applicable law and as may be requested by our Company and BRLMs, only in relation to its portion of the Offered Shares, to facilitate the process of listing and commencement of trading of the Equity Shares on the Stock Exchanges within six Working Days from the Bid/Offer Closing Date or such other period as may be prescribed by SEBI.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act 2013, which is reproduced below:

"Any person who –

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under section 447."

The liability prescribed under Section 447 of the Companies Act 2013 includes imprisonment for a term of not less than six months extending up to 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.

Consents

Consents in writing of the Selling Shareholders, our Directors, the Chief Financial Officer, the Company Secretary and Compliance Officer, the legal counsels, the bankers to our Company, the Bankers to the Offer, lenders (where such consent is required), industry sources, third party chartered accountants, the BRLMs and Registrar to the Offer, the Syndicate Member, Bankers to the Offer/ Escrow Bank, Public Offer Account Bank and Refund Bank to act in their respective capacities, have been obtained and were filed along with a copy of the Red Herring Prospectus and will be filed along with a copy of this Prospectus with the RoC, as required under Sections 26 and 32 of the Companies Act 2013. Further, such consents were not withdrawn at the time of delivery of the Red Herring Prospectus and shall not be withdrawn up to the time of delivery of this Prospectus with the RoC.

As required under Section 26(1)(a)(v) of the Companies Act 2013, our Company has received a written consent from the Statutory Auditors namely, Deloitte Haskins & Sells LLP, Chartered Accountants, to include their name in this Prospectus and as an "expert", as defined under Section 2(38) read with Section 26(5) of the Companies Act 2013, to the extent and in their capacity as Statutory Auditors and in respect of their (a) examination report dated June 14, 2018 on our Restated Financial Information, and their (b) report dated June 14, 2018 on the Statement of Tax Benefits available to our Company and Shareholders.

The term "experts" and consent thereof does not represent an expert or consent within the meaning under the U.S. Securities Act. Such consent has not been withdrawn as of the date of this Prospectus.

Our Company has also received a written consent from Technopak to include their name in this Prospectus as required under the relevant provisions of the Companies Act, 2013 and to be named as an "expert" as defined under Section 2(38) read with Section 26(5) of the Companies Act 2013, in respect of the Technopak Report and any extract thereof, included in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Prospectus.

Offer expenses

For details of the Offer related expenses, see "***Objects of the Offer – Offer Related Expenses***" on page 77.

Fees, brokerage and selling commission

The total fees payable to Syndicate Member (including underwriting and selling commissions), and reimbursement of their out of pocket expenses, will be as stated the Syndicate Agreement to be executed among our Company, the Selling Shareholders and the members of the Syndicate, a copy of which was made available for inspection at our Registered Office, from 10.00 am to 4.00 p.m. on Working Days from the date of filing the Red Herring Prospectus until the Bid/Offer Closing Date.

Fees payable to the Registrar to the Offer

The fees payable to the Registrar to the Offer, including fees for processing of Bid cum Application Forms, data entry, printing of Allotment Advice, refund order, preparation of refund data on magnetic tape and printing of bulk mailing register, will be as per the Registrar Agreement, a copy of which was made available for inspection at our Registered Office on Working Days from 10 a.m. to 4 p.m. from the date of the Red Herring Prospectus until the Bid/Offer Closing Date.

Particulars regarding public or rights issues during the last five years

There have been no public, including any rights issues to the public undertaken by our Company during the five years immediately preceding the date of this Prospectus.

Commission or brokerage on previous issues

Since this is the initial public offering of the Equity Shares of our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of our Equity Shares, since the incorporation of our Company.

Previous issues otherwise than for cash

Our Company has not issued any Equity Shares for consideration otherwise than for cash.

Capital issues in the preceding three years

Except as disclosed in "***Capital Structure***" on page 58, our Company has not made any capital issues during the three years immediately preceding the date of this Prospectus. None of our Group Companies have made any capital issues during the three years preceding the date of this Prospectus.

Performance vis-à-vis Objects

Our Company has not undertaken any public, including any rights issues to the public in the 10 years immediately preceding the date of the Draft Red Herring Prospectus.

Performance vis- à-vis Objects: Last issue of our Group Companies and associate companies

As on the date of this Prospectus, our Company does not have any subsidiary or associate company. None of our Group Companies have made any public, including rights issues to the public in the 10 years immediately preceding the date of the Draft Red Herring Prospectus.

Outstanding debentures, bonds or redeemable preference shares

Other than the options granted under the ESOP Schemes of our Company, our Company does not have any outstanding debentures, bonds or redeemable preference shares, as on the date of this Prospectus. For details of options outstanding under the ESOP Schemes of our Company, see "***Capital Structure – Employee Stock Option Scheme***" on page 60.

Partly paid-up shares

As on the date of this Prospectus, there are no partly paid-up Equity Shares of our Company.

Stock market data of the Equity Shares

This being the initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange as on the date of this Prospectus, and accordingly, no stock market data is available for the Equity Shares.

Mechanism for redressal of investor grievances

The Registrar Agreement, provides for retention of records with the Registrar to the Offer for a minimum period of three years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, in order to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

Investors may contact the BRLMs for any complaint pertaining to the Offer. All grievances, other than by Anchor Investors, may be addressed to the Registrar to the Offer, with a copy to the relevant Designated Intermediary, where the Bid cum Application Form was submitted, quoting the full name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, address of the Bidder, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number in which the amount equivalent to the Bid Amount was blocked. Further, the Bidder shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders DP' ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid amount paid on submission of the Bid cum Application Form and the name and address of the BRLMs where the Bid cum Application Form was submitted by the Anchor Investor.

Our Company, the BRLMs and the Registrar accept no responsibility for errors, omissions, commission of any acts of the Designated Intermediaries, including any defaults in complying with its obligations under the SEBI ICDR Regulations.

Disposal of investor grievances by our Company

We estimate that the average time required by our Company and/or the Registrar to the Offer for the redressal of routine investor grievances shall be seven Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Piyush Asija, Company Secretary as the Compliance Officer and he may be contacted in case of any pre-Offer or post-Offer related problems, at the address set forth hereunder.

Piyush Asija
W-House, 119, Neelagagan Towers
Mandi Road, Sultanpur, Mehrauli
New Delhi 110 030
India
Tel: +91 11 4219 3193
Fax: +91 11 4219 3194
E-mail: investors@tcnsclothing.com

The Selling Shareholders have authorized the Compliance Officer of our Company and the Registrar to the Offer to redress any complaints received from Bidders in respect of their respective portion of the Offered Shares.

Further, our Board has constituted a Stakeholders' Relationship Committee comprising our Directors, Sangeeta Talwar, Neeru Abrol and Anant Kumar Daga, which is responsible for redressal of grievances of the security holders of our Company. For more information, see "***Our Management***" on page 126.

Disposal of investor grievances by listed Group Companies

As on the date of the Draft Red Herring Prospectus, our Group Companies are not listed on any stock exchange, and therefore there are no investor complaints pending against them.

Changes in auditors

Except as described below, there has been no change in our statutory auditors during the three years immediately preceding the date of this Prospectus:

Name of Auditor	Date of Change	Reason
R. Rastogi & Co., Chartered Accountants	November 12, 2016	Resignation
Deloitte Haskins & Sells, LLP, Chartered Accountants	December 23, 2016	Appointment in casual vacancy

Capitalization of reserves or profits

Our Company has not capitalized its reserves or profits at any time during the five years immediately preceding the date of this Prospectus.

Revaluation of assets

Our Company has not revalued its assets at any time during the last five years preceding the date of filing of the Draft Red Herring Prospectus and this Prospectus.

SECTION VII – OFFER RELATED INFORMATION

OFFER STRUCTURE

Initial Public Offering of 15,714,038 Equity Shares, at an Offer Price of ₹ 716 per Equity Share for cash aggregating up to ₹ 11,251.25 million and is being made through the Book Building Process, through an Offer for Sale by the Selling Shareholders, comprising 2,764,841 Equity Shares aggregating to ₹ 1,979.63 million by Onkar Singh Pasricha, 3,039,118 Equity Shares aggregating to ₹ 2,176.01 million by Arvinder Singh Pasricha, 1,256,670 Equity Shares aggregating to ₹ 899.78 million by Anant Kumar Daga, 691,001 Equity Shares aggregating to ₹ 494.76 million by Saranpreet Pasricha, 416,724 Equity Shares aggregating to ₹ 298.37 million by Angad Pasricha, 458,022 Equity Shares aggregating to ₹ 327.94 million by Vijay Kumar Misra, 175,978 Equity Shares aggregating to ₹ 126.00 million by Amit Chand and 6,911,684 Equity Shares aggregating to ₹ 4,948.77 million by Wagner. The Offer constitutes 25.63%* of the post-Offer paid up Equity Share capital of our Company.
**Subject to finalisation of the Basis of Allotment*

The Offer is being made through Book Building Process.

	QIBs*	**Non-Institutional Investors**	**Retail Individual Investors**
Number of Equity Shares available for allocation**	Not more than 7,857,018 Equity Shares#	Not less than 2,357,106 Equity Shares# or Offer less allocation to QIBs and Retail Individual Investors	Not less than 5,499,914 Equity Shares# or Offer less allocation to QIBs and Non-Institutional Investors
Percentage of Offer size available for allocation	Not more than 50% of the Offer size was made available for allocation to QIBs. 5% of the net QIB Category (excluding the Anchor Investor Portion) was made available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion were also eligible for allocation in the remaining balance QIB Category	Not less than 15% of the Offer or the Offer less allocation to QIBs and Retail Individual Investors was made available for allocation	Not less than 35% of the Offer or the Offer less allocation to QIBs and Non Institutional Investors was made available for allocation
Basis of Allotment if respective category is oversubscribed	Proportionate as follows (excluding the Anchor Investor Portion): (a) 392,851 Equity Shares were made available for allocation on a proportionate basis to Mutual Funds only; and (b) 3,142,808 Equity Shares were made available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above	Proportionate	Proportionate, subject to minimum Bid Lot. For details, see "***Offer Procedure – Part B – Allotment Procedure and Basis of Allotment – Allotment to RIIs***" on page 309.
Mode of Bidding	Through ASBA process only (other than Anchor Investors)		
Minimum Bid	Such number of Equity Shares in multiples of 20 Equity Shares so that the Bid Amount exceeds ₹ 200,000	Such number of Equity Shares in multiples of 20Equity Shares so that the Bid Amount exceeds ₹ 200,000	20 Equity Shares
Maximum Bid	Such number of Equity Shares in multiples of 20 Equity Shares so that the Bid does not exceed the Offer, subject to applicable limits	Such number of Equity Shares in multiples of 20 Equity Shares so that the Bid does not exceed the Offer, subject to applicable limits	Such number of Equity Shares in multiples of 20 Equity Shares so that the Bid Amount does not exceed ₹ 200,000
Mode of Allotment	Compulsorily in dematerialized form		
Bid Lot	20 Equity Shares and in multiples of 20 Equity Shares thereafter		

	QIBs*	Non-Institutional Investors	Retail Individual Investors
Allotment Lot	20 Equity Shares and in multiples of one Equity Share thereafter		20 Equity Shares and in multiples of one Equity Share thereafter subject to availability in the Retail Category
Trading Lot	One Equity Share		
Who can Apply***	Public financial institutions specified in Section 2(72) of the Companies Act, FPIs (other than category III FPIs), scheduled commercial banks, mutual funds registered with the SEBI, venture capital funds registered with SEBI, FVCIs, Alternative Investment Funds, multilateral and bilateral development financial institutions, state industrial development corporations, systemically important non-banking financial companies registered with the RBI and having a worth of more than ₹ 5,000 million as per the last audited financial statements, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds with a minimum corpus of ₹ 250 million, pension funds with a minimum corpus of ₹ 250 million, the National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of the GoI, published in the Gazette of India, insurance funds set up and managed by the army, navy, or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India	Resident Indian individuals, HUFs (in the name of Karta), companies, corporate bodies, Eligible NRIs, scientific institutions, societies and trusts and any category III FPIs registered with SEBI	Resident Indian individuals, HUFs (in the name of the Karta) and Eligible NRIs
Terms of Payment****	***In case of Anchor Investors:*** Full Bid Amount was payable by the Anchor Investors at the time of submission of their Bids ***In case of all other Bidders***: Full Bid Amount was blocked by the SCSBs in the bank account of the Bidders (other than Anchor Investors) that was specified in the Bid cum Application Form at the time of the submission of the Bid cum Application Form		

* *Our Company, the Promoter Selling Shareholders and the Investor Selling Shareholder, in consultation with the BRLMs allocates 60% of the QIB Category to Anchor Investors at the price at which allocation was made to Anchor Investors, on a discretionary basis, subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹ 100 million, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 million but up to ₹ 2,500 million under the Anchor Investor Portion, subject to a minimum Allotment of ₹ 50 million per Anchor Investor, and (iii) in case of allocation above ₹ 2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹ 2,500 million or part thereof will be permitted, subject to minimum allotment of ₹ 50 million per Anchor Investor. An Anchor Investor was required to make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹ 100 million. One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids being received at or above the price at which allocation was made to Anchor Investors, which price was determined by the Company, the Promoter Selling Shareholders and the Investor Selling Shareholders in consultation with the BRLMs.*

***This Offer is has been made in accordance with Rule 19(2)(b)(iii) of the SCRR, through the Book Building Process wherein not more than 50% of the Offer will be Allotted to QIBs on a proportionate basis, provided that the Anchor Investor Portion was made available for allocation on a discretionary basis. Further, not less than 15% of the Offer was made available for allocation on a proportionate basis to Non-Institutional Investors subject to valid Bids being received at or above the Offer Price. Further, not less than 35% of the Offer was made available for allocation to Retail Individual Investors in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Under-subscription, if any, in any category, except the QIB Category, is met with spill-over from any other category or categories, as applicable, at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange, subject to applicable laws.*

****If the Bid is submitted in joint names, 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 depository account held in joint names. The signature of only the 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.*

*****Full Bid Amount was made payable by the Anchor Investors at the time of submission of the Bid cum Application Form, provided that any difference between the price at which Equity Shares are allocated to the Anchor Investors and the Anchor Investor Offer Price, were made payable by the Anchor Investor Pay-in Date as mentioned in the CAN.*

Bidders were required to confirm and will be deemed to have represented to our Company, the respective Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

Withdrawal of the Offer

Our Company, the Promoter Selling Shareholders and the Investor Selling Shareholder in consultation with the BRLMs, reserve the right to not proceed with the Offer at any time after the Bid/Offer Opening Date but before Allotment. If our Company and the Selling Shareholders withdraw the Offer, our Company will issue a public notice within two days from the Bid/Offer Closing Date or such time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The BRLMs, through the Registrar to the Offer, will instruct the SCSBs to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared and the Stock Exchanges will also be informed promptly.

If the Company and the Selling Shareholders, in consultation with the BRLMs, withdraw the Offer after the Bid/Offer Closing Date and thereafter determine that they will proceed with a public offering of Equity Shares, a fresh draft red herring prospectus will be filed and/or submitted with SEBI and the Stock Exchanges.

Notwithstanding the foregoing, the Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company will apply for only after Allotment and within six Working Days of the Bid/Offer Closing Date; and (ii) the final RoC approval of this Prospectus after it is filed and/or submitted with the RoC and the Stock Exchanges.

TERMS OF THE OFFER

The Equity Shares offered and Allotted in the Offer will be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, the SCRA, the SCRR, the MoA, the Articles of Association, the SEBI Listing Regulations, the terms of the Red Herring Prospectus and this Prospectus, the Bid cum Application Form, the Revision Form, the CAN, the abridged prospectus and other terms and conditions as may be incorporated in the Allotment Advice and other documents and certificates that may be executed in respect of the Offer. The Equity Shares will also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to issue and offer for sale and listing and trading of securities, issued from time to time, by the SEBI, GoI, Stock Exchanges, the RoC, the RBI and/or other authorities to the extent applicable or such other conditions as maybe prescribed by such governmental and/or regulatory authority while granting approval for the Offer.

Ranking of Equity Shares

The Equity Shares being offered and transferred in the Offer will be subject to the provisions of the Companies Act, the MoA and the Articles of Association and will rank *pari passu* in all respect with the existing Equity Shares of our Company, including in respect of dividends and other corporate benefits, if any, declared by our Company. For more information, see "***Main Provisions of the Articles of Association***" on page 320.

Mode of payment of dividend

Our Company will pay dividend, if declared, to our Shareholders, as per the provisions of the Companies Act, the SEBI Listing Regulations, our MoA and the Articles of Association, and any guidelines or directives that may be issued by the GoI in this respect. Our Company has not paid any dividend. Any dividends declared, after the date of Allotment (including pursuant to the transfer of Equity Shares from the Offer for Sale) in this Offer, will be received by the Allottees, in accordance with applicable law. For more information, see "***Dividend Policy***" and "***Main Provisions of our Articles of Association***" on pages 145 and 320 of this Prospectus, respectively.

Face value and Price Band

The face value of each Equity Share is ₹ 2. At any given point of time there will be only one denomination for the Equity Shares. The Offer Price is 358 times the face value of the Equity Shares.

The Price Band was decided by our Company, the Promoter Selling Shareholders and the Investor Selling Shareholder, in consultation with the BRLMs and the minimum Bid Lot was decided by our Company in consultation with the BRLMs and were published at least five Working Days prior to the Bid/Offer Opening Date, in all editions of Financial Express (a widely circulated English national daily newspaper) and all editions of Jansatta (a widely circulated Hindi national daily newspaper, Hindi also being the regional language in the place where our Registered Office is located), and were made available to the Stock Exchanges for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price were pre-filled in the Bid-cum-Application Forms available at the website of the Stock Exchanges.

Rights of the equity Shareholders

Subject to applicable law and our Articles of Association, the equity Shareholders will have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or e-voting;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive any surplus on liquidation subject to any statutory and preferential claims being satisfied;
- Right of free transferability of their Equity Shares, subject to applicable foreign exchange regulations and other applicable law; and

- Such other rights as may be available to a shareholder of a listed public company under the Companies Act, the terms of the SEBI Listing Regulations and our MoA and Articles of Association and other applicable laws.

For a detailed description of the main provisions of our Articles of Association relating to voting rights, dividend, forfeiture, lien, transfer, transmission, consolidation and splitting, see "***Main Provisions of the Articles of Association***" on page 320.

Market lot and trading lot

In terms of Section 29 of the Companies Act 2013, the Equity Shares will be Allotted only in dematerialized form. As per the SEBI ICDR Regulations, the trading of our Equity Shares will only be in dematerialized form.

Since trading of our Equity Shares is in dematerialized form, the tradable lot is one Equity Share. Allotment in the Offer will be only in dematerialized form in multiples of 20 Equity Shares. For details of the Basis of Allotment, see "***Offer Procedure***" on page 273.

Joint holders

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-tenants with benefits of survivorship.

Nomination facility

In accordance with Section 72 of the Companies Act 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the sole or First Bidder, 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, will vest. A nominee entitled to the Equity Shares by reason of the death of the original holder(s), will, in accordance with Section 72 of the Companies Act 2013, be entitled to the same benefits to which he or she will be entitled if he or she were the registered holder of the Equity Shares. 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 the holder's death during minority. A nomination may be cancelled, or varied by nominating any other person in place of the present nominee, by the holder of the Equity Shares who has made the nomination, by giving a notice of such cancellation or variation to our Company in the prescribed form. A fresh nomination can be made only on the prescribed form, which is available on request at our Registered and Corporate Office, or with the Registrar and transfer agents of our Company.

Further, any person who becomes a nominee by virtue of Section 72 of the Companies Act 2013 will, on the production of such evidence as may be required by our Board, elect either:

- to register himself or herself as holder of Equity Shares; or

- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our 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, our Board may thereafter withhold payment of all dividend, bonuses or other monies 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 form, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Bidder will prevail. If Bidders want to change their nomination, they are advised to inform their respective Depository Participant.

Bid/Offer Period

BID/OFFER OPENED ON*	July 18, 2018 (Wednesday)
BID/OFFER CLOSED ON	July 20, 2018 (Friday)
FINALIZATION OF BASIS OF ALLOTMENT	On or about July 25, 2018 (Wednesday)

INITIATION OF REFUNDS FOR ANCHOR INVESTORS/UNBLOCKING OF FUNDS	On or about July 26, 2018 (Thursday)
CREDIT OF EQUITY SHARES TO DEPOSITORY ACCOUNTS	On or about July 27, 2018 (Friday)
COMMENCEMENT OF TRADING	On or about July 30,3018 (Monday)

** The Anchor Investor Bidding Date was one Working Day prior to the Bid/Offer Opening Date, i.e., July 17, 2018 (Tuesday).*

This timetable, is indicative in nature and does not constitute any obligation or liability on our Company, the respective Selling Shareholders or the members of the Syndicate. While our Company will use best efforts to ensure that listing and trading of our Equity Shares on the Stock Exchanges commences within six Working Days of the Bid/Offer Closing Date or such other period as may be prescribed by SEBI, the timetable may be subject to change for various reasons, including , any delays in receipt of final listing and trading approvals from the Stock Exchanges, delay in receipt of final certificates from SCSBs, etc.

The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges in accordance with applicable law. Each Selling Shareholder, severally and not jointly, confirms that it shall extend reasonable cooperation as required by our Company and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares (in relation to the Equity Shares offered by such Selling Shareholders in the Offer for Sale) at the Stock Exchanges within six Working Days from the Bid/Offer Closing Date or such other period as may be prescribed by SEBI.

Except in relation to Anchor Investors, Bids and any revision in Bids were accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Bid/Offer Period at the Bidding Centers, except that on the Bid/Offer Closing Date, Bids were accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until (i) 4.00 p.m. (Indian Standard Time) for Bids by QIBs and Non-Institutional Investors; and (ii) 5.00 p.m. or such extended time as permitted by the Stock Exchanges (Indian Standard Time) in case of Bids by Retail Individual Investors. On the Bid/Offer Closing Date, extension of time may be granted by the Stock Exchanges only for uploading Bids received from Retail Individual Investors after taking into account the total number of Bids received up to closure of timings for acceptance of Bid cum Application Forms as stated herein and reported by the BRLMs to the Stock Exchanges.

Due to limitation of time available for uploading Bids on the Bid/Offer Closing Date, Bidders wereadvised to submit Bids one day prior to the Bid/Offer Closing Date and, in any case, no later than 1.00 p.m. (Indian Standard Time) on the Bid/Offer Closing Date. Bidders were cautioned that if a large number of Bids were received on the Bid/Offer Closing Date, as is typically experienced in public issues, which may lead to some Bids not being uploaded due to lack of sufficient time to upload, such Bids that cannot be uploaded on the electronic bidding system will not be considered for allocation in the Offer. 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 the SCSBs would be rejected. Our Company, the respective Selling Shareholders and the members of Syndicate will not be responsible for any failure in uploading Bids due to faults in any hardware/software system or otherwise. Bids were accepted only on Working Days. Investors may please note that as per letters dated July 3, 2006 and July 6, 2006, issued by the BSE and NSE respectively, Bids and any revisions in Bids were not accepted on Saturdays and public holidays as declared by the Stock Exchanges.
Our Company, the Promoter Selling Shareholders and the Investor Selling Shareholders, in consultation with the BRLMs, had reserved the right to revise the Price Band during the Bid/Offer Period, in accordance with the SEBI ICDR Regulations, provided that the Cap Price would be less than or equal to 120% of the Floor Price and the Floor Price would not be less than the face value of the Equity Shares. Subject to compliance with the foregoing, the Floor Price may move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

In case of revision in the Price Band, the Bid/Offer Period would have been extended for at least three additional Working Days after revision of Price Band subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, is required to be widely disseminated by notification to the Stock Exchanges by issuing a press release and by indicating the change on the websites of the BRLMs and terminals of the Syndicate Member and is also required to be intimated to SCSBs, the Registered Brokers, CRTAs and CDPs. However, in case of revision in the Price Band, the Bid Lot shall remain the same.

In case of discrepancy in data entered in the electronic book vis-à-vis data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

Minimum subscription

As the Offer is entirely through Offer for Sale, the requirement of 90% minimum subscription under the SEBI ICDR Regulations is not applicable to the Offer. In the event our Company fails to ensure that the number of Bidders to whom the Equity Shares are Allotted in the Offer is more than 1,000, our Company shall forthwith refund the entire subscription amount received within the timelines prescribed under applicable laws, failing which, our Directors, who are officers in default (jointly and severally) and the respective Selling Shareholders shall be liable to repay that money with interest at the rate of 15% per annum. This is further subject to the compliance with Rule 19(2)(b)(iii) of the SCRR.

It is clarified that, subject to applicable law, none of the Selling Shareholders shall be liable to reimburse any expenses towards refund or any interest thereon in respect to Allotment of their respective proportion of the Offered Shares or otherwise, unless the failure or default or delay, as the case may be, is solely on account of such Selling Shareholder.

Arrangement for disposal of odd lots

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

Restriction on transfer of shares

Except for lock-in of pre-Offer equity shareholding, Promoters' Contribution, additional lock-in agreed to by the Promoters, members of the Promoter Group and Anant Kumar Daga, our Managing Director and Anchor Investor lock-in in the Offer, as detailed in *"**Capital Structure**"* on page 58 and as provided in our Articles as detailed in "***Main Provisions of the Articles of Association***" on page 320, there are no restrictions on transfers and transmission of Equity Shares and on their consolidation/splitting.

Option to receive equity shares in dematerialized form

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchanges.

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 pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 as amended and modified by the circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, notified by SEBI ("**General Information Document**") included below under sub-section titled " – **Part B - General Information Document**", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document has been updated to reflect amendments to the SEBI ICDR Regulations and provisions of the Companies Act 2013, to the extent applicable to a public issue and any other enactments and regulations. 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. All Designated Intermediaries in relation to the Offer should ensure compliance with the SEBI circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, as amended and modified by the SEBI circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, in relation to clarifications on streamlining the process of public issue of equity shares and convertibles.*

Our Company, the respective Selling Shareholders and the Syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this 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 Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and this Prospectus.

PART A

Book Building Procedure

The Offer has been made through the Book Building Process wherein not more than 50% of the Offer shall be Allotted to QIBs on a proportionate basis, provided that our Company, the Promoter Selling Shareholders and the Investor Selling Shareholders, in consultation with the BRLMs have allocated 60% of the QIB Category to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third was reserved for domestic Mutual Funds, subject to valid Bids being received from them at or above the price at which allocation was made to Anchor Investors. In case of under-subscription or non-allocation in the Anchor Investor Portion, the remaining Equity Shares will be added back to the QIB Category (other than Anchor Investor Portion). 5% of the QIB Category (excluding the Anchor Investor Portion) was made available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Category was made available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer was made available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer was made available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Under-subscription, if any, in any category, except the QIB Category, is allowed to be met with spill-over from any other category or categories, as applicable, at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange, subject to applicable laws.

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 did not have the details of the Bidders' depository account, including DP ID, Client ID and PAN, were treated as incomplete and were rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus were made available with the Designated Intermediaries at relevant Bidding Centers and at our Registered and Corporate

Office. The Bid cum Application Forms were also made 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.

For Anchor Investors, the Bid cum Application Forms were made available at the offices of the BRLMs.

Bidders (other than Anchor Investors) were compulsorily required to use the ASBA process to participate in the Offer. Anchor Investors were not permitted to participate in this Offer through the ASBA process.

Bidders (other than Anchor Investors) were required to provide bank account details and authorisation by the ASBA account holder to block funds in their respective ASBA Accounts in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that did not contain such detail were liable to be rejected.

Further, such Bidders were required to ensure that the Bids are submitted at the Bidding Centres only on Bid cum Application Forms bearing the stamp of a Designated Intermediary (except in case of electronic Bid-cum-Application Forms) and Bid cum Application Forms not bearing such specified stamp were liable for rejection. Bidders were required to ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB at the time of submitting the Bid.

The prescribed colour of the Bid cum Application Forms for various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis^	White
Non-Residents including FPIs, Eligible NRIs applying on a repatriation basis, FVCIs and registered bilateral and multilateral institutions ^	Blue
Anchor Investors**	White

** Excluding electronic Bid cum Application Forms*
***Bid cum Application Forms for Anchor Investors were made available at the office of the BRLMs.*
^Electronic Bid cum Application forms were also made available for download on the website of the NSE (www.nseindia.com) and the BSE (www.bseindia.com).

Designated Intermediaries (other than SCSBs) were required to submit/deliver the Bid cum Application Form to the respective SCSB, where the Bidder has a bank account and were not permitted to submit it to any non-SCSB bank or any Escrow Bank.

Who can Bid?

In addition to the category of Bidders set forth under the sub-section "***- Part B - General Information Document for Investing in Public Issues – Category of Investors Eligible to Participate in an Issue***" on page 287, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines:

- scientific and/or industrial research organisations authorised in India to invest in the Equity Shares; and
- any other persons eligible to Bid in the Offer under the laws, rules, regulations, guidelines and policies applicable to them.

Participation by associates and affiliates of the BRLMs and the Syndicate Member, Promoters, Promoter Group and persons related to Promoter/Promoter Group

The BRLMs and the Syndicate Member shall not be allowed to purchase the Equity Shares in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLMs and the Syndicate Member may purchase 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 respective associates or affiliates of the BRLMs and Syndicate Member, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

The Promoters, Promoter Group, BRLMs and any persons related to the BRLMs (except Mutual Funds sponsored by entities related to the BRLMs) cannot 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 with the Bid cum Application Form. Failing this, the Company reserves the right to reject any Bid without assigning any reason therefore. 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 may be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Bids in respect of more than one scheme of a Mutual Fund will not be treated as multiple Bids, provided that such Bids clearly indicate the scheme for which the Bid is submitted.

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 scheme. No Mutual Fund under all its schemes should own more than 10% of any company’s paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRIs applying on a repatriation basis should authorise their SCSBs to block their Non-Resident External (“**NRE**”) accounts, or Foreign Currency Non-Resident (“**FCNR**”) accounts, and Eligible NRIs bidding on a non-repatriation basis should authorise their SCSBs to block their Non-Resident Ordinary (“**NRO**”) accounts for the full Bid amount, at the time of submission of the Bid cum Application Form.

Eligible NRIs Bidding on a repatriation basis were advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

Eligible NRIs Bidding on non-repatriation basis were advised to use the Bid cum Application Form for residents (white in colour).

In terms of the applicable FEMA regulations, investments by NRIs under the PIS is subject to certain limits, i.e. 10% of the paid-up equity share capital of the company. Such limit for NRI investment in a company under the PIS route can be increased up to the applicable sectoral cap by passing a board resolution, followed by a special resolution by the Shareholders, subject to prior intimation to the RBI. Our Company has passed a Board resolution dated December 14, 2017 and Shareholders’ resolution dated January 5, 2018 to increase the aggregate limit for investments by NRIs to 49% of our paid-up Equity Share capital.

Bids by FPIs

In terms of the Securities and Exchange Board of India (Foreign Portfolio Investor) Regulations 2014 (“**SEBI FPI Regulations**”), investment in the Equity Shares by a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) shall be below 10% of our post-Offer Equity Share capital.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents (blue in colour).

In terms of applicable FEMA regulations and the SEBI (Foreign Portfolio Investors) Regulations, 2014, as amended, investments by FPIs in the capital of an Indian company under the SEBI (Foreign Portfolio Investors) Regulations, 2014 is subject to certain limits, i.e. the individual holding of an FPI is restricted to below 10% of the capital of the company and the aggregate limit for FPI investment is capped at 24% of the capital of the company. Such aggregate limit for FPI investment in a company can be increased up to the applicable sectoral cap by passing a board resolution, followed by a special resolution by the Shareholders, subject to prior intimation to the RBI. Our Company has passed a Board resolution dated December 14, 2017 and Shareholders’ resolution dated January 5, 2018 to increase the aggregate limit for investments by FPIs to 49% of our paid-up Equity Share capital.

Bids by SEBI registered Alternative Investment Funds

The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended (the "**SEBI AIF Regulations**") prescribe, amongst others, the investment restrictions on AIFs.

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 category I AIF, cannot invest more than one-third of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Post the repeal of the SEBI (Venture Capital Funds) Regulations, 1996, the venture capital funds which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI (Venture Capital Funds) Regulations, 1996 until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations.

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 reserves the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason therefor.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 (the "**Banking Regulation Act**"), and Master Circular – Para-banking Activities dated July 1, 2015 is 10% of the paid-up share capital of the investee company or 10% of the bank's own paid-up share capital and reserves, whichever is less. Further, the investment in a non-financial services company by a banking company together with its subsidiaries, associates, joint ventures, entities directly or indirectly controlled by the bank and mutual funds managed by asset management companies controlled by the banking company cannot exceed 20% of the investee company's paid-up share capital. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the circulars dated September 13, 2012 and January 2, 2013 issued by the SEBI. 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 Bids.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, the Company and the Selling Shareholders reserve the right to reject any Bid without assigning any reason thereof. The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 ("**IRDA Investment Regulations**"), based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Bidders are advised to refer to the IRDA Investment Regulations for specific investment limits applicable to them.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250 million (subject to applicable laws) and pension funds with a minimum corpus of ₹ 250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company 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, subject to such terms and conditions that our Company in consultation with the BRLMs, may deem fit.

Bids by Anchor Investors

For details in relation to Bids by Anchor Investors, see the section entitled "***Offer Procedure – Part B – General Information Document for Investing in Public Issues***" on page 284.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserves the right to reject any Bid, without assigning any reason therefor.

The above information is given for the benefit of the Bidders. Our Company, the respective 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 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 laws or regulation or as specified in the Red Herring Prospectus.

In accordance with RBI regulations, OCBs cannot participate in the Offer.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act 2013, our Company, after registering the Red Herring Prospectus with the RoC, published a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in all editions of Financial Express (a widely circulated English national daily newspaper) and all editions of Jansatta (a widely circulated Hindi national daily newspaper, Hindi also being the regional language in the place where our Registered Office is located).

Signing of Underwriting Agreement and filing of Prospectus with the RoC

Our Company and the Selling Shareholders have entered into the Underwriting Agreement with the Underwriterspost the execution of which, this Prospectus is being filed with the RoC. This Prospectus includes the details of the Offer Price, Anchor Investor Offer Price, Offer size and underwriting arrangements and is complete in all material respects.

General Instructions

Please note that QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors were permitted to revise their Bid(s) during the Bid/ Offer Period and withdraw their Bid(s) until Bid/ Offer Closing Date. Anchor Investors were not allowed to withdraw their Bids after the Anchor Investor Bidding Date.

***Do's*:**

1. Check if you are eligible to apply as per the terms of the 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 the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;

5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time;

6. If the first applicant is not the ASBA Account holder, ensure that the Bid cum Application Form is signed by the ASBA Account holder. Ensure that you have an account with an SCSB and have mentioned the correct bank account number of that SCSB in the Bid cum Application Form;

7. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

8. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;

9. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

10. Ensure that you request for and receive a stamped acknowledgement in the form of a counterfoil or by specifying the application number for all your Bid options as proof of registration of the Bid cum Application Form from the concerned Designated Intermediary;

11. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to any of the Designated Intermediaries;

12. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

13. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, and (iii) any other category of Bidders, including without limitation, multilateral/ bilateral institutions, which may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

14. Ensure that the Demographic Details are updated, true and correct in all respects;

15. 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;

16. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;

17. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents, including a copy of the power of attorney, are submitted;

18. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;

19. Instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

20. Note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected;

21. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in);

22. 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;

23. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with; and

24. Bids by Eligible NRIs and Category III FPIs for a Bid Amount of less than ₹ 200,000 would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding ₹ 200,000 would be considered under the Non-Institutional Category for allocation in the Offer.

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/revise Bid Amount to less than the Floor Price or higher than the Cap Price;

3. Do not Bid on another Bid cum Application Form after you have submitted a Bid to a Designated Intermediary;

4. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;

5. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

6. Anchor Investors should not Bid through the ASBA process;

7. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company or at a location other than the Bidding Centers;

8. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;

9. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);

10. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer/Issue size and/ or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;

11. Do not submit your Bid after 3.00 pm on the Offer/Issue Closing Date;

12. If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid/Offer Closing Date;

13. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Bidders);

14. Do not submit the General Index Register (GIR) number instead of the PAN;

15. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;

16. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account;

17. Do not submit more than five Bid cum Application Forms per ASBA Account;

18. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Investor;

19. 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;

20. 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;

21. 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); and

22. Do not submit ASBA Bids to a Designated Intermediary at a Bidding Centre unless the SCSB where the ASBA Account is maintained, as specified in the Bid cum Application Form, has named at least one branch in the relevant Bidding Centre, for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in).

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Payment into Escrow Accounts

Our Company, the Promoter Selling Shareholders and the Investor Selling Shareholder, in consultation with the BRLMs, in their absolute discretion, have decided the list of Anchor Investors to whom the CAN has been sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors were not permitted to Bid in the Offer through the ASBA process. Instead, Anchor Investors were required to transfer the Bid Amount (through direct credit, RTGS or NEFT). The payment instruments for payment into the Escrow Accounts was required to be drawn in favour of:

(i) In case of resident Anchor Investors: "TCNS-IPO-ANCHOR-R"

(ii) In case of non-resident Anchor Investors: "TCNS-IPO-ANCHOR-NR"

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholders, the Syndicate, the Bankers to the Offer and the Registrar to the Offer to facilitate collections from Anchor Investors.

Depository Arrangements

The Allotment of the Equity Shares in the Offer shall be only in a dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, tripartite agreements had been signed among the Company, the respective Depositories and the Registrar to the Offer:

- Agreement dated March 14, 2016 among NSDL, the Company and the Registrar to the Offer.
- Agreement dated March 30, 2016 among CDSL, the Company and Registrar to the Offer.

Undertakings by our Company

Our Company undertakes the following:

(i) That the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

(ii) If Allotment is not made, application monies will be refunded/unblocked in the ASBA Accounts 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;

(iii) That all steps will be taken 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 within six Working Days of the Bid/Offer Closing Date;

(iv) That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Offer by the Company;

(v) That in case of the Anchor Investors, where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 days from the Bid/ Offer Closing Date, or such time period as specified by SEBI, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

(vi) That, except for allotment of Equity Shares to employees of our Company pursuant to exercise of options granted under the ESOP Schemes of our Company, no further issue of Equity Shares shall be made until the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded/ unblocked in the ASBA Accounts on account of non-listing, under-subscription etc.;

(vii) That if our Company or the Selling Shareholders do not proceed with the Offer after the Bid/Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice 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;

(viii) That if our Company and the Selling Shareholders withdraw the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh offer document with the SEBI, in the event our Company or the Selling Shareholders subsequently decides to proceed with the Offer;

(ix) That the allotment of securities/refund confirmation to Eligible NRIs shall be dispatched within specified time;

(x) That adequate arrangements shall be made to collect all Bid cum Application Forms; and

(xi) That our Company shall not have recourse to the Net Proceeds until the final approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received.

Undertakings by each of the Promoter Selling Shareholders and Other Selling Shareholders

Each of the Promoter Selling Shareholders, severally and not jointly, and each of the Other Selling Shareholders, severally and not jointly, undertakes and confirms the following:

(i) The Equity Shares being sold by him pursuant to the Offer (i) are fully paid-up; (ii) have been held by him for a minimum period of one year prior to the filing of the Draft Red Herring Prospectus with SEBI, such period determined in accordance with Regulation 26 (6) of the SEBI ICDR Regulations; (iii) shall be transferred in the Offer free and clear of any pre-emptive rights, liens, mortgages, charges, pledges, trusts or any other encumbrance or transfer restrictions, both present and future, with good, marketable and valid title to such Equity Shares, in a manner prescribed under applicable law in relation to the Offer, without any demurral on allocation and in accordance with the instructions of the Registrar to the Offer; and (iv) shall be transferred to an escrow demat account in dematerialized form prior to the filing of this Red Herring Prospectus with the Registrar of Companies in accordance with the Share Escrow Agreement;

(ii) He is the legal and beneficial owner and has full title to the Equity Shares being offered by him in the Offer;

(iii) He shall not access the proceeds from the Equity Shares offered by him in the Offer, until the receipt of final listing and trading approvals from the Stock Exchanges;

(iv) He has authorised the Compliance Officer and the Registrar to the Offer to redress complaints, if any, in relation to the Equity Shares held by him and being offered pursuant to the Offer, and he shall extend reasonable cooperation to our Company and the BRLMs in this regard;

(v) Upon listing of the Equity Shares on the Stock Exchanges pursuant to the Offer, each of the Promoter Selling Shareholders and Other Selling Shareholders, further severally agree that they shall reimburse the Company pro-rata for any expenses incurred on behalf of the respective each of the Promoter Selling Shareholders and Other Selling Shareholders towards refund of the money raised in the Offer, in respect of their respective proportion of the Offered Shares together with any proportionate interest thereon, to the Bidders if required to do so under applicable law;

(vi) He shall provide such reasonable support and extend such reasonable co-operation as may be required or reasonably requested by the Company and/or the BRLMs in completion of necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchange(s) within six Working Days of the Bid/Offer Closing Date;

(vii) He shall not further transfer the Equity Shares offered in the Offer during the period commencing from submission of the Draft Red Herring Prospectus with SEBI 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 him in the Offer;

(viii) In case of delay, interest as per applicable law shall be paid by the Promoter Selling Shareholder / Other Selling Shareholder, as applicable, in proportion to his Offered Shares; and

(ix) He shall comply with all applicable laws, in India, in relation to the Offer and the transfer of his respective Offered Shares pursuant to the Offer.

Undertakings by the Investor Selling Shareholder

Only statements and undertakings which are specifically “confirmed” or “undertaken” by the Investor Selling Shareholder in this Prospectus shall be deemed to be “statements and undertakings made by the Investor Selling Shareholder.” All other statements and/ or undertakings in this Prospectus shall be statements and undertakings made by our Company and/or any of the other Selling Shareholders (as the case may be) even if the same relates to the Investor Selling Shareholders. The Investor Selling Shareholder confirms and undertakes the following in respect of itself and the Equity Shares being offered by it pursuant to the Offer:

(i) That it is the legal and beneficial owner of its portion of the Offered Shares;

(ii) That its portion of the Offered Shares (a) have been held by it for a minimum period as specified in Regulation 26(6) of the SEBI ICDR Regulations; and (b) shall be in dematerialized form at the time of transfer;

(iii) That it shall not have recourse to the proceeds of the Offer for Sale until approval for trading of the Equity Shares is received from the Stock Exchanges;

(iv) That it shall authorise relevant intermediaries to ensure completion of the Offer as required in connection with the sale and transfer of its portion of the Offered Shares within the timelines specified under applicable law;

(v) That it shall take such steps as may be required to ensure that its portion of the Offered Shares are available for transfer to successful Bidders in the Offer for Sale, free and clear of any encumbrance;

(vi) That it has authorised the Compliance Officer of our Company and the Registrar to the Offer to redress any complaints received from Bidders in respect of its portion of the Offered Shares; and

(vii) That it shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise, to any person for making a Bid in the Offer, and shall not make any payment, whether direct or indirect, whether in the nature of discounts, commission, allowance or otherwise, to any person who makes a Bid in the Offer.

Utilization of Net Proceeds

Each of the respective Promoter Selling Shareholders, Other Selling Shareholders, and the Investor Selling Shareholder, along with the Company, severally and not jointly, specifically confirms and declares that all monies received from the Offer for Sale shall be transferred to separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act 2013.

PART B

General Information Document for Investing in Public Issues

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, the SCRA, the SCRR and SEBI ICDR Regulations. Bidders/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the 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, and on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the SEBI ICDR Regulations.

Bidders/Applicants should note that investment in equity and equity related securities involves risk and Bidder/Applicant should not invest any funds in the Offer unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Offer and the relevant information about the Issuer undertaking the Offer are set out in the Red Herring Prospectus ("**RHP**")/ Prospectus filed by the Issuer with the Registrar of Companies ("**RoC**"). Bidders/Applicants should carefully read the entire RHP/Prospectus and the Bid cum Application Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Offer. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the **BRLM(s)** to the Offer and on the website of Securities and Exchange Board of India ("**SEBI**") at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Bidders/Applicants may refer to the section "Glossary and Abbreviations".

SECTION 2: BRIEF INTRODUCTION TO IPOs/FPOs

2.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations. For details of compliance with the eligibility requirements by the Issuer Bidders/Applicants may refer to the RHP/Prospectus.

2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer.

For undertaking an FPO, the Issuer is *inter-alia* required to comply with the eligibility requirements in terms of Regulation 26/27 of SEBI ICDR Regulations. For details of compliance with the eligibility requirements by the Issuer Bidders/Applicants may refer to the RHP/Prospectus.

2.3 Other Eligibility Requirements:

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the

SEBI ICDR Regulations, the Companies Act 2013 (to the extent notified and in effect), the Companies Act 1956 (to the extent applicable), the SCRR, industry-specific regulations, if any, and other applicable laws for the time being in force.

For details in relation to the above Bidders/Applicants may refer to the RHP/Prospectus.

2.4 Types of Public Issues – Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI ICDR Regulations, 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-offer 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/Offer 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 OFFER 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/Offer 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.

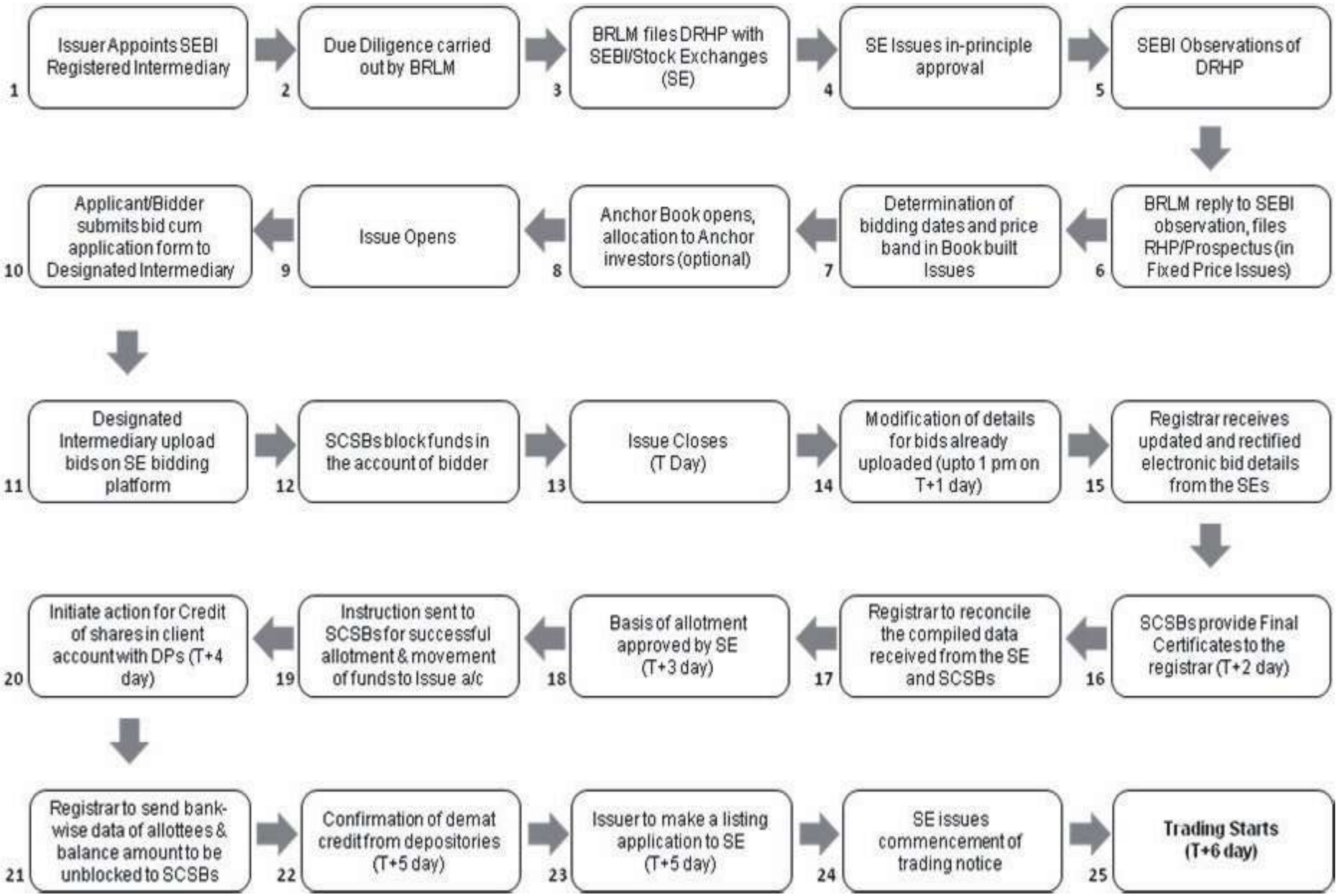
2.6 FLOWCHART OF TIMELINES

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 Bid cum Application Form with 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 bid cum application form to Designated Intermediary
11 Designated Intermediary upload bids on SE bidding platform
12 SCSBs block funds in the account of bidder
13 Issue Closes (T Day)
14 Modification of details for bids already uploaded (upto 1 pm on T+1 day)
15 Registrar receives updated and rectified electronic bid details from the SEs
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 hold and 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 ICDR Regulations and other laws, as applicable);

- FPIs other than Category III foreign portfolio investors Bidding under the QIBs category;

- FPIs which are Category III foreign portfolio investors, Bidding under the NIIs category;

- Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares; Scientific and/or industrial research organisations in India, authorised to invest in equity shares;

- National Investment Fund set up by resolution no. F. No. 2/3/2005-DD-II dated November 23, 2005 of the GoI published in the Gazette of India;

- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;

- Any other person eligible to Bid/Apply in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws; 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 Bid cum Application Form bearing stamp of a Designated Intermediary as available or downloaded from the websites of the Stock Exchanges.

Bid cum Application Forms are available with 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. For Anchor Investors, Bid cum Application Forms shall be available at the offices of the BRLM.

Fixed Price Issue: Applicants should only use the specified Bid cum Application Form bearing the stamp of the Designated Intermediary 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 office of the Issuer. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

Category	Colour of the Bid cum Application Form
Resident Indian, Eligible NRIs applying on a non repatriation basis	White
NRIs, FVCIs, 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/Applicants Bidding/applying in the reserved category	As specified by the Issuer

Securities issued in an IPO can only be in dematerialized form in accordance 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:

Application Form–For Residents

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 | 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
☐ QIB

6. INVESTOR STATUS

☐ Individual(s) - IND
☐ Hindu Undivided Family* - HUF
☐ Bodies Corporate - CO
☐ 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 '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

Date :

8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)

I/We authorize 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
INITIAL PUBLIC ISSUE - R

Acknowledgement Slip for Broker/SCSB/ DP/RTA

Bid cum Application Form No.

PAN of Sole / First Bidder

DPID / CLID

Amount paid (₹ in figures) | Bank & Branch

ASBA Bank A/c No.

Received from Mr./Ms.

Telephone / Mobile | Email

Stamp & Signature of SCSB Branch

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

PLEASE FILL IN BLOCK LETTERS

Application Form–For Non–Residents

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

☐ QIB

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

Date : ____________

8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)

I/We authorize 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

INITIAL PUBLIC ISSUE - NR

Acknowledgement Slip for Broker/SCSB/ DP/RTA

Bid cum Application Form No.

PAN of Sole / First Bidder

DPID / CLID

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 - NR

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

ASBA Bank A/c No.

Bank & Branch

Stamp & Signature of Broker / SCSB / DP / RTA

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 (including letters notifying the unblocking of the bank accounts of Bidders (other than Anchor Investors) 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, 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. All communications may be addressed to such Bidder/Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

(d) **Impersonation**: Attention of the Bidders/Applicants is specifically drawn to the provisions of 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.

(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(s) in whose name the relevant beneficiary account is held as per the Depositories' records.

(b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids/Applications on behalf of the Central or State Government, Bids/Applications by officials appointed by the courts and Bids/Applications by Bidders/Applicants residing in Sikkim ("PAN Exempted Bidders/Applicants"). Consequently, all Bidders/Applicants, other than the PAN Exempted Bidders/Applicants, are required to disclose their PAN in the Bid cum Application Form/Application Form, irrespective of the Bid/Application Amount. A Bid cum Application Form/Application Form without PAN, except in case of Exempted Bidders/Applicants, is liable to be rejected. Bids/Applications by the Bidders/Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

(c) The exemption for the PAN Exempted Bidders/Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.

(d) Bid cum Application Forms/Application Forms which provide the General Index Register Number instead of PAN may be rejected.

(e) Bids/Applications by Bidders whose demat accounts have been 'suspended for credit' are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and Demographic Details are not provided by depositories.

4.1.3 FIELD NUMBER 3: BIDDERS/APPLICANTS DEPOSITORY ACCOUNT DETAILS

(a) Bidders/Applicants should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form/Application Form. The DP ID and Client ID provided in the Bid cum Application Form/Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Bid cum Application Form/Application Form is liable to be rejected.**

(b) Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form/Application Form is active.

(c) Bidders/Applicants should note that on the basis of the PAN, 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 any 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 Investors or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Offer Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.

(d) **Minimum Application Value and Bid Lot**: The Issuer in consultation with the BRLM may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 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 RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. For details of the Bid Lot, Bidders may to the RHP/Prospectus or the advertisement regarding the Price Band published by the Issuer.

4.1.4.1 **Maximum and Minimum Bid Size**

(a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Investors, Employees and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed ₹ 200,000.

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.

(b) 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.

(c) Bids by QIBs and NIIs 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. Non-Institutional Bidders and QIBs are not allowed to Bid at 'Cut-off Price'.

(d) RII may revise or withdraw their bids until Bid/Offer Closing Date. QIBs and NII's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after bidding and are required to pay the Bid Amount upon submission of the Bid.

(e) In case the Bid Amount reduces to ₹ 200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Bidders who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.

(f) For Anchor Investors, if applicable, the Bid Amount shall be least ₹ 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 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 Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids.

Submission of a second Bid cum Application Form to either the same or to another 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 Net 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**

(a) The categories of Bidders identified as per the SEBI ICDR Regulations for the purpose of Bidding, allocation and allotment in the Offer are RIIs, NIIs 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 ICDR 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 ICDR Regulations. For details of any reservations made in the Offer, Bidders/Applicants may refer to the RHP/Prospectus.

(d) The SEBI ICDR 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 based on the authorization provided in the Bid cum Application Form. If the Discount is applicable in the Offer, the RIIs should indicate the full Bid Amount in the Bid cum Application Form and the payment 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) RIIs who Bid at Cut-off price shall be blocked on the Cap Price.

(c) All Bidders (other than Anchor Investors) can participate in the Offer only through the ASBA mechanism.

(d) Bid Amount cannot be paid in cash, cheque, demand draft, 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 RTGS, NACH or NEFT.

(c) The Escrow Bank(s) shall maintain the monies in the Escrow Accounts for and on behalf of the Anchor Investors until the Designated Date.

4.1.7.2. **Payment instructions for Bidders (other than Anchor Investors)**

(a) Bidders may submit the Bid cum Application 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 a 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, may not be accepted.

(c) Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder;

(d) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

(e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.

(f) 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 Designated Intermediaries** 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 Bid cum Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

(i) Upon receipt of the Bid cum Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form.

(j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.

(k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Bids on the Stock Exchange platform and such bids are liable to be rejected.

(l) Upon submission of a completed Bid cum Application Form each Bidder may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the Bid cum Application Form in the ASBA Account maintained with the SCSBs.

(m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Offer Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.

(n) SCSBs bidding in the Offer must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

4.1.7.1.1 **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 Offer 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 Offer Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Offer Account, (iv) the amount to be unblocked, if any in case of partial allotments and (v) details of rejected ASBA Bids, if any, along with reasons for rejection and details of withdrawn or unsuccessful Bids, if any, to enable the SCSBs to unblock the respective bank accounts.

(b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful Bidder to the Public Offer Account and may unblock the excess amount, if any, in the ASBA Account.

(c) In the event of withdrawal or rejection of the Bid cum Application Form and for unsuccessful Bids, the Registrar to the 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.

4.1.7.2 **Discount** (if applicable)

(a) The Discount is stated in absolute rupee terms.

(b) Bidders applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Issue, Bidders may refer to the RHP/Prospectus.

(c) The Bidders entitled to the applicable Discount in the Offer may block for an amount i.e. the Bid Amount less Discount (if applicable).

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 RII category.

4.1.8 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

(a) Only the First Bidder/Applicant is required to sign the Bid cum Application Form/Application Form. Bidders/Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.

(b) If the ASBA Account is held by a person or persons other than the Bidder/Applicant, then the Signature of the ASBA Account holder(s) is also required.

(c) The signature has to be correctly affixed in the authorization/undertaking box in the Bid cum Application Form/Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form/Application Form.

(d) Bidders/Applicants must note that Bid cum Application Form/Application Form without signature of Bidder/Applicant and /or ASBA Account holder is liable to be rejected.

4.1.9 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

(a) Bidders should ensure that they receive the Acknowledgment slip or the acknowledgement number duly signed and stamped by a Designated Intermediary, as applicable, for submission of the Bid cum Application Form.

(b) All communications in connection with Bids/Applications made in the Offer should be addressed as under:

i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of Allotted Equity Shares, unblocking of funds, the Bidders/Applicants should contact the Registrar to the Issue.

ii. In case of Bids submitted to the Designated Branches of the SCSBs, the Bidders/Applicants should contact the relevant Designated Branch of the SCSB.

iii. In case of queries relating to uploading of Syndicate ASBA Bids, the Bidders/Applicants should contact the relevant Syndicate Member.

iv. In case of queries relating to uploading of Bids by a Designated Intermediary, the Bidders/Applicants should contact the relevant Designated Intermediary.

v. Bidder/Applicant may contact the Company Secretary and Compliance Officer or BRLM(s) in case of any other complaints in relation to the Issue.

(c) The following details (as applicable) should be quoted while making any queries –

i. full name of the sole or First Bidder/Applicant, Bid cum Application Form number, Applicants'/Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application.

ii. name and address of the Designated Intermediary, where the Bid was submitted or

iii. Bids, ASBA Account number in which the amount equivalent to the Bid Amount was blocked.

For further details, Bidder/Applicant may refer to the RHP/Prospectus and the Bid cum Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

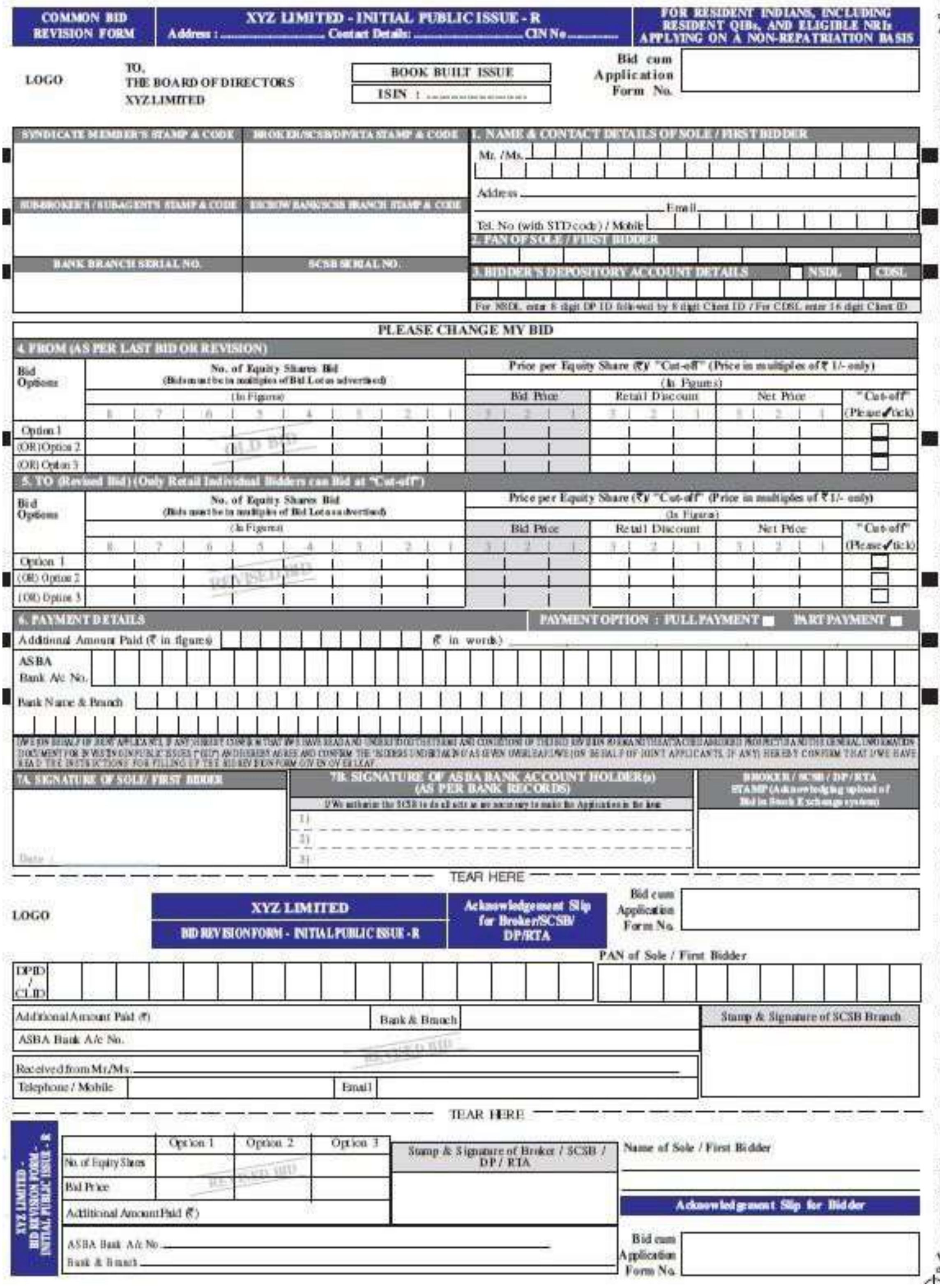
(a) During the Bid/Offer Period, any Bidder/Applicant (other than QIBs and NIIs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.

(b) RII may revise their Bids or withdraw their bids until 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)	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	OLD BID				
(OR) Option 3					

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)	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	REVISED BID				
(OR) Option 3					

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

7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)

I/We authorize 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)

Date :

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 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 (₹)			

ASBA Bank A/c No.

Bank & Branch

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

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/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT**

Bidders/Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 **FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'**

(a) Apart from mentioning the revised options in the Revision Form, the Bidder/Applicant must also mention the details of all the bid options given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder/Applicant has Bid for three options in the Bid cum Application Form and such Bidder/Applicant is changing only one of the options in the Revision Form, the Bidder/Applicant must still fill the details of the other two options that are not being revised, in the Revision Form. The 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 RIIs, 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 RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Offer Price as determined at the end of the Book Building Process.

(d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds ₹ 200,000, the Bid will be considered for allocation under the Non-Institutional Portion in terms of the RHP/Prospectus. If, however, the RII does not either revise the Bid or make additional payment and the Offer Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.

(e) In case of a downward revision in the Price Band, RIIs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding will be unblocked.

4.2.3 **FIELD 6: PAYMENT DETAILS**

(a) All Bidders/Applicants are required to authorize blocking of the full Bid Amount (less Discount (if applicable) at the time of submitting the Bid Revision Form. In case of Bidders/Applicants specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.

(b) Bidder/Applicant, Bidder/Applicant may Offer instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such Bidder/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 may be adjusted downwards for the purpose of Allotment, such that no additional amount is required for blocking Bidder/Applicant 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, RIIs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked.

4.2.4 **FIELDS 7 : SIGNATURES AND ACKNOWLEDGEMENTS**

Bidders/Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)

4.3.1 **FIELDS 1, 2, 3 NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT**

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.3.2 **FIELD 4: PRICE, APPLICATION QUANTITY & AMOUNT**

(a) The Issuer may mention Price or Price Band in the draft Prospectus. However a prospectus registered with RoC contains one price or coupon rate (as applicable).

(b) **Minimum Application Value and Bid Lot**: The Issuer in consultation with the Lead Manager to the Offer (LM) 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 RIIs**,** Employees and Retail Individual Shareholders, must be for such number of shares so as to ensure that the application amount payable does not exceed ₹ 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, Bids bearing the same PAN may be treated as multiple applications by a Bidder/Applicant and may be rejected.

ii. For applications from Mutual Funds submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.

(i) The following applications may not be treated as multiple Bids:

i. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Net 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 ICDR Regulations for the purpose of Bidding, allocation and Allotment in the Offer are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).

(b) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations. For details of any reservations made in the Offer, applicants may refer to the Prospectus.

(c) The SEBI ICDR 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 ASBA for applying in the Offer

(b) Application Amount cannot be paid in cash, cheques or demand drafts through money order or through postal order or through stock invest.

4.3.5.1 **Payment instructions for Applicants**

(a) Applicants may submit the Application Form in physical mode to the Designated Intermediaries.

(b) Applicants must specify only such Bank Account number maintained with the SCSB in the Application Form. The Application Form submitted by an ASBA Applicant and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, will not be accepted.

(c) Applicants should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;

(d) Applicants shall note that 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) Applicants bidding directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

(g) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.

(h) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and may upload the details on the Stock Exchange Platform.

(i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.

(j) Upon submission of a completed Application Form each Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.

(k) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Offer Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.

(l) SCSBs applying in the Offer must apply through an ASBA Account maintained with any other SCSB; else their Applications are liable to be rejected.

4.3.5.2 **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 Offer Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant bank account to the Public Offer Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Offer Account, and (iv) details of rejected Applications, if any, along with reasons for rejection and details of withdrawn or unsuccessful Applications, if any, to enable the SCSBs to block 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 Application to the Public Offer Account and may unblock the excess amount, if any, in the ASBA Account.

(c) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Offer may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within six Working Days of the Offer Closing Date.

4.3.5.3 **Discount** (if applicable)

(a) The Discount is stated in absolute rupee terms.

(b) RIIs, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, applicants may refer to the Prospectus.

(c) The Applicants entitled to the applicable Discount in the Offer may make payment for an amount i.e. the Application Amount less Discount (if applicable).

4.3.6 **FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS & ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

Applicants should refer to instructions contained in paragraphs 4.1.8 & 4.1.9.

4.4 SUBMISSION OF BID CUM APPLICATION FORM/ REVISION FORM/APPLICATION FORM

4.4.1 **Bidders/Applicants may submit completed Bid-cum-application form / Revision Form in the following manner:-**

Mode of Application	Submission of Bid cum Application Form
Anchor Investors Application Form	To the Book Running Lead Managers at the Specified Locations mentioned in the Bid cum Application Form
All Applications (other than Anchor Investors)	(a) To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres or the CRTAs at the Designated RTA Locations or the CDPs at the Designated CDP Locations (b) To the Designated Branches of the SCSBs where the ASBA Account is maintained

(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 Registrar of Companies (RoC) and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Bidder/Applicant.

(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: OFFER 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 ICDR 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 Issue, subject to applicable regulations and other terms and conditions.

5.1 SUBMISSION OF BIDS

(a) During the Bid/Offer Period, ASBA Bidders/Applicants may approach any of the Designated Intermediary 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 NIIs 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.

(c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/ Allotment. The Designated Intermediaries are given till 1:00 pm on the 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 Offer 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 BRLM 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) RIIs can withdraw their Bids until Bid/Offer Closing Date. In case a RII wishes to withdraw the Bid, the same can be done by submitting a request for the same to the concerned Designated Intermediary, who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.

(b) The Registrar to the Offer shall give instruction to the SCSB for unblocking the ASBA Account upon or after the finalization of basis of Allotment. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

5.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS

(a) The Designated Intermediariesare 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 Intermediaries.

(b) The BRLM and their affiliate Syndicate Member, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.

(c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.

(d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) BRLM and their affiliate Syndicate Member (only in the specified locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.

(e) All bids by QIBs, NIIs & RIIs Bids can be rejected on technical grounds listed herein.

5.5.1 GROUNDS FOR TECHNICAL REJECTIONS

Bid cum Application Forms/Application Form can be rejected on the below mentioned technical grounds either at the time of their submission to 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, inter-alia, on the following grounds, 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 of Bidders (other than Anchor Investors) accompanied by cash, draft, cheques, money order or any other mode of payment other than amounts blocked in the Bidders' ASBA Account maintained with an SCSB;

(c) Bids/Applications by OCBs;

(d) 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;

(e) In case of Bids/Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted along with the Bid cum application form/Application Form;

(f) Bids/Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;

(g) Bids/Applications by any person outside India if not in compliance with applicable foreign and Indian laws;

(h) Bids/Applications by persons in the United States;

(i) DP ID and Client ID not mentioned in the Bid cum Application Form/Application Form;

(j) PAN not mentioned in the Bid cum Application Form/Application Form except for Bids/Applications by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;

(k) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;

(l) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;

(m) Bids/Applications at a price less than the Floor Price & Bids/Applications at a price more than the Cap Price;

(n) Bids/Applications at Cut-off Price by NIIs and QIBs;

(o) The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;

(p) Bids/Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;

(q) Submission of more than five Bid cum Application Forms/Application Form as per ASBA Account;

(r) Bids/Applications for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the RHP;

(s) Multiple Bids/Applications as defined in this GID and the RHP/Prospectus;

(t) Bid cum Application Forms/Application Forms are not delivered by the Bidders/Applicants within the time prescribed as per the Bid cum Application Forms/Application Form, Bid/Offer Opening Date advertisement and as per the instructions in the RHP and the Bid cum Application Forms;

(u) Bank account mentioned in the Bid cum Application Form may not be an account maintained by SCSB. Inadequate funds in the bank account to block the Bid/Application Amount specified in the Bid cum Application Form/ Application Form at the time of blocking such Bid/Application Amount in the bank account;

(v) In case of Anchor Investors, Bids/Applications where sufficient funds are not available in Escrow Accounts as per final certificate from the Escrow Bank;

(w) Where no confirmation is received from SCSB for blocking of funds;

(x) Bids/Applications by Bidders (other than Anchor Investors) not submitted through ASBA process;

(y) Bid cum Application Form submitted to Designated Intermediaries at locations other than the Bidding Centers or to the Escrow Bank (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the issuer or the Registrar to the Offer;

(z) Bids/Applications not uploaded on the terminals of the Stock Exchanges;

(aa) Bids/Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form.

5.6 BASIS OF ALLOCATION

(a) The SEBI ICDR Regulations 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 category) is allowed to be met with spill-over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.

(c) In case of under subscription in the Net Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Net Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders/Applicants may refer to the RHP.

(d) **Illustration of the Book Building and Price Discovery Process**

Bidders should *note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors.*

Bidders can bid at any price within the price band. For instance, assume a price band of ₹ 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 at various prices and is collated from bids received from various investors.

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

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Offer 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, may finalise the Offer Price at or below such cut-off price, i.e., at or below ₹ 22.00. All bids at or above this Offer 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. RIIs, NIIs and Employees are Allotted Equity Shares at the Floor Price and allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the Allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be Allotted to a single Bidder, decide whether a Bidder be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder be allowed single or multiple bids.

SECTION 6: OFFER PROCEDURE IN FIXED PRICE ISSUE

Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue. As the Offer Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through the Designated Intermediary.

ASBA Applicants may submit an Application Form either in physical form to 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 Issue, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

For details of instructions in relation to the Application Form, Bidders/Applicants may refer to the relevant section of the GID.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders/Applicants other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to RHP/Prospectus. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Offer (excluding any Offer for Sale of specified securities). However, in case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

7.1 ALLOTMENT TO RIIs

Bids received from the RIIs 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 RIIs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Category at or above the Offer Price, then the maximum number of RIIs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot **("Maximum RII Allottees")**. The Allotment to the RIIs will then be made in the following manner:

(a) In the event the number of RIIs who have submitted valid Bids in the Offer is equal to or less than Maximum RII Allottees, (i) all such RIIs shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the RIIs who have received Allotment as per (i) above for the balance demand of the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).

(b) In the event the number of RIIs who have submitted valid Bids in the Offer is more than Maximum RII Allottees, the RIIs (in that category) who will then be Allotted minimum Bid Lot shall be determined on the basis of draw of lots.

7.2 ALLOTMENT TO NIIs

Bids received from NIIs at or above the Offer Price may be grouped together to determine the total demand under this category. The Allotment to all successful NIIs may be made at or above the 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 NIIs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Category at or above the 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 ICDR 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 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 ₹ 10 crores;

- a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 10 crores and up to ₹ 250 crores subject to minimum allotment of ₹ 5 crores per such Anchor Investor; and

- a minimum number of five Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 250 crores and an additional 10 Anchor Investors for every additional ₹ 250 crores or part thereof, subject to minimum allotment of ₹ 5 crores per such Anchor Investor.

(b) A physical book is prepared by the Registrar on the basis of the Bid cum Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the issuer in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

(c) **In the event that the 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.

(d) **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), NIIs 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 ICDR 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 Bank shall transfer the funds represented by allocation of Equity Shares to Anchor Investors from the Escrow Accounts, as per the terms of the Cash Escrow Agreement, into the Public Offer Account with the Bankers to the Offer. The balance amount after transfer to the Public Offer 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 Cash Escrow Agreement and the RHP. On the Designated Date, the Registrar to the Offer shall instruct the SCSBs to transfer funds represented by allocation of Equity Shares from ASBA Accounts into the Public Offer 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. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within five Working Days from the Bid/Offer Closing Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within six Working Days of the Bid/Offer Closing Date. The Registrar to the Offer may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice 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) and obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act 2013, the Issuer may 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 for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith may take steps to refund, without interest, all moneys received from the Bidders/Applicants in pursuance of the RHP/Prospectus.

If such money is not refunded to Bidders 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 SUBSCIPTION

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, as applicable, the Issuer may forthwith, take steps to unblock the entire subscription amount received within six Working Days of the Bid/ OfferClosing Date and repay, without interest, all moneys received from Anchor Investors. This is further subject to the compliance with Rule 19(2)(b) of the SCRR. In case the Offeris in the nature of Offer for Sale only, then minimum subscription may not be applicable. 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.

If there is a delay beyond the prescribed time after the Issuer becomes liable to pay or unblock 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 prescribed time period under applicable laws, 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 ICDR Regulations comes for an Offer under Regulation 26(2) of SEBI (ICDR) Regulations 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

1. **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.

2. **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.

3. 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 Bid cum 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:

i. **NACH** — National Automated Clearing House is a consolidated system of ECS. Payment of refunds would be done through NACH for Anchor Investors having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including Magnetic Ink Character Recognition (MICR) code wherever applicable from the depository. The payment of refunds through NACH is mandatory for Anchor Investors having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS;

ii. **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 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 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 anyone of the other modes as discussed in this section;

iii. **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; and

iv. **RTGS**—Anchor Investors having a bank account with a bank branch which is RTGS enabled as per the information available on the website of RBI and whose refund amount exceeds ₹ 0.2 million, shall be eligible to receive refund through RTGS, provided the

Demographic Details downloaded from the Depositories contain the nine digit MICR code of the Anchor Investor's bank which can be mapped with the RBI data to obtain the corresponding IFSC. Charges, if any, levied by the Escrow Bank for the same would be borne by our Company. Charges, if any, levied by the Anchor Investor's bank receiving the credit would be borne by the Anchor Investor.

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, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers, etc. Bidders/Applicants may refer to RHP/Prospectus.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum if refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to Bidders/Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the six Working 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. In case of inconsistency in the description of a term mentioned herein below and the description ascribed to such term in this Prospectus, the description as ascribed to such term in this Prospectus shall prevail.

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 ICDR Regulations and the Red Herring 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 Form	The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue
Application Supported by Blocked Amount /ASBA	An application, whether physical or electronic, used by Bidders/Applicants, other than Anchor Investors, to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the Bidder/Applicant
Banker(s) to the Offer/ Escrow Bank(s)/Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Offerwith whom the Escrow Accounts for Anchor Investors may be opened, and as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Bidders/Applicants under the Offer

Term	Description
Bid	An indication to make an offer during the Bid/Offer Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Bid/ Offer Date 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/Applicant upon submission of the Bid (except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount
Bid/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. Applicants/Bidders 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 Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/Bidders may refer to the RHP/Prospectus for the Bid/Offer Opening Date
Bid/Offer Period	Except in the case of Anchor Investors (if applicable), the period between the Bid/ Offer Opening Date and the Bid/Offer Closing Date inclusive of both days and during which prospective Bidders/Applicants (other than Anchor Investors) can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid/ OfferPeriod for QIBs one working day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations. Applicants/Bidders may refer to the RHP/Prospectus for the Bid/Offer Period
Bid cum Application Form	An application form, whether physical or electronic, used by Bidders, other than Anchor Investors, to make a Bid and which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
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/Applicant should be construed to mean an Bidder/Applicant
Book Built Process/Book Building Process/Book Building Method	The book building process as provided under SEBI ICDR Regulations, in terms of which the Offer is being made
Broker Centres	Broker centres notified by the Stock Exchanges, where Bidders/Applicants can submit the Bid cum Application 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 Allotment Note	The note or advice or intimation sent to each successful Bidder/Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Cap Price	The higher end of the Price Band, above which the 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 the Circular on Streamlining of Public Issues
Collecting Registrar and Share Transfer Agents or Collecting RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of the Circular on Streamlining of Public Issues

Term	Description
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 RIIs, Retail Individual Shareholders and employees are entitled to Bid at the Cut-off Price. No other category of Bidders/Applicants are entitled to Bid at the Cut-off Price
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Bidders/Applicants including the Bidder/Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by Bidders/Applicants (excluding Anchor Investors) and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the Bid cum Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Date	The date on which funds are transferred by the Escrow Bank from the Escrow Accounts and the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, 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 /Collecting Agent	Syndicate Members, sub-syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and CRTAs, who are authorized to collect Bid cum Application Forms from the Bidders, in relation to the Offer
Designated RTA Locations	Such locations of the CRTAs where Bidders can submit the Bid cum Application Forms to CRTAs. The details of such Designated RTA Locations, along with names and contact details of the CRTAs eligible to accept Bid cum Application 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 ICDR 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 ICDR 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 Anchor Collection Bank 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 Bank 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 Bank	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 ICDR Regulations, in terms of which the Offer is being made

Term	Description
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 RII Allottees	The maximum number of RIIs who can be Allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
Mutual Funds Portion	5% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the RHP/Prospectus and Bid cum Application Form
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 Investors or NIIs	All Bidders/Applicants, including FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Offer being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the RHP/Prospectus and the Bid cum Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, 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
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)
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for
PAN	Permanent Account Number allotted under the Income Tax Act, 1961

Term	Description
Price Band	Price Band with a minimum price, being the Floor Price and the maximum price, being the Cap Price and includes revisions thereof. The Price Band and the minimum Bid lot size for the Offer may be decided by the Issuer in consultation with the Book Running Lead Manager(s) and advertised, at least five working days in case of an IPO and one working day in case of FPO, prior to the Bid/Offer Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation
Pricing Date	The date on which the Issuer in consultation with the Book Running Lead Manager(s), finalise the 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 Offer Account	An 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
Qualified Institutional Buyers or QIBs	As defined under SEBI ICDR 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 Issue. 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
Refunds through electronic transfer of funds	Refunds through Direct Credit, NEFT, RTGS or ASBA, as applicable
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the 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 ICDR Regulations
Retail Individual Investors/RIIs	Investors who applies or bids for a value of not more than ₹ 200,000 (including HUFs applying through their karta and eligible NRIs and does not include NRIs other than Eligible NRIs.
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 RIIs which shall not be less than the minimum Bid Lot, subject to availability in RII category and the remaining shares to be Allotted on proportionate basis.
Revision Form	The form used by the Bidders in an issue through Book Building Process to modify the quantity of Equity Shares and/or bid price 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 ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended
Self Certified Syndicate Bank(s) or SCSB(s)	The banks registered with the SEBI which offers the facility of ASBA and the list of which is available on the website of the http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries

Term	Description
Specified Locations	Bidding centres where the Syndicate shall accept Bid cum Application Forms, a list of which is included in the Bid cum Application Form
Stock Exchanges	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 Bid cum Application Forms by Syndicate Members
Syndicate Member(s)	The Syndicate Member(s) as disclosed in the RHP/Prospectus
Underwriters	The Book Running Lead Manager(s) and the Syndicate Member(s)
Underwriting Agreement	The agreement amongst the Issuer, and the Underwriters to be entered into on or after the Pricing Date
Working Day	Any day, other than Saturdays or Sundays, on which commercial banks in India are open for business, provided however, for the purpose of the time period between the Bid/Offer Opening Date and listing of the Equity Shares on the Stock Exchanges, "Working Days" shall mean all trading days excluding Sundays and bank holidays in India in accordance with the SEBI circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016.

SECTION VIII – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act 2013 and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below.

The Articles of Association of the Company comprise two parts, Part A and Part B, which parts shall, unless the context otherwise requires, co-exist with each other. In case of inconsistency between Part A and Part B, the provisions of Part B shall prevail. However, Part B shall automatically terminate and cease to have any force and effect from the date of receipt of final approval for listing and trading of equity shares of the Company on the recognized stock exchanges in India subsequent to an initial public offering of the equity shares of the Company without any further action by the Company or by the shareholders and Part A shall continue to be in effect.

PART A OF THE ARTICLES OF ASSOCIATION

Applicability of table F

Article 1 provides that "subject as hereinafter provided and in so far as these presents do not modify or exclude them the regulations contained in Table 'F' of Schedule I of the Companies Act, 2013 shall apply to the Company only so far as they are not inconsistent with any of the provisions contained in these Articles or modification thereof or are not expressly or by implication excluded from these Articles."

Share capital and variation of rights

Article 5 provides that "subject to the provisions of the Act and these Articles, the Shares in the capital of the Company shall be under the control of the Directors who may issue, allot or otherwise dispose off the same or any of them to such Persons, in such proportion and on such terms and conditions and either at a premium or at par or subject to the compliance with Section 53 of the Act, at a discount as they may, from time to time think fit and proper and with the sanction of the Company in the General Meeting. The Company may give to any Person or Persons the option or right to call for any shares either at par or at a premium during such time and for such consideration as the Directors think fit, and may also issue and allot Shares in the capital of the Company on payment in full or part payment of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may be so allotted may be issued as fully paid up Shares and if so issued shall be deemed to be fully paid up Shares, provided that option or right to call of Shares shall not be given to any Person or Persons without the sanction of the Company in the General Meeting."

Article 6 provides that "a further issue of Shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act. Save as otherwise provided herein, the Company shall be entitled to treat the registered holder of any Share as the absolute owner thereof and accordingly shall not, except as ordered by a court of competent jurisdiction, or as by Law required, be bound to recognize any equitable or other claim to or interest in such Shares on the part of any other person."

Article 9 provides that "subject to the provisions of the Act, any Preference Shares may be issued on the terms that they are, or at the option of the Company are, liable to be redeemed on such terms and in such manner as the Company before the issue of the Shares may, by special resolution determine."

Article 11 provides that "if at any time the Share Capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the Shares of that class) may, subject to the provisions of the Act, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the Shares of that class. To every such separate General Meeting of the holders of the Shares of that class, the provisions of these Articles relating to General Meetings shall mutatis mutandis apply."

Article 12 provides that "the rights conferred upon the holders of the Shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking *pari passu* therewith."

Article 14 provides that "any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise, if permissible under the Act, and may be issued on the condition that they shall be convertible into Shares of any denomination and with any privileges and conditions as to redemption, surrender, drawings, allotment of Shares, attending (but not voting) at General Meetings, appointment of Directors and otherwise. Debentures with the rights to conversion into or allotment of Shares shall not be issued except with the sanction of the Company in General Meeting by a special resolution and subject to the provisions of the Act."

Further issue of shares

Article 17 provides that "(1) Where at any time, it is proposed to increase the subscribed capital of the Company by allotment of further Shares either out of the unissued or out of the increased Share capital then such Shares shall be offered:

(a) to the persons who, at the date of the offer, are holders of the Equity Shares of the Company, in proportion, as near as circumstances admit, to the paid up Share capital on those Shares by sending a letter of offer subject to the following conditions, namely:
(i) the offer shall be made by a notice specifying the number of Shares offered and limiting a time not less than fifteen (15) days and not exceeding thirty (30) days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined;
(ii) the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the Shares offered to him or any of them in favour of any other person; and the notice referred to in clause (i) hereof shall contain a statement of this right; provided that the Directors may decline, without assigning any reason to allot any Shares to any person in whose favour any member may, renounce the Shares offered to him.
(iii) after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the Shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the Shareholders and the Company.
(b) to employees under a scheme of employees' stock option, subject to special resolution passed by the Company and subject to such conditions as prescribed in the Act and the rules thereunder; or
(c) to any persons, if its authorised by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b) either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions prescribed in the Act and the rules thereunder.

(2) The notice referred to in sub-clause (i) of clause (a) of sub-article (1) shall be dispatched through registered post or speed post or through electronic mode to all the existing Shareholders at least 3 (three) days before the opening of the issue.

(3) Nothing in this Article shall apply to the increase of the subscribed capital of a Company caused by the exercise of an option attached to the debentures issued or loan raised by the Company to convert such debentures or loans into shares in the Company (whether such option is conferred in these Articles or otherwise);
Provided that the terms of issue of such debentures or the terms of such loans containing such option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the Company in general meeting.

Article 18 provides that "pursuant to the Regulation 36 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "**SEBI ICDR Regulations**"), an aggregate of at least 20% of the fully-diluted post-offer paid-up Equity Share Capital of the Company held by the Promoters shall be locked-in for a period of 3 (Three) years from the date of allotment in the offer ("**Minimum Promoters Contribution**"). The Equity Shares held by the Promoters in excess of the Minimum Promoters Contribution shall be locked in for a period of 1 (One) year. Further, pursuant to Regulation 37 of the SEBI ICDR Regulations, other than the Equity Shares held by the Promoters, which will be locked-in as Minimum Promoters' Contribution for three years from the date of allotment in the offer, the entire pre-offer Equity Share Capital of the Company shall be locked-in for a period of 1 (One) year from the date of allotment in the offer. Additionally, the Promoters, Family Shareholders and Anant Daga covenant and agree, with the Company, that in addition to such lock-in requirements as may be imposed under SEBI ICDR Regulations and other applicable Law, (a) 100% of all Equity Securities held by the Promoters, Family Shareholders and Anant Daga in the Company shall be locked in for a period of 2 (Two) years from the IPO Completion Date, and that none of the Promoters, Family Shareholders and Anant Daga shall Transfer any Equity Securities held by them during such period; (b) 50% of the Equity Securities that are held by the Promoters, Family Shareholders and Anant Daga in excess of the number of Mandatory Lock-In Shares shall be locked in for a period of 3 (Three) years from the IPO Completion Date, and that none of the Promoters, Family Shareholders and Anant Daga shall Transfer any such Equity Securities held by them during such period. The term "Mandatory Lock-in Shares" shall mean such number Equity Securities that are mandatorily required to be locked in from the IPO Completion Date by the Promoters/promoter group of the Company in accordance with applicable Law as described above."

Commission

Article 19 provides that "the Company may exercise the powers of paying commissions conferred by sub-Section (6) of Section 40 or the Act (as amended from time to time), provided that the rate per cent or amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that Section and rules made thereunder."

Article 20 provides that "the rate or amount of the commission shall not exceed the rate or amount prescribed under the applicable rules."

Article 21 provides that "the commission may be satisfied by the payment of cash or the allotment of fully or partly paid Shares or partly in the one way and partly in the other."

Calls on shares

Article 28 provides that "subject to the provisions of the Act, the Board may, from time to time, make calls upon the Members in respect of any money unpaid on their Shares (whether on account of the nominal value of the Shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times, provided that no call shall exceed one-fourth of the nominal value of the Share or be payable at less than 1 (one) month from the date fixed for the payment of the last preceding call."

Article 29 provides that "each Member shall, subject to receiving at least 14 (fourteen) days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his Shares."

Article 30 provide that "a call may be revoked or postponed at the discretion of the Board."

Article 31 provides that "a call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments."

Article 32 provides that "the joint-holders of a Share shall be jointly and severally liable to pay all calls in respect thereof."

Article 33 provides that "if a sum called in respect of a Share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereof from the day appointed for payment thereof to the time of actual payment at 10 % (ten per cent) per annum or at such lower rate, if any, as the Board may determine."

Article 34 provides that "the Board shall be at liberty to waive payment of any such interest wholly or in part."

Article 35 provides that "any sum which by the terms of the issue of a Share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the Share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue, such sum becomes payable. In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified."

Article 36 provides that "the Board may, if it thinks fit, subject to the provisions of Section 50 of the Act, agree to and receive from any Member willing to advance the same, whole or any part of the moneys due upon the Shares held by him beyond the sums actually called for and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the Shares in respect of which such advance has been made, the Company may pay interest at such rate as determined by the Board and the Member paying such sum in advance agree upon, provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Board may at any time repay the amount so advanced. The Member shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable. The provisions of these Articles shall *mutatis mutandis* apply to any calls on debentures of the Company."

Article 37 provides that "where any calls for further Share Capital are made on the Shares of a class, such calls shall be made on a uniform basis on all Shares falling under that class. For the purposes of this Article, Shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.

Lien

Article 46 provides that "the Company shall have a first and paramount Lien on every Share or debenture (not being a fully paid-up Share or debenture) registered in the name of each Member (whether solely or jointly with others) to the extent of monies called or payable in respect thereof, and upon the proceeds of sale thereof for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of such Share or debenture and no equitable interest in any Share or debenture shall be created except upon the footing and condition that this Article will have full effect. Fully paid-up Shares shall be free from all Liens and in case of partly paid-up Shares, the Company's Lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.
Provided that the Board may at any time declare any Shares or debentures wholly or in part to be exempt from the provisions of this Article."

Article 47 provides that "the Company's Lien, if any, on a Share shall extend to all dividends and bonuses declared and payable by the Company from time to time in respect of such Shares.

Article 49 provide that "unless otherwise agreed, the registration of a transfer of Shares or debentures shall operate as a waiver of the Company's Lien, if any, on such Shares or debentures."

Article 51 provides that "a Member shall not exercise any voting rights in respect of the Shares in regard to which the Company has exercised the right of Lien."

Transfer and transmission of shares

Article 52 provides that "the securities or other interest of any Member shall be freely transferable, provided that any contract or arrangement between 2 (two) or more persons in respect of transfer of securities shall be enforceable as a contract. The instrument of transfer of any Share in the Company shall be duly executed by or on behalf of both the transferor and transferee. The transferor shall be deemed to remain a holder of the Share until the name of the transferee is entered in the register of Members in respect thereof. A common form of transfer shall be used in case of transfer of Shares. The instrument of transfer shall be in writing and all the provisions of Section 56 of the Act and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of Shares and the registration thereof."

Article 53 provides that "Subject to the provisions of the Act, these Articles and any other applicable Law for the time being in force, the Directors may, at their own absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer of Shares whether fully paid or not and the right of refusal, shall not be affected by the circumstances that the proposed transferee is already a member of the Company but in such cases, the Directors shall within 1 (one) month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration or 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 when the Company has a lien on the shares. Transfer of Shares/debentures in whatever lot shall not be refused."

Article 56 provides that "on the death of a Member, the survivor or survivors where the Member was a joint holder of the Shares, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only person(s) recognised by the Company as having any title to his interest in the Shares. Nothing in these Articles shall release the estate of the deceased joint holder from any liability in respect of any Share, which had been jointly held by him with other persons."

Article 57 provides that "any person becoming entitled to a Share in consequence of the death or insolvency of a Member may, upon such evidence being produced as the Board may from time to time require, and subject as hereinafter provided, elect, either:
(a) to be registered as holder of the Share; or

(b) to make such transfer of the Share as the deceased or insolvent Member could have made."

Article 58 provides that "the Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent Member had transferred the Share before his death or insolvency."

Article 62 provides that "a person becoming entitled to a Share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the Share, except that he shall not, before being registered as a Member in respect of the Share, be entitled in respect of it to exercise any right conferred by membership in relation to the General Meetings of the Company, provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the Share, and if the notice is not complied with within 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Share, until the requirements of the notice have been complied with."

Forfeiture of shares

Article 63 provides that "if a Member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued."

Article 65 provides that "if the requirement of any such notice as aforesaid is not complied with, any Share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect."

Article 68 provides that "a person whose Shares have been forfeited shall cease to be a Member in respect of the forfeited Shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by the person to the Company in respect of the Shares."

Alteration of share capital

Article 76 provides that "subject to the provisions of the Act, the Company may from time to time by ordinary resolution, undertake any of the following:

(a) consolidate or divide, all or any of the Share Capital into Shares of larger amount than its existing Shares;
(b) convert all or any of its fully paid-up Shares into stock, and re-convert that stock into fully paid-up Shares of any denomination;
(c) sub-divide its existing Shares or any number of them into Shares of smaller amount than is fixed by the Memorandum of Association of the Company, 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; or
(d) cancel any Shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of Share Capital by the amount of the Shares so cancelled. A cancellation of Shares in pursuance of this Article shall not be deemed to be a reduction of Share Capital within the meaning of the Act.

Article 77 provides that "subject to the provisions of the Act, the Company may, from time to time, by special resolution reduce in any manner and with, and subject to, any incident authorised and consent required under applicable Law:
(a) the Share Capital;
(b) any capital redemption reserve account; or
(c) any Share premium account.

General meetings

Article 80 provides that "all General Meetings, other than the annual General Meeting, shall be extra-ordinary General Meetings."

Article 81 provides that "the Board may, whenever it thinks fit, call an extraordinary General Meeting."

Proceedings at general meetings

Article 84 provides that "no business shall be transacted at any General Meeting, unless a quorum of Members is present at the time when the meeting proceeds to transact business. Save as otherwise provided herein, the quorum for the General Meetings shall be as provided in Section 103 of the Act."

Article 86 provides that "directors may attend and speak at general meetings. Whether or not they are shareholders."

Article 90 provides that "the chairperson may, with the consent of the Members at any General Meeting at which a quorum is present, and shall, if so directed by the General Meeting, adjourn the General Meeting from time to time and from place to place."

Votes of members

Article 101 provides that "any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll."

Article 105 provides that "no Member shall be entitled to exercise any voting rights either personally or by proxy at any General Meeting or meeting of a class of Shareholders either upon a show of hands or upon a poll in respect of any Shares registered in his/her name on which any calls or other sums presently payable by him in respect of Shares in the Company have not been paid."

Proxy

Article 108 provides that "subject to the provisions of the Act and these Articles, any Member of the Company entitled to attend and vote at a General Meeting of the Company shall be entitled to appoint a proxy to attend and vote instead of himself and the Proxy so appointed shall have no right to speak at the meeting."

Article 109 provides that "the proxy shall not be entitled to vote except on a poll."

Directors

Article 113 provides that "subject to the provisions of the Act, the number of Directors shall not be less than 3 (three) and more than 15 (fifteen), provided that the Company may appoint more than 15 (fifteen) directors after passing a special resolution. The Company shall have such number of Independent Directors on the Board of the Company, as may be required in terms of the provisions of applicable Law. Further, such appointment of such Independent Directors shall be in terms of, and subject to, the aforesaid provisions of applicable Law."

Article 114 provides that "notwithstanding anything contained in these Articles, so long as Wagner Limited continues to hold at least 7.5% of the Company's fully diluted paid-up share capital, it would be entitled to nominate two Directors on the Board of Directors, subject to the approval of the members of the Company through a special resolution passed at the first general meeting of the Company held post completion of an initial public offering of the Equity Shares of the Company."

Article 115 provides that "the Director(s) nominated by Wagner in terms of provisions of Article 114, including any alternate Directors, if and when appointed, shall be non-executive directors of the Company. The Company shall indemnify and hold its non-executive Directors and the alternate Directors appointed in place of the non-executive Directors, harmless from all claims and liabilities for any acts or omissions of such Persons as directors of the Company to the maximum extent permitted under applicable Laws. The non-executive Directors shall have no responsibility for the day-to-day management of the Company and shall not be liable for any failure by the Company to comply with applicable Law or be construed as an "officer in default" (under the Act) or an "occupier" (of the Company's premises) under applicable Law."

Article 117 provides that "subject to the provisions of the Act, the Board shall have the power to determine the Directors whose period of office is or is not liable to determination by retirement of directors by rotation."

Article 118 provides that "subject to Section 197 and other applicable provisions of the Act, the remuneration of Directors may be a fixed sum by way of monthly payment or a percentage of the net profits or partly by one way and partly by the other."

Article 119 provides that "subject to the provisions of the Act, every Director shall be paid out of the funds of the Company such sum as the Board may from time to time determine for attending every meeting of the Board or any committee of the Board, subject to the ceiling prescribed under the Act."

Article 122 provides that "subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint any other person as an additional director provided that the number of the Directors and additional Directors together shall not at any time exceed the maximum number fixed as above and any person so appointed as an additional Director shall retain his office only up to the date of the next annual General Meeting or last date on which the annual General Meeting should have been held, whichever is earlier, but shall then be eligible for re-appointment as Director of the Company."

Article 123 provides that In the event that a Director is absent for a continuous period of not less than 3 (three) months from India (an "**Original Director**"), subject to these Articles, the Board may appoint another Director (an "**Alternate Director**") for and in place of the Original Director. The Alternate Director shall be entitled to receive notice of all meetings and to attend and vote at such meetings in place of the Original Director and generally to perform all functions of the Original Director in the Original Director's absence. No Person shall be appointed as an Alternate Director to an independent Director unless such Person is qualified to be appointed as an independent Director of the Company. Any person so appointed as Alternate Director shall not hold office for a period longer than that permissible to the Original Director and shall vacate the office if and when the Original Director returns to India."

Article 126 provides that, "if the office of any Director appointed by the Company in General Meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board. Provided any person so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it had not been vacated."

Proceedings of the board

Article 128 provides that "the Board may meet for the conduct of business and may adjourn and otherwise regulate its meetings, as it thinks fit."

Article 132 provides that "No business shall be conducted at any meeting of the Directors unless a quorum is present. The quorum for the meeting of the Board shall be one third of its total strength or 2 (two) Directors, whichever is higher, and the participation of the Directors by video conferencing or by other audio-visual means or any other means (to the extent permitted under the Act and the rules framed thereunder or otherwise provided by the Ministry of Corporate Affairs), in each case from time to time, shall also be counted for the purposes of quorum under this Article, provided that where at any time the number of interested Directors is equal to or exceeds two-thirds of the total strength of the Board, the number of remaining Directors, that is to say the number of Directors who are not interested and present at the meeting being not less than 2 (two), shall be the quorum during such time."

Article 133 provides that "if quorum is found to be not present within 30 (thirty) minutes from the time when the meeting should have begun or if during the meeting, valid quorum no longer exists, the meeting shall be reconvened at the same time and at the same place 7 (seven) days later. At the reconvened meeting, the Directors present and not being less than 2 (two) persons shall constitute the quorum and may transact the business for which the meeting was called and any resolution duly passed at such meeting shall be valid and binding on the Company."

Article 134 provides that "the continuing Directors may act notwithstanding any vacancy in the Board; but if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum, or of summoning a General Meeting of the Company, but for no other purpose."

Article 139 provides that "subject to these Articles and Sections 175, 179 and other applicable provisions of the Act, a circular resolution in writing, executed by or on behalf of a majority of the Directors or members of a committee, shall constitute a valid decision of the Board or committee thereof, as the case may be, provided that a draft of such resolution together with the information required to make a fully-informed good faith decision with respect to such resolution and appropriate documents required to evidence passage of such resolution, if any, was sent to all of the Directors or members of the committee (as the case may be) at their addresses registered with the

Company in India by hand delivery or by post or by courier, or through such electronic means as may be prescribed under the Act, and has been approved by a majority of the Directors or members who are entitled to vote on the resolution."

Article 140 provides that "the Board shall constitute the statutory committees in accordance with applicable Law. Subject to provisions of the Act, the Board may delegate any of its powers to committees consisting of such Director or Directors as it thinks fit."

Article 148 provides that "all acts done in any meeting of the Board or of a committee thereof or by any person acting as a Director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid or that they or any of them were disqualified, be as valid as if every such Director or such person had been duly appointed and was qualified to be a Director."

Powers of directors

Article 152 provides that "subject to the provisions of the Act and these Articles, the Board shall be entitled to exercise all such powers, and to do all such acts and things as the Company is authorized to exercise and do; provided that the Board shall not exercise any power or do any act or thing which is directed or required, whether by the Act, or any other statute or by the Memorandum of Association of the Company or by these Articles or otherwise, to be exercised or done by the Company in a General Meeting; provided further that in exercising any such power or doing any such act or thing, the Board shall be subject to the provisions in that behalf contained in the Act or any other statute or in the Memorandum of Association of the Company or in these Articles, or in any regulations not inconsistent therewith and duly made thereunder, including regulations made by the Company in General Meeting, but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made."

Managing/whole-time directors

Article 155 provides that "Subject to the provisions of the Act, the Board may from time to time appoint one or more Directors to be the managing Director/ whole-time Director of the Company on such remuneration and terms and conditions as the Board may think fit, and for a fixed term or without any limitation as to the period for which he is to hold such office and from time to time and subject to the provisions of any contract between him and the Company, remove or dismiss him from office and appoint another in his place. Subject to the provisions of the Act, in particular to the prohibitions and restrictions contained in Section 179 thereof, the Board may, from time to time, entrust to and confer upon the managing Director / whole-time Director, for the time being, such of the powers exercisable hereunder by the Board, as it may think fit, and may confer such powers, for such time and be exercised for such objects and purposes, and upon such terms and conditions and with such restrictions as it thinks fit, and the Board may confer such power, either collaterally with or to the exclusion of, and in substitution for any of the powers of the Board in that behalf and may, from time to time, revoke, withdraw, alter or vary all or any of such powers."

Dividends and reserves

Article 166 provides that "the Company in a General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board. No dividend shall be payable except out of the profits of the Company or any other undistributed profits."

Article 167 provides that "subject to the provisions of the Act, the Board may from time to time pay to the Members such interim dividends as appear to it to be justified by the profits of the Company."

Article 168 provides that "the Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve."

Article 169 provides that "subject to the rights of persons, if any, entitled to Shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the Shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the Shares in the Company, dividends may be declared and paid according to the amounts of the Shares."

Article 171 provides that "all dividends shall be apportioned and paid proportionately to the amounts, paid or credited as paid on the Shares during any portion or portions of the period in respect of which the dividend is paid, but if any Share is issued on terms providing that it shall rank for dividend as from a particular date such Share shall rank for dividend accordingly."
Article 172 provides that "the Board may deduct from any dividend payable to any Member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the Shares."

Article 177 provides that "no dividend shall bear interest against the Company."

Article 179 provides that "the Company shall comply with the provisions of the Act in respect of any dividend remaining unpaid or unclaimed with the Company. Where the Company has declared a dividend but which has not been paid or claimed within 30 (thirty) days from the date of declaration, the Company shall, within 7 (seven) days from the date of expiry of the 30 (thirty) day period, transfer the total amount of dividend which remains so unpaid or unclaimed, to a special account to be opened by the Company in that behalf in any scheduled bank, to be called "Unpaid Dividend of TCNS Clothing Co. Limited". Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund established under the Act. No unclaimed or unpaid dividend shall be forfeited by the Board."

Capitalisation of profits

Article 180 provides that "the Company in a General Meeting may, upon the recommendation of the Board, resolve:
(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account, or otherwise available for distribution; and
(b) that such sum be accordingly set free for distribution in the manner specified in Article 180 amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

Article 181 provides that "the sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in Article 181, either in or towards:
(a) paying up any amounts for the time being unpaid on any Shares held by such Members respectively;
(b) paying up in full, unissued Shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such Members in the proportions aforesaid; or
(c) Partly in the way specified in sub-Article (a) and partly in that specified in sub-Article (b) above.
(d) A securities premium account and a capital redemption reserve account may, for the purposes of this Article, be applied in the paying up of unissued Shares to be issued to Members of the Company as fully paid bonus Shares.
(e) The Board shall give effect to the resolution passed by the Company in pursuance of this Article.

Article 182 provides that "whenever such a resolution as aforesaid shall have been passed, the Board shall:
(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid Shares, if any; and
(b) generally do all acts and things required to give effect thereto.

Indemnity

Article 185 provides that "subject to the provisions of the Act, every Director, secretary and the other officers for the time being of the Company acting in relation to any of the affairs of the Company shall be indemnified out of the assets of the Company from and against all suits, proceedings, cost, charges, losses, damage and expenses which they or any of them shall or may incur or sustain by reason of any act done or committed in or about the execution of their duty in their respective office except such suits, proceedings, cost, charges, losses, damage and expenses, if any that they shall incur or sustain, by or through their own wilful neglect or default respectively."

Article 186 provides that "the Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former Directors and key management personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly or reasonably."

Article 187 provides that The Company shall maintain appropriate directors' and officers' liability insurance for all Directors on terms as may be determined by the Board.

Winding up

Article 200 provides that "the Company may be wound up in accordance with the Act and the Insolvency and Bankruptcy Code, 2016 (to the extent applicable)."

PART B OF THE ARTICLES OF ASSOCIATION

Part B of the Articles of Association provide for, among other things, the rights of certain shareholders pursuant to the shareholders' agreements executed with certain shareholders of our Company. For more details on the shareholders' agreements, see "***History and Certain Corporate Matters – Material Agreements***" on page 123.

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years before the date of the Red Herring Prospectus) which are, or may be deemed material, have been entered or to be entered into by our Company. These contracts, copies of which were attached to the copy of the Red Herring Prospectus delivered to the RoC for registration, and also the documents for inspection referred to hereunder were also made available for inspection at our Registered Office, from 10.00 am to 4.00 pm on Working Days from the date of the Red Herring Prospectus until the Bid/Offer Closing Date (except for such agreements executed after the Bid/Offer Closing Date).

Material Contracts to the Offer

1. Offer Agreement dated February 19, 2018 entered into among our Company, the Selling Shareholders and the BRLMs.

2. Registrar Agreement dated February 16, 2018 entered into among our Company, the Selling Shareholders and the Registrar to the Offer.

3. Escrow Agreement dated July 6, 2018 entered into among our Company, the Selling Shareholders, the BRLMs, the Syndicate Members, Public Offer Account Bank, Escrow Bank(s), and the Registrar to the Offer.

4. Share Escrow Agreement dated June 14, 2018 entered into among the Selling Shareholders, our Company and a share escrow agent.

5. Syndicate Agreement dated July 6, 2018 entered into among the members of the Syndicate, our Company, the Selling Shareholders and the Registrar to the Offer.

6. Underwriting Agreement dated July 24, 2018 entered into among our Company, the Selling Shareholders, the BRLMs and Syndicate Member.

Other Material contracts in relation to our Company

1. Shareholders' agreement dated August 8, 2016 entered into between our Company, our Promoters, Wagner, certain Family Shareholders and Anant Kumar Daga.

2. Share purchase agreement dated August 8, 2016 entered into among our Company, our Promoters, certain shareholders of our Company and Wagner.

3. Share purchase agreement dated August 8, 2016 entered into among our Company, Matrix Partners India Investment Holdings LLC and Matrix Partners India Investment LLC and Wagner.

4. Amendment agreement dated February 26, 2018 to the Shareholders' Agreement amongst our Company, our Promoters, the Family Shareholders, Anant Kumar Daga and Wagner.

5. Non-compete agreement dated February 26, 2018 entered into between the Company and Onkar Singh Pasricha, Arvinder Singh Pasricha, Parmeet Pasricha, Angad Pasricha and Saranpreet Pasricha.

Material Documents

1. Certified copies of our Memorandum of Association and Articles of Association, as amended until date.

2. Certificates of incorporation dated December 3, 1997 and January 19, 2018.

3. Board resolution dated December 14, 2017, authorizing the Offer and other related matters.

4. Shareholders' resolution dated January 5, 2018 authorizing the Offer and other related matters.

5. Consent letters/board resolution, as applicable, of each of the Selling Shareholders authorizing their respective portions of the Offer for Sale.

6. Board resolution dated February 11, 2014 and December 14, 2017 and Shareholders resolution dated January 5, 2018 laying down the terms and conditions in relation to the appointment of Onkar Singh Pasricha.

7. Board resolution dated September 7, 2016 and December 14, 2017 and Shareholders' resolution dated September 7, 2016 laying down the terms and conditions in relation to the appointment of Anant Kumar Daga.

8. Copies of annual reports for the five Fiscals, *i.e.*, Fiscals 2017, 2016, 2015, 2014 and 2013.

9. TCNS ESOP SCHEME/ PLAN 2014-2017.

10. TCNS ESOP SCHEME/PLAN 2018-2023.

11. The examination reports of the Auditors, Deloitte Haskins & Sells LLP, Chartered Accountants, on our restated financial information included in the Red Herring Prospectus and this Prospectus.

12. Industry report titled "*Women's Ethnic Wear Market in India*" dated May 2018, prepared by Technopak. Consent from Technopak to include their name and report in the Red Herring Prospectus and this Prospectus.

13. Consent of the Auditors, Deloitte Haskins & Sells LLP, Chartered Accountants to include their name in the Red Herring Prospectus and this Prospectus.

14. Statement of tax benefits dated June 14, 2018.

15. Consents of Bankers to our Company, the BRLMs, the Syndicate Member, Registrar to the Offer, Bankers to the Offer, Escrow Banks, Refund Banks, legal counsels, our Directors, Company Secretary and Compliance Officer, Chief Financial Officer as referred to act, in their respective capacities.

16. Tripartite Agreement dated March 14, 2016 among our Company, NSDL and the Registrar to the Offer.

17. Tripartite Agreement dated May 30, 2016 among our Company, CDSL and the Registrar to the Offer.

18. In-principle listing approvals dated April 9, 2018 and April 11, 2018 from BSE and NSE, respectively.

19. SEBI final observation letter dated May 4, 2018.

20. Due diligence certificate dated February 26, 2018 to SEBI from the BRLMs.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders, subject to compliance with the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements in this Prospectus are true and correct.

SIGNED BY THE DIRECTORS AND CHIEF FINANCIAL OFFICER OF OUR COMPANY

Onkar Singh Pasricha
(Chairman and executive Director)

Anant Kumar Daga
(Managing Director)

Naresh Patwari
(Non-executive Director)

Neeru Abrol
(Independent Director)

Sangeeta Talwar
(Independent Director)

Bhaskar Pramanik
(Independent Director)

Venkatesh Tarakkad
(Chief Financial Officer)

Date: July 24, 2018

Place: New Delhi

DECLARATION BY INVESTOR SELLING SHAREHOLDER

Wagner Limited confirms that all the statements and undertakings made or confirmed by it in this Prospectus specifically in relation to itself as a selling shareholder and the Equity Shares offered by it in the Offer for Sale are true and correct. Wagner Limited assumes no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder or any other person(s) in this Prospectus.

For and on behalf of Wagner Limited

Name: Resmah Mandary

Designation: Director

Date: July 24, 2018

DECLARATION BY PROMOTER SELLING SHAREHOLDERS

Each Promoter Selling Shareholder certifies that all the statements and undertakings made or confirmed by him in this Prospectus about or in relation to him and the Equity Shares offered by him in the Offer for Sale, are true and correct. The Promoter Selling Shareholders assume no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder in this Prospectus.

Onkar Singh Pasricha | **Arvinder Singh Pasricha**

Date: July 24, 2018

DECLARATION BY ANANT KUMAR DAGA

Anant Kumar Daga certifies that all the statements and undertakings made or confirmed by him in this Prospectus about or in relation to himself and the Equity Shares offered by him in the Offer for Sale, are true and correct. Further, Anant Kumar Daga assumes no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder in this Prospectus.

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Anant Kumar Daga

Date: July 24, 2018

DECLARATION BY SARANPREET PASRICHA

Saranpreet Pasricha certifies that all the statements and undertakings made or confirmed by him in this Prospectus about or in relation to himself and the Equity Shares offered by him in the Offer for Sale, are true and correct. Further, Saranpreet Pasricha assumes no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder in this Prospectus.

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Saranpreet Pasricha

Date: July 24, 2018

DECLARATION BY ANGAD PASRICHA

Angad Pasricha certifies that all the statements and undertakings made or confirmed by him in this Prospectus about or in relation to himself and the Equity Shares offered by him in the Offer for Sale, are true and correct. Further, Angad Pasricha assumes no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder in this Prospectus.

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Angad Pasricha

Date: July 24, 2018

DECLARATION BY VIJAY KUMAR MISRA AND AMIT CHAND

Vijay Kumar Misra and Amit Chand, severally, certify that all the statements and undertakings made or confirmed by him in this Prospectus about or in relation to himself and the Equity Shares offered by him in the Offer for Sale, are true and correct. Further, Vijay Kumar Misra and Amit Chand assume no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder in this Prospectus.

For and on behalf of Vijay Kumar Misra and Amit Chand, acting through Venkatesh Tarakkad, the duly appointed Power of Attorney holder

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Venkatesh Tarakkad

Date: July 24, 2018