DRAFT RED HERRING PROSPECTUS
Dated September 28, 2016
Please read Section 32 of the Companies Act 2013
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
100% Book Building Offer

GENESIS
COLORS

GENESIS COLORS LIMITED

Our Company was incorporated as "Genesis Retail Private Limited" on November 23, 1998, 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**"). A fresh certificate of incorporation consequent to the change in our Company's name to "Genesis Colors Private Limited" was issued by the RoC on September 14, 2001. Pursuant to a change in the location of our registered office from New Delhi to Gurgaon, the RoC issued a fresh certificate of incorporation dated March 20, 2015. Further, pursuant to the conversion of our Company to a public limited company, our name was changed to "Genesis Colors Limited" and the RoC issued a fresh certificate of incorporation on September 16, 2016. For details of changes in name and registered office of our Company, see "***History and Certain Corporate Matters***" on page 126.

Corporate Identity Number: U51311HR1998PLC054949
Registered and Corporate Office:51-52, Udyog Vihar, Phase – IV, Gurgaon,122001, Haryana,India**Tel**: +91 1244181 111 **Fax**: +91 124418 1112
Contact Person: Ms. Meenu Juneja, Company Secretary and Compliance Officer **Tel:**+91 124418 1040**Fax**:+91 124 418 1112
E-mail: complianceofficer@genesiscolors.com**Website**: www.genesiscolors.com

OUR PROMOTERS: MR. SANJAY KAPOOR AND SANJAY KAPOOR TRUST

INITIAL PUBLIC OFFERING OF UP TO [•] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (THE "EQUITY SHARES") OF GENESIS COLORS LIMITED (OUR "COMPANY" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [•] PER EQUITY SHARE (INCLUDING SHARE PREMIUM OF ₹ [•] PER EQUITY SHARE) (THE "OFFER PRICE") AGGREGATING UP TO [•] MILLION (THE "OFFER") COMPRISING A FRESH ISSUE OF [•] EQUITY SHARES BY OUR COMPANY AGGREGATING UP TO ₹3,800 MILLION AND AN OFFER FOR SALE OF UPTO 1,916,741 EQUITY SHARES AGGREGATING TO ₹ [•] MILLION BY THE SELLING SHAREHOLDERS, INCLUDING UPTO 859,219 EQUITY SHARES AGGREGATING TO ₹ [•] MILLION BY HEP MAURITIUS LIMITED, UP TO 130,006 EQUITY SHARES AGGREGATING TO ₹ [•] MILLION BY SEMINARY TIE-UP PRIVATE LIMITED, UP TO 556,316 EQUITY SHARES AGGREGATING TO ₹ [•] MILLION BY MAYFIELD FVCI, LTD., UP TO 161,065 EQUITY SHARES AGGREGATING TO ₹ [•] MILLION BY ICP HOLDINGS I, UP TO 70,047 EQUITY SHARES AGGREGATING TO ₹ [•] MILLION BY PRANAV ANSAL & SON HUF, UP TO 70,044 EQUITY SHARES AGGREGATING TO ₹ [•] MILLION BY MS. KUSUM ANSAL AND UP TO 70,044 EQUITY SHARES AGGREGATING TO ₹ [•] MILLION BY MS. SHEETAL ANSAL ("OFFER FOR SALE"). THE OFFER SHALL CONSTITUTE [•]% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY AND THE INSTITUTIONAL SELLING SHAREHOLDERS (AS DEFINED BELOW), IN CONSULTATION WITH THE GLOBAL CO-ORDINATORS AND BOOK RUNNING LEAD MANAGERS (THE "GCBRLMs") AND BOOK RUNNING LEAD MANAGER ("BRLM") AND WILL BE ADVERTISED IN [•] EDITIONS OF [•] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND [•] EDITIONS OF [•] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, HINDI ALSO BEING THE REGIONAL LANGUAGE IN THE PLACE WHERE OUR REGISTERED AND CORPORATE OFFICE IS LOCATED) AT LEAST FIVE WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO THE BSE LIMITED (THE "BSE") AND THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED (THE "NSE", AND TOGETHER WITH THE BSE, THE "STOCK EXCHANGES") FOR THE PURPOSES OF UPLOADING ON THEIR RESPECTIVE WEBSITES.

THE FACE VALUE OF THE EQUITY SHARE IS ₹10 EACH

In case of a revision in the Price Band, the Bid/Offer Period will be extended for at least three additional Working Days after revision of the Price Band subject to the Bid/Offer Period not exceeding a total of 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the websites of the GCBRLMs and BRLM, and at the terminals of the members of the Syndicate and by intimation to Self Certified Syndicate Banks ("**SCSBs**"), the Registered Brokers,Collecting Registrar and Share Transfer Agents ("**CRTAs**")and Collecting Depository Participants ("**CDPs**").

The offer is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "**SCRR**"), through the Book Building Process and in compliance with Regulation 26(2) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "**SEBI ICDR Regulations**"), wherein at least 75% of the Offer shall be Allotted to Qualified Institutional Buyers ("**QIBs**") (the "**QIB Category**"), provided that the Company and HEP Mauritius Limited, Mayfield FVCI, Ltd. and ICP Holdings I (the "**Institutional Selling Shareholders**")may, in consultation with the GCBRLMs and BRLM, allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations (the "**Anchor Investor Portion**"), of which one-third is to 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 made to Anchor Investors. Further, 5% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Category shall be 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. If at least 75% of the Offer cannot be Allotted to QIBs, then the entire application money will be refunded forthwith. Further, not more than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not more that 10% of the Offer shall be available for allocation to Retail Individual Investors, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. All Investors (except Anchor Investors) shall mandatorily participate in this Offer only through the Application Supported by Blocked Amount ("**ASBA**") process, and shall provide details of their respective bank account in which the Bid amount will be blocked by the Self Certified Syndicate Banks ("**SCSBs**").Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process.For details, see "***OfferProcedure***" on page 327.

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 ₹ 10 and the Floor Price and Cap Price are [•] times and [•] times of the face value of the Equity Shares, respectively. The Offer Price (as determined and justified by our Company and the Institutional Selling Shareholders in consultation with the GCBRLMs and BRLM, in accordance with with SEBI ICDR Regulations, and as stated in "***Basis for OfferPrice***" on page 87) 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 Draft Red Herring Prospectus. Specific attention of the investors is invited to "***Risk Factors***" on page 16.

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Further, each Selling Shareholder accepts responsibility for and confirms that the information relating to itself and the Equity Shares being offered by it in the Offer for Sale contained in this Draft Red Herring Prospectus are true and correct in all material aspects and are not misleading in any material respect. Each Selling Shareholder, severally and not jointly, does not assume any responsibility for any other statements, including without limitation, any and all of the statements made by or in relation to the Company or the other Selling Shareholders in this Draft Red Herring 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 [•] and [•], respectively. For the purposes of this Offer, [•] is the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and the Prospectus shall be delivered for registration to the RoC in accordance with Section 26(4) of the Companies Act 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/Offer Closing Date. For details, see "***Material Contracts and Documents for Inspection***" on page 381.

GLOBAL CO-ORDINATORS AND BOOK RUNNING LEAD MANAGERS		BOOK RUNNING LEAD MANAGER	REGISTRAR TO THE OFFER
ICICI Securities	Edelweiss Ideas create, values protect	AMBIT Acumen at work	LINK Intime
ICICI Securities Limited ICICI Center, H.T. Parekh Marg, Churchgate, Mumbai – 400 020, Maharashtra,India **Tel**: +91 22 2288 2460; **Fax:** +91 22 2282 6580 **E-mail:** gcl.ipo@icicisecurities.com; **Website:** www.icicisecurities.com **Investor Grievance E-mail:** customercare@icicisecurities.com **Contact Person:** Govind Khetan **SEBI Registration No.:** INM000011179	**Edelweiss Financial Services Limited** 14th Floor, Edelweiss House, Off. CST Road, Kalina, Mumbai – 400 098, Maharashtra, India **Tel**: +91 22 4009 4400; **Fax:** +91 22 4086 3610 **E-mail:** gcl.ipo@edelweissfin.com; **Website:** www.edelweissfin.com **Investor Grievance E-mail:** customerservice.mb@edelweissfin.com **Contact Person:** Siddharth Shah / Sanjukta Bhattacharjee **SEBI Registration No.:** INM0000010650	**Ambit Private Limited*** Ambit House, 449, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, Maharashtra, India **Tel**: +91 22 3982 1819; **Fax**: +91 22 3982 3020 **E-mail**: genesisipo@ambit.co, **Website**: www.ambit.co **Investor Grievance E-mail**: customerservicemb@ambit.co **Contact Person**: Sandeep Sharma **SEBI Registration No.**: INM000010585 * *Formerly Ambit Corporate Finance Private Limited*	**Link Intime India Private Limited** C-13, Pannalal Silk Mills Compound, L.B.S Marg, Bhandup (West), Mumbai– 400 078, Maharashtra, India **Tel**: +91 22 6171 5400;**Fax**: +91 22 2596 0329 **E-mail**: gcl.ipo@linkintime.co.in; **Website**: www.linkintime.co.in **Investor Grievance Email**: gcl.ipo@linkintime.co.in **Contact Person**: Shanti Gopalkrishnan **SEBI Registration No.**: INR000004058

BID/OFFER PERIOD*			
BID/OFFER OPENS ON*	[•]	**BID/OFFER CLOSES ON ****	[•]

** Our Company and the Institutional Selling Shareholders, in consultation with the GCBRLMs and BRLM, may consider participation by Anchor Investors, in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date.*
*** Our Company and the Institutional Selling Shareholders, in consultation with the GCBRLMs and BRLM, may decide to close the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date, in accordance with the SEBI ICDR Regulations.*

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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 Draft Red Herring 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**", "**our Company**" are references to Genesis Colors Limited, a company incorporated in India under the Companies Act 1956 with its Registered and Corporate Office at 51-52, Udyog Vihar, Phase – IV, Gurgaon, 122 001, Haryana, India, and references to "**we**", "**us**" and "**our**" are references to our Company, together with its Subsidiaries and Joint Ventures (as defined below).*

Company Related Terms

Term	Description
Ansal SPSHA	Share purchase and shareholders' agreement dated May 3, 2013 among Mr. Sanjay Kapoor, Pranav Ansal & Son HUF (through its karta, Mr. Pranav Ansal), Ms. Sheetal Ansal and Ms. Kusum Ansal and our Company
AoA/Articles of Association or Articles	The articles of association of our Company, as amended
Associate Company(ies)	The associate company(ies) of our Company, in terms of Section 2(6) of the Companies Act, 2013, being our Joint Ventures
Audit Committee	The audit committee of our Board
Auditors/ Statutory Auditors	The statutory auditor of our Company, being B S R & Co. LLP
BCCL	Bennett, Coleman & Company Limited
BCCL SWSA	Share cum warrant subscription agreement dated September 18, 2012, among BCCL, our Company, Mr. Sanjay Kapoor, Mr. Jyoti Mohan Narula and Mr. Puneet Nanda, as amended by agreement dated January 3, 2013
Board/ Board of Directors	The board of directors of our Company, or a duly constituted committee thereof
BIPL	Burberry India Private Limited
CIPL	Canali India Private Limited
Director(s)	The director(s) on our Board
Equity Shares	The equity shares of our Company of face value of ₹ 10 each
Equity Shareholders	The holders of the Equity Shares
F & S Report	Industry report titled "Assessment on Luxury Goods Industry" dated September 15 2016, prepared by Frost & Sullivan (India) Private Limited
GCL SOP 2016	Genesis Colors Limited Stock Option Plan – 2016
GLEPL	Genesis Life Style Events Private Limited
GLF	Genesis Luxury Fashion Private Limited
GLFLB	GLF Lifestyle Brands Private Limited
GLM	Genesis La Mode Private Limited
GMLIF	GML India Fashion Private Limited
Group Companies	The group companies of our Company, as covered under the applicable accounting standards and other companies as considered material by our Board and described in "***Our Promoters, Promoter Group and Group Companies***" on page 152
Gurgaon Unit	Manufacturing facility of our Company located at Daultabad Road, Gurgaon
HEP Agreement	Share subscription, share purchase and shareholders' agreement dated September 17, 2009 among HEP Mauritius, our Company, Mr. Sanjay Kapoor as amended by agreements dated July 27, 2011, November 30, 2012 and September 28, 2016
HEP Mauritius	HEP Mauritius Limited
HGPL	Harmony Garments Private Limited
ICP	ICP Holdings I
Institutional Selling Shareholders	Collectively, HEP Mauritius, Mayfield and ICP

International Brands	The portfolio of international luxury brands distributed by us, including the *Armani* brands *(Giorgio Armani, Emporio Armani, Armani Jeans and A|X Armani Exchange)*, *Bottega Veneta*, *Burberry*, *Canali*, *Coach*, *Furla*, *G-Star Raw*, *Hugo Boss*, *Jimmy Choo*, *Michael Kors*, *Paul Smith*, *Tumi* and *Villeroy & Boch*
IPO Committee	The IPO committee of our Board constituted to facilitate the process of the Offer, comprising Mr. Sanjay Kapoor, Mr. Samit Guha, Mr. Vishal Kirti Keshav Marwaha and Mr. Vikram Suhas Godse
JM Financial	JM Financial Trustee Company Private Limited
Joint Ventures/JVs	The joint ventures of our Company, namely, Burberry India Private Limited, Canali India Private Limited and V&B Lifestyle India Private Limited
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 138
Manesar Unit	Manufacturing facility of our Company located in Section 6, IMT Manesar
Materiality Policy	The policy adopted by our Board on September 22, 2016 for identification of Group Companies, outstanding litigation and outstanding dues to creditors in respect of our Company, pursuant to the disclosure requirements under the SEBI ICDR Regulations
Mayfield	Mayfield FVCI, Ltd.
MLPL	Mystique Logistics Private Limited
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
Owned Brands	*Satya Paul* and *Bw!tch*
Preference Shares	The preference shares of our Company with face value ₹ 10 each
Promoters	The promoters of our Company, namely Mr. Sanjay Kapoor and the Sanjay Kapoor Trust
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 152
Registered and Corporate Office	The registered and corporate office of our Company, at 51-52, Udyog Vihar, Phase – IV, Gurgaon, 122001, Haryana, India
SDL	Splendor Distributions Ltd
Selling Shareholders	Collectively, HEP Mauritius, Seminary Tie-Up, Mayfield, ICP, Pranav Ansal & Son HUF, Ms. Kusum Ansal and Ms. Sheetal Ansal
Seminary Tie-Up	Seminary Tie-Up Private Limited
Sequoia Investors	Sequoia Capital India Growth Investment Holdings I and Sequoia Capital India Growth Investments I
Series-A CCPS	0.001% Series A of compulsorily convertible preference shares of face value of ₹ 1,000 each
SLRPL	Sunrise Luxury Retail Private Limited
Stakeholders Relationship Committee	The stakeholders relationship committee of our Board
SSPL	Symphony Prints Private Limited
SSSHA	Share subscription and shareholders' agreement dated May 22, 2008 among the SSSHA Investors, our Company and Mr. Sanjay Kapoor, as amended by amendment agreements dated September 28, 2009, July 27, 2011 and November 30, 2012.
SSSHA Investors	The Sequoia Investors, ICP and Mayfield
Subsidiaries	The subsidiaries of our Company as disclosed in "***History and Certain Corporate Matters – Subsidiaries of our Company***" on page 134
SVB	SVB India Capital Partners I, L.P.
V&B India	V&B Lifestyle India Private 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 cum Application Form
Allotted/Allotment/Allot	The issue, allotment and transfer of the Equity Shares to successful Bidders pursuant to the Offer
Allottee	A successful Bidder to whom the Equity Shares are Allotted
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
Anchor Escrow Account	Account opened with Anchor Escrow Bank for the Offer and in whose favour the Anchor Investors will transfer money through direct credit or NEFT or RTGS in respect of the Bid Amount when submitting a Bid
Anchor Escrow Agreement	Agreement dated [●], entered into among our Company, the Selling Shareholders, the Registrar to the Offer, the GCBRLMs, BRLM the Syndicate Members, the Anchor Escrow Bank and Refund Bank for collection of the Bid Amounts and where applicable remitting refunds, if any, to the Anchor Investors, on the terms and conditions thereof
Ambit	Ambit Private Limited
Anchor Investor	A QIB, who applies under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations
Anchor Investor Bidding Date	The date one Working Day prior to the Bid/Offer Opening Date on which Bids by Anchor Investors shall be submitted and allocation to the Anchor Investors shall be 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 the Prospectus, which will be a price equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company and the Institutional Selling Shareholders, in consultation with the GCBRLMs and BRLM
Anchor Investor Portion	Up to 60% of the QIB Category, which may be allocated by our Company and the Institutional Selling Shareholders, in consultation with the GCBRLMs and BRLM, to Anchor Investors, on a discretionary basis, in accordance with SEBI ICDR Regulations. 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 made to Anchor Investors.
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 will be blocked by such SCSB to the extent of the appropriate Bid Amount in relation to a Bid by a Bidder (other than a Bid by an Anchor Investor)
ASBA Form	An application form, whether physical or electronic, used by Bidders bidding through the ASBA process, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Banker(s) to the Offer /Anchor Escrow Bank(s)	The bank(s) which is/are clearing members and are registered with the SEBI as an escrow bank, with whom the Anchor Escrow Accounts in relation to the Offer for Bids by Anchor Investors will be opened, in this case being [●]
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 327
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.
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

Term	Description
Bid cum Application Form	The form in terms of which the Bidder shall make a Bid, including ASBA Form, and which shall be considered as the application for the Allotment pursuant to the terms of the Red Herring Prospectus and the Prospectus
Bid Lot	[●] Equity Shares
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor
Bid/Offer Closing Date	Except in relation to Anchor Investors, the date after which the Designated Intermediaries shall not accept any Bids for the Offer, which shall be published in [●] editions of [●] (a widely circulated English national daily newspaper) and [●] editions of [●] (a widely circulated Hindi national daily newspaper**,** Hindi also being the regional language in the place where our Registered and Corporate Office is located**)** and in case of any revisions, the extended Bid/Offer Closing Date shall also be notified on the websites and terminals of the Syndicate Members, as required under the SEBI ICDR Regulations. Our Company and the Institutional Selling Shareholders, in consultation with the GCBRLMs and BRLM, may decide to close the Bid/ Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date, subject to the SEBI ICDR Regulations
Bid/Offer Opening Date	Except in relation to Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids for the Offer, which shall be published in [●] editions of [●] (a widely circulated English national daily newspaper) and [●] editions of [●] (a widely circulated Hindi national daily newspaper, Hindi also being the regional language in the place where our Registered and Corporate Office is located) and in case of any revisions, the extended Bid/Offer Closing Date shall also be notified on the websites and terminals of the Syndicate Members, as required under the SEBI ICDR Regulations.
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) can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus.
Bidding Centres	Centres at which the Designated Intermediaries shall accept 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 Manager/BRLM	Ambit Private Limited, book running lead manager to the Offer
Broker Centres	Broker centres of the Registered Brokers, where Bidders (other than Anchor Investors) can submit 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	The higher end of the Price Band above which the Offer Price and Anchor Investor Offer Price will not be finalized and above which no Bids will be accepted, including any revisions thereof
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 under Section 12 (1A) of the SEBI Act and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
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 circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Cut-off Price	The Offer Price, finalized by our Company and the Institutional Selling Shareholders, in consultation with the GCBRLMs and BRLM, which shall be any price within the Price Band. Only Retail Individual Investors are entitled to Bid at the Cut-off Price.

Term	Description
	QIBs (including Anchor Investors) and Non-Institutional Investors are 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 Branches	Such branches of the SCSBs which may collect 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/home/list/5/33/0/0/Recognised-Intermediaries) and updated from time to time
Designated CDP Locations	Such centres of the Collecting Depository Participants where Bidders (except Anchor Investors) can submit 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 and updated from time to time
Designated Date	The date on which the funds from the Anchor Escrow Accounts are transferred to the Public Offer Account or the Refund Account(s), as appropriate, and the amounts blocked by the SCSBs are transferred from the ASBA Accounts, to the Public Offer Account or Refund Account, as applicable, in terms of the Red Herring Prospectus, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Offer and the Selling Shareholders give delivery instructions for the transfer of their respective portions of the Equity Shares under the Offer for Sale
Designated Intermediaries	Collectively, the members of the Syndicate, sub-syndicate/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 (except Anchor Investors) can submit 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	[●]
Draft Red Herring Prospectus/DRHP	This draft red herring prospectus dated September 28, 2016, issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which our Equity Shares will be Allotted and the size of the Offer, including any addenda or corrigenda thereto
Edelweiss	Edelweiss Financial Services Limited
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 constitutes an invitation to subscribe for the Equity Shares
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	The lower end of the Price Band, and any revisions thereof, at or above which the Offer Price and the Anchor Investor Offer Price will be finalized and below which no Bids will be accepted and which shall not be less than the face value of the Equity Shares
Fresh Issue	Fresh issue of [●] Equity Shares aggregating up to ₹ 3,800 million to be issued by our Company as part of the Offer, in terms of the Red Herring Prospectus and Prospectus.
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 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 327
Global Co-ordinators and Book Running Lead Managers	Global co-ordinators and book running lead managers to the Offer, in this case being ICICI Securities Limited and Edelweiss Financial Services Limited
I-Sec	ICICI Securities Limited
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

Term	Description
Mutual Fund Portion	5% of the QIB Category (excluding the Anchor Investor Portion) or [●] Equity Shares which shall be available for allocation to Mutual Funds only, on a proportionate basis, subject to valid Bids being received at or above the Offer Price
Net Proceeds	Proceeds of the Offer that will be available to our Company, i.e., gross proceeds of the Fresh Issue, less Offer Expenses to the extent applicable to the Fresh Issue
Non-Institutional Category	The portion of the Offer, being not more than 15% of the Offer or [●] Equity Shares, 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	Public issue of up to [●] Equity Shares of face value ₹10 each for cash at a price of ₹ [●] each comprising the Fresh Issue and the Offer for Sale
Offer Agreement	The agreement dated September 28, 2016 entered into among our Company, the Selling Shareholders and the GCBRLMs and BRLM, pursuant to which certain arrangements are agreed to in relation to the Offer
Offer for Sale	Offer of up to 1,916,741 Equity Shares to be offered for sale/transfer by the Selling Shareholders pursuant to the Offer in terms of the Red Herring Prospectus and the Prospectus
Offer Price	The final price at which Equity Shares will be Allotted to the successful Bidders (except Anchor Investors), as determined in accordance with the Book Building Process and determined by our Company and the Institutional Selling Shareholders, in consultation with the GCBRLMs and BRLM in terms of the Red Herring Prospectus on the Pricing Date.
Price Band	Price band of the Floor Price of ₹ [●] and a Cap Price of ₹ [●], including any revisions thereof. The Price Band and the minimum Bid Lot size for the Offer will be decided by our Company and the Institutional Selling Shareholders, in consultation with the GCBRLMs and BRLM, and advertised in [●] editions of [●], a widely circulated English national daily newspaper and [●] editions of [●] (a widely circulated Hindi national daily newspaper, Hindi also being the regional language in the place where our Registered and Corporate Office is located) at least five Working Days prior to the Bid/Offer Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price and shall be made available to the Stock Exchanges for the purpose of uploading on their websites
Pricing Date	The date on which our Company and the Institutional Selling Shareholders, in consultation with the GCBRLMs and BRLM, shall finalize the Offer Price
Prospectus	The Prospectus 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 account(s) to be opened with the Banker(s) to the Offer under Section 40(3) of the Companies Act 2013 to receive monies from the Anchor Escrow Account(s) and the ASBA Accounts on the Designated Date
QIB Category	The portion of the Offer, being at least 75% of the Offer or [●] Equity Shares to be Allotted to QIBs on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company and the Institutional Selling Shareholders, in consultation with the GCBRLMs and BRLM), subject to valid Bids being received at or above the Offer Price
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 to be issued in accordance with Section 32 of the Companies Act 2013 and the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares shall be Allotted and which shall be filed with the RoC at least three Working Days before the Bid/Offer Opening Date and will become the Prospectus after filing with the RoC after the Pricing Date, including any addenda or corrigenda thereto
Refund Account(s)	Account(s) 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

Term	Description
Refund Bank(s)	The Bankers to the Offer with whom the Refund Account(s) have will be opened, in this case being [●]
Registered Brokers	Stock brokers registered with the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids in terms of circular number CIR/CFD/14/2012 dated October 14, 2012, issued by SEBI
Registrar Agreement	The agreement dated September 28, 2016, entered into among our Company 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	Link Intime India Private Limited
Retail Category	The portion of the Offer, being not more than 10% of the Offer or [●] Equity Shares, available for allocation to Retail Individual Investors, which shall not be less than the minimum Bid lot, subject to availability in the Retail Category
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 (http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries) and updated from time to time and at such other websites as may be prescribed by SEBI from time to time
Share Escrow Agreement	Agreement to be entered into between the Selling Shareholders, our Company and a share escrow agent in connection with the transfer of the respective portion of 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 shall accept Bid cum Application Forms, a list of which is included in the Bid cum Application Form
Stock Exchanges	Collectively, BSE Limited and National Stock Exchange of India Limited
Syndicate Agreement	The agreement dated [●] entered into amongst the members of the Syndicate, our Company, the Selling Shareholders and the Registrar to the Offer in relation to the collection of Bid cum Application Forms by the Syndicate
Syndicate Members	Intermediaries registered with the SEBI and permitted to carry out activities as an underwriter, in this case being [●]
Syndicate or members of the Syndicate	Collectively, the GCBRLMs, BRLM and the Syndicate Members
Underwriters	[●]
Underwriting Agreement	The agreement among our Company, the Selling Shareholders and the Underwriters, to be entered into on or after the Pricing Date
Working Day(s)	Any day, other than the second and fourth Saturdays of each calendar month, Sundays and public holidays, 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 no 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 18	Accounting Standard 18 issued by the Institute of Chartered Accountants of India
BSE	BSE Limited

Term	Description
CAGR	Compounded Annual Growth Rate
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	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013, read with the rules, regulations, clarifications and modifications thereunder
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 FDI Policy, effective from June 7, 2016, 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
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
Depositories Act	The Depositories Act, 1996
Designs Act	Designs Act, 2000
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI
DP ID	Depository Participant's identity number
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
EPF Act	Employees' Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
ESI Act	Employees' State Insurance Act, 1948
Euro	Euro, the official single currency of the participating member states of the European Economic and Monetary Union of the Treaty establishing the European Community
Factories Act	Factories Act, 1948
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
FII(s)	Foreign Institutional Investors as defined under Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 2000, registered with the SEBI under applicable laws in India and deemed as FPIs under the SEBI FPI Regulations
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, provided that any FII who holds a valid certificate of registration shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
Frost & Sullivan	Frost & Sullivan (India) Private Limited
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GAAR	General Anti-Avoidance Rules
GDP	Gross Domestic Product
GoI	The Government of India
GST	Goods and services tax
HUF(s)	Hindu Undivided Family(ies)
IAS Rules	Companies (Indian Accounting Standards) Rules, 2015
ICAI	Institute of Chartered Accountants of India

Term	Description
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 the Companies (Indian Accounting Standard) Rules, 2015, as amended
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
Legal Metrology Act	Legal Metrology Act, 2009
MCA	The Ministry of Corporate Affairs, GoI
Mn	Million
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
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	The National Stock Exchange of India Limited
P/E Ratio	Price/Earnings Ratio
PAN	Permanent account number
PAT	Profit after tax
Payment of Bonus Act	Payment of Bonus Act, 1965
Payment of Gratuity Act	Payment of Gratuity Act, 1972
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act, 1933
RoC or Registrar of Companies	The Registrar of Companies, National Capital Territory of Delhi and Haryana
SCRA	Securities Contract (Regulation) Act, 1956
SCRR	The 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 ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI Listing Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
STT	Securities Transaction Tax
Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Trademarks Act	Trademarks Act, 1999
US$/ USD/ US Dollar	United States Dollar, the official currency of the United States of America
USA/ U.S./ US	United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
U.S. GAAP	Generally Accepted Accounting Principles in the United State of America
VAT	Value Added Tax
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
AQL	Accepted Quality Levels
CRM	Customer Record Management
EBOs	Exclusive Brand Outlets
UHNH	Ultra-high net worth households
UHNI	Ultra-high net worth individual
HNH	High net-worth households

The words and expressions used but not defined in this Draft Red Herring Prospectus will have the same meaning as assigned to such terms under the Companies Act 1956, as superseded and substituted by notified provisions of the Companies Act 2013 (together the "**Companies Act**"), the Securities and Exchange Board of India Act, 1992 ("**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***", "***Regulations and Policies in India***", "***Financial Information***", "***Outstanding Litigation and Material Developments***" 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 Draft Red Herring Prospectus to "India" are to the Republic of India.

Financial Data

Unless indicated otherwise, the financial data in this Draft Red Herring Prospectus is derived from our restated consolidated financial information and restated standalone financial information as of and for the Fiscals ended March 31, 2016, 2015, 2014, 2013 and 2012 and the respective notes, schedules and annexures thereto, prepared in accordance with the Generally Accepted Accounting Principles in India (the "**Indian GAAP**") and the Companies Act and restated in accordance with the SEBI ICDR Regulations and included elsewhere in this Draft Red Herring Prospectus.

Certain data included in this Draft Red Herring Prospectus in relation to certain operating metrics, financial and other business related information not otherwise included in the restated financial information has been reviewed and verified by Nayyar Maniar & Associates LLP or DMRN & Associates, third-party chartered accountants. Further, the statement of tax benefits has been reviewed, certified and verified by Ajay Wadhwa and Associates, Chartered Accountants.

In this Draft Red Herring Prospectus, references to "revenue from Owned Brands" includes, in addition to revenues from *Satya Paul* and *Bw!tch*, revenues from private-label contract manufacturing and distribution for certain third-party brands, some of which we have ceased to manufacture/distribute either before or with effect from April 1, 2016, as applicable. Further, in this Draft Red Herring Prospectus, references to "revenue from International Brands" means revenues from the distribution and sale of such international luxury and premium brands as are part of our portfolio from time to time, in respect of which we have distribution rights in India. As of the date of this Draft Red Herring Prospectus, we have the rights to distribute 16 such international brands, as described in more detail in "***Our Business***" on page 104.

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 financial year 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 significant differences between the Indian GAAP, the International Financial Reporting Standards (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 Draft Red Herring 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 Indian accounting practices, the Indian GAAP, the Companies Act and the SEBI ICDR Regulations on the financial disclosures presented in this Draft Red Herring 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 Draft Red Herring Prospectus, nor do we provide 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.

On February 16, 2015, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Rules, 2015 ("**IAS Rules**") for the purpose of enacting changes to Indian GAAP that are intended to align Indian GAAP further with IFRS. The IAS Rules provide that the financial information of the companies to which they apply shall be prepared and audited in accordance with the Indian Accounting Standard ("**IND (AS)**"), although any company may voluntarily implement IND (AS) for the accounting period beginning from April 1, 2015.

We have not made any attempt to quantify or identify the impact of the differences between Indian GAAP and IND (AS) as applied to our financial information and it is urged that you consult your own advisors regarding the impact of difference, if any, on financial data included in this Draft Red Herring Prospectus. See "***Risk Factors – Significant differences exist between Indian GAAP and other accounting principles, such as the International Financial Reporting Standards ("IFRS") and U.S. GAAP, which may be material to investors' assessment of***

our financial condition. Our failure to successfully adopt IND (AS) may have an adverse effect on the price of our Equity Shares" on page 34.

Certain figures contained in this Draft Red Herring Prospectus, including financial information, have been subject to rounding adjustments. All decimals have been rounded off to two decimal points. 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 in their respective sources, such figures appear in this Draft Red Herring Prospectus as rounded-off to such number of decimal points as provided in such respective sources.

Industry and Market Data

We have commissioned a report titled "Assessment on Indian Luxury Goods Industry" dated September 15, 2016, prepared by Frost and Sullivan (India) Private Limited, for the purpose of confirming our understanding of the industry in connection with the Offer. Further, in this regard, Frost and Sullivan (India) Private Limited has issued the following disclaimer:

"*The market research method for this study has been undertaken through detailed primary and secondary research, which involves discussing the status of the industry with leading industry participants and experts, and compiling inputs from publicly available sources, including official publications and research reports. Quantitative market information is based primarily on such interviews and desk-based secondary research; therefore, making it subject to fluctuation.*

Frost & Sullivan (I) Private Limited has taken all reasonable care to ensure that the information contained in this report is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

This Frost & Sullivan (I) Private Limited report is prepared for our client's internal use, submission, and sharing with the relevant parties as well as for inclusion in the draft red herring prospectus, the red herring prospectus, and the prospectus of Genesis Colors Limited (herein Genesis Colors)."

Aside from the above, unless stated otherwise, industry and market data used throughout this Draft Red Herring 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 Draft Red Herring Prospectus is reliable, it has not been independently verified by us, the Selling Shareholders, the GCBRLMs and BRLM, or any of our or their respective affiliates or advisors, and none of these parties 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 Draft Red Herring 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***" on page 16.

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 "**US$**", "**U.S. Dollar**", "**USD**" or "**U.S. Dollars**" are to United States Dollars, the official currency of the United States of America. All reference to "**Eur**" or "**€**" is to Euro, the official currency of the European Union. All references to "**AED**" is to United Arab Emirates Dirham, the official currency of United Arab Emirates ("**UAE**"). All reference to "**GBP**" is to the Great Britain Pound, the official currency of Great Britain.

In this Draft Red Herring Prospectus, our Company has presented certain numerical information. All figures have been expressed in millions. 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 millions in their respective sources, such figures appear in this Draft Red Herring Prospectus expressed in such denominations as provided in such respective sources.

Exchange Rates

This Draft Red Herring Prospectus contains conversions of U.S. Dollars and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI ICDR Regulations. These conversions should not be construed as a representation that such currency amounts could have been, or can be converted into Indian Rupees, at any particular rate, or at all.

The exchange rates of certain currencies used in this Draft Red Herring Prospectus into Indian Rupees are provided below.

(in ₹)

Currency	Exchange rate as on August 31, 2016	Exchange rate as on March 31, 2016	Exchange rate as on March 31, 2015	Exchange rate as on March 28, 2014*	Exchange rate as on March 28, 2013**	Exchange rate as on March 30, 2012***
1 USD	66.98	66.33	62.59	60.09	54.39	51.16
1 GBP	87.75	95.20	92.76	99.73	82.27	82.86
1 Eur	74.62	75.09	67.51	82.58	69.54	68.34
1 AED	18.25	18.00	17.02	16.36	14.79	14.18

Source: RBI Reference Rate (for USD, GBP and Eur) and www.oanda.com (for AED)

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

*** Exchange rate as on March 28, 2013, as RBI Reference Rate is not available for March 31, 2014, March 30, 2014 and March 29, 2014 being a Sunday, Saturday and public holiday respectively.*

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

FORWARD-LOOKING STATEMENTS

This Draft Red Herring 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.

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:

- Our inability to maintain existing and / or establishing new arrangements with brand owners for distribution of international luxury products in India, or procure adequate supply of such products;
- Our being bound by restrictive covenants under joint venture / distribution agreements in relation to International Brands, affecting our financial and operating conditions;
- General macroeconomic cycles affecting consumer spending;
- Change in customer perception of International Brands owing to extraneous factors;
- Our inability to ascertain suitability of locations for brand outlets, particularly International Brands;
- Ineffective investments in brand-building and marketing activities of Owned Brands, affecting brand image and business conditions;
- Failure to manage inventory owing to assumption of inventory risk for distributors and franchisees;
- Execution risks affecting growth strategies;
- Failure to protect intellectual property of Owned Brands or International Brands, resulting in harm to business and competitive position; and
- Our reliance on franchisees, who we do not control, to operate certain EBOs of our Owned Brands and the International Brands.

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 16, 104 and 274, 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 be different from those that have been estimated. Forward-looking statements reflect our current views as of the date of this Draft Red Herring 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.

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 SEBI requirements, our Company and the GCBRLMs and BRLM 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.

SECTION II - RISK FACTORS

*An investment in equity shares involves a high degree of risk. You should carefully consider all the information disclosed in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks described below are not the only ones relevant to us or the Equity Shares, or the market for luxury products in India. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our business, financial condition, results of operations and prospects. 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 the risks involved. If any of the risks described below or other risks that are currently not known actually occur, our business, financial condition, results of operations and prospects could be adversely affected, the trading price of the Equity Shares could decline, and prospective investors may lose all or part of their investment. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares. Prospective investors should read this section in conjunction with the other sections of this Draft Red Herring Prospectus, in particular the sections titled "**Our Business**", "**Industry Overview**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on pages 104, 92 and 274, respectively, as well as the restated consolidated financial information and the restated standalone financial information included in the section titled "**Financial Statements**" on page 159. This Draft Red Herring Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. For further details, see "**Forward-Looking Statements**" on page 15. Unless otherwise stated or the context requires, financial information used in this section is derived from the Restated Consolidated Financial Information of our Company.*

Internal Risk Factors

1. ***If we are unable to maintain existing and/or establish new arrangements with the brand owners for the distribution of international luxury products in India, or are unable to procure an adequate supply of products, our business would be adversely affected.***

   We have entered into distribution/ joint venture agreements with brand owners in relation to 16 international brands in India (the "**International Brands**"), pursuant to which we distribute luxury and premium products. These arrangements are predominantly in the form of distributor and joint venture agreements which, other than for one of the International Brands, provide us with the exclusive right to distribute the products of such International Brands within India (other than duty free stores and online distribution channels for certain International Brands). While we strive to enter into long-term agreements with the brand owners, our current agreements typically range from a term of three to 20 years. In the absence of long-term agreements with some of the brand owners, we cannot assure you that they will continue to be associated (exclusively or otherwise) with us on reasonable terms, or at all. Further, the brand owners may recalibrate their global strategy vis-à-vis India as a market, which could result in termination of our agreements with them or renegotiation or renewal of agreements on terms less favourable to us. If one or more of our agreements with such brand owners is renegotiated or terminated, our business, results of operations and financial condition may be adversely affected. As a result, we may be required to enter into alternate arrangements with other brand owners, which may not be on terms favourable to us or whose brands may not be as recognizable or in demand, and could lead to an adverse impact on our business. Additionally, as on August 31, 2016, three of our distribution agreements with the International Brands are due to lapse in the next 12 months in accordance with their terms. Further, our distribution agreement with one of the International Brands expired in March 2016, and although we continue to distribute such brand on the same terms as our expired distribution agreement, there can be no assurance that we will be able to renew such arrangement on terms acceptable to us, or at all. If our distribution agreements in relation to the International Brands are not renewed, or are not renewed on terms and conditions that are favourable to us, our business, financial condition and results of operation may be adversely affected.

   We have entered into joint venture agreements with brand owners which provide our joint ventures with exclusive distribution rights for, '*Burberry*', '*Villeroy & Boch*' and '*Canali*' products in India. However, we do not have "control" over such companies, and therefore cannot make management and business decisions on behalf of such companies. If consumers have complaints regarding business decisions of such companies or experience product related issues, such complaints may have an adverse impact on our reputation and the sales of such products.

Our procurement model is subject to numerous risks, which, if they occur, could have a negative impact on our ability to receive an adequate supply of quality products at acceptable prices and meet the demands of consumers. These risks include events causing disruption of imports, including the imposition of additional import restrictions, or the brand owners failing to supply products or to perform their obligations due to political, financial or regulatory issues, significant adverse changes in the financial or business conditions of the brand owners, amongst others. If any or all of these risks materialize, it could have a material adverse effect on our business, financial condition and results of operations.

In addition, we rely significantly on a limited number of International Brands for a significant portion of our revenues. For instance, in Fiscal 2016, the sale of our top five International Brands (in terms of revenue) accounted for 46.11% of our total revenue on a consolidated basis. In the event we are unable to renew agreements with these International Brands or if these agreements are terminated, or if these brand owners do not provide adequate supply of products, our business and results of operations would be materially affected.

2. ***The market for luxury products is heavily influenced by general macroeconomic cycles that affect consumer spending, and a prolonged period of depressed consumer spending could have a material adverse effect on our business, financial condition and operating results.***

The market for luxury products has historically been subject to cyclical variations, recessions or slowdown in the global economy and uncertainties regarding future economic prospects that affect consumer spending habits. Purchases of discretionary luxury items tend to decline during recessionary periods, when disposable income is lower.

According to the F&S Report, India is one of the fastest emerging markets for luxury products. In 2015, the high-income group (annual income more than ₹ 1 million) consumers spent over 40% of their monthly income on luxury brands, whereas the middle-income consumers spent 8-10%. HNIs are the prime target for luxury brands. In the event the disposable income and purchasing power of such individuals decreases, or if there is a general economic slowdown leading to a slowdown in the discretionary spending patterns of such income groups, our results of operation and financial conditions may be materially impacted.

The success of our operations depends on a number of factors impacting discretionary consumer spending, including general economic conditions, consumer confidence, wages and employment, housing prices, consumer debt, interest rates, fuel and energy costs, taxation and political conditions. A continuation or worsening of the current weakness in the economy may negatively affect consumer and wholesale purchases of products distributed by us and could have a material adverse effect on our business, financial condition and operating results. Weakness in the economy may negatively affect consumer and wholesale purchases of products distributed by us and could have a material adverse effect on our business, financial condition and operating results.

3. ***The sales of the International Brands may be impacted by change in customer perception regarding these brands and various other factors, many of which are outside our control.***

The sales of the International Brands which we distribute may be impacted as a result of a change in customer perception in relation to any of these brands. For instance, if any of the International Brands are perceived by customers to be outdated or lose relevance among customers, in India or globally, the sales of these brands may suffer. The brand owners of the International Brands may therefore decide to reduce the supply or production of such brands, which in turn would adversely affect our financial condition and results of operation. Similarly, in the event the brand owners of the International Brands are unable to maintain or enhance their brands or if any event occurs which may adversely impact the reputation of such International Brands, within or outside our control, the sales of these International Brands may suffer, as a result of which our financial condition and our results of operation would be materially affected. Further, in accordance with the terms of our agreements with the brand owners, our advertising and brand campaigns must be pre-approved and prepared in consultation with such brand owners. Certain of our agreements with the brand owners of the International Brands also provide that we may only use such marketing materials which are provided by the brand owner and are required to follow the global marketing policies and brand campaigns for these International Brands in India. However, there can be no assurance that these brand campaigns will

appeal to Indian consumers and that we will succeed in increasing brand awareness of these International Brands through such brand building initiatives in India.

Further, we have no control over the product design or production with respect to the International Brands, which is controlled solely by the respective brand owners. If the brand owners are unable to anticipate, gauge or respond in a timely manner to changing fashion trends and consumer demands and preferences, the sales of these International Brands may be negatively impacted. Moreover, consumer preferences may vary across geographies. While certain of the brands have also customized their products to meet local Indian styles, there is no assurance that luxury products which are popular in their geographies or globally, will appeal to Indian consumers.

In the event any of the brand owners of the International Brands face production problems, such as performance below expected levels of efficiency, decreased supply, product manufacturing defects or labour disputes, this would result in a corresponding delay or disruption in our supply chain. Additionally, since our orders are placed with the International Brands six to nine months prior to sale, such delay or disruptions in our supply chain would materially impact our results of operation, business and financial condition.

4. ***The sales, particularly for the International Brands, could be adversely impacted by our inability to identify suitable locations for the exclusive brand outlets ("EBOs"), and other factors impacting the malls and locations where the EBOs are located, which could have an adverse effect on our financial condition and results of operations.***

The success of any EBO depends in substantial part on its location. In order to generate footfall we depend heavily on locating the EBOs in prominent locations within successful shopping malls. In particular, a significant number of the EBOs for the International Brands are situated at four malls, namely, DLF Emporio in Delhi, Palladium Mall in Mumbai, UB City Mall in Bangalore and Quest Mall in Kolkata. Sales at these EBOs are derived, in part, from the footfall in those malls. The EBOs benefit from the ability of a mall's other tenants to generate footfall in the vicinity of the EBOs and the continuing popularity of malls as shopping destinations. Sales volume and footfall in malls generally may be adversely affected by, among other things, economic downturns in a particular area, competition from internet retailers, non-mall retailers and other malls, and the closing or decline in popularity of stores in the malls in which we are located. A reduction in footfall in malls as a result of these or any other factors could have a material adverse effect on our business, results of operations and financial condition. Further, there can be no assurance that current locations will continue to be attractive as demographic patterns change. For instance, since Fiscal 2014, 23 EBOs of the Owned Brands and 27 EBOs of the International Brands were shut down due to various reasons, including due to disassociation with certain brands and relocation of EBOs to other locations.

In addition, factors impacting these malls, such as terrorist attacks or natural disasters could materially affect our business, results of operation and financial condition. Any threat of terrorist attacks or actual terrorist events, particularly in public areas, could lead to lower customer traffic in shopping malls. In addition, local authorities or mall management could close shopping malls in response to security concerns. Mall closures, as well as lower customer traffic due to security concerns, would likely result in decreased sales.

We typically approach the malls where an EBO is to be established, in consultation with the brand owners of the International Brands, when the mall is getting constructed. In the event there is a delay in the construction of the mall, the opening of one or more of the EBOs would also be delayed, which may impact our business and results of operation. We have, in the recent past, faced an instance where the delay in the construction and operation of a mall in Chennai has resulted in a delay in the operation of the EBOs in that city. Further since a majority of the EBOs are located at malls, our inability to negotiate or re-negotiate the terms for such EBOs could materially affect our business, results of operation and financial condition.

Further, neighborhood or economic conditions where EBOs are located could decline in the future, thus resulting in potentially reduced sales in those locations. Our ability to effectively obtain quality commercial property to relocate existing EBOs or open new EBOs 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. Failure to secure adequate new locations could have a material adverse effect on our results of operations. In addition, rising real

estate prices may restrict our ability to lease new desirable locations. If we cannot obtain desirable locations at reasonable prices our ability to effect our growth strategy will be adversely affected.

Further, we derive a majority of our sales from metropolitan cities in India, i.e., Delhi, Mumbai, Kolkata, Chennai and Bangalore. As of August 31, 2016, out of a total of 98 EBOs where products of the Owned Brands and the International Brands distributed by us are sold, 75 are located in these cities. Any adverse social, economic and political events in these regions and states, even on a short-term basis, may adversely impact our financial condition and results of operations.

5. ***We depend on the brand recognition and reputation of the Satya Paul and Bw!tch brands (the "Owned Brands"). Ineffective brand investments and marketing activities or failure to maintain or enhance our brand image could have a material adverse effect on our business, financial condition and results of operations.***

We believe that the recognition and reputation of our Owned Brands among consumers has contributed significantly to the growth and success of our business. Maintaining and enhancing the recognition and reputation of these brands are, therefore, critical to our business and competitiveness. Many factors, some of which are beyond our control, are important to maintaining and enhancing our Owned Brands. These factors include our ability to:

- maintain the popularity of the products we distribute and offer;
- maintain or improve consumer's satisfaction with the products we distribute and offer; and
- increase brand awareness through investment in brand building initiatives.

Further, the consumers that purchase products distributed by us have come to expect a high level of quality from such products, and our failure to deliver on that expectation could adversely impact our brand and reputation. In particular, from time to time we plan on launching new products, and if any of those products do not meet standards for quality and performance or consumers' subjective expectations, our brand reputation and the sales of our existing products may also be impacted. If we fail to maintain our reputation, enhance our brand recognition or increase positive awareness of the products we distribute, it may be difficult to maintain and grow our consumer base, which could have a material adverse effect on our business, financial condition and results of operations. For example, we have recently launched a *pret* line of products under the "*Club SP*" brand. However, there can be no assurance that this will not negatively impact its status or perception as a premium Indian apparel brand.

We also believe that maintaining and enhancing the *Satya Paul* and *Bw!tch* brands, are critical to maintaining and expanding our consumer base. Maintaining and enhancing our brands may require us to make substantial investments in areas such as research and development, outlet operations, marketing and employee training, and these investments may not be successful. In particular, as we expand into new geographic markets, consumers in these markets may not accept our brand.

We anticipate that, as our business expands into new markets and as the market becomes increasingly competitive, maintaining and enhancing our brands may become increasingly difficult and expensive. Our brands may also be adversely affected if our public image or reputation is tarnished by negative publicity. Maintaining and enhancing our brands will depend largely on our ability to anticipate, gauge and respond in a timely manner to changing fashion trends and consumer demands and preferences, and to continue to provide high quality products, which we may not do successfully. If we are unable to maintain or enhance our brand image, our results of operations may suffer and our business may be harmed.

We incur significant expenses on a variety of different brand investment and marketing efforts designed to expand brand recognition of our Owned Brands. We also aim to increase sales of the products distributed by us through marketing channels such as print advertising as well as digital advertising and social media outreach. As per the standalone financial information of our Company, our expenditure in advertising and branding exercises for our Owned Brands constituted 2.31%, 3.16% and 3.95% of our revenue from operations for Fiscals 2016, 2015 and 2014, respectively. Our brand investment and marketing activities may not be effective with consumers and may not result in the levels of sales that we anticipate. In addition, short term adjustments in our level of brand investment may have a long term impact on our brand reputation and ultimately, our results of operations. While brand investment is a key component of reinforcing the

relevance of our brand, we view brand investment as a discretionary expenditure and may vary the level of brand investment from time to time.

6. ***Our results of operations may be materially adversely affected by our failure to manage our inventory, particularly because we bear the entire inventory risk under substantially all of our distributor and franchisee arrangements and for most of the products distributed by us sold at EBOs and shop-in-shops within large format retail stores.***

We provide stock for the EBOs and shop-in-shops in large format retail stores based on estimates and anticipated future demand for particular products, both for the International Brands and our Owned Brands. We, therefore, need to anticipate the inventory compositions of EBOs and shop-in-shops in large format retail stores that will most closely reflect future sales patterns. We maintain records of historical sales made by our franchisees and use this data to extrapolate future sales patterns. However, if we fail to accurately forecast consumer demand, we may experience excess inventory levels or a shortage of products available for sale. There can be no assurance that we will be able to successfully manage our inventory at a level appropriate for future consumer demand.

Factors that could affect our ability to accurately forecast consumer demand for products distributed by us include:

- our failure to open points of sale as projected;
- a substantial increase or decrease in consumer demand for products distributed by us;
- our failure to accurately forecast consumer acceptance for new products distributed by us;
- new product introductions or pricing strategies by competitors;
- limited historical sales information for our newer markets;
- weakening of economic conditions or consumer confidence in future economic conditions, which could reduce demand for the products distributed by us;
- the introduction of restrictions on foreign trade by or against India or by or against foreign countries could threaten import of our raw materials and products; and
- acts or threats of war or terrorism which could adversely affect consumer confidence and spending or interrupt production and distribution of products.

Inventory levels in excess of consumer demand may result in inventory write-offs and the sale of excess inventory at discounted prices, which would cause our gross margin to suffer. Any write-downs or write-offs and the sale of excess inventory at discounted prices could also impair the strength and exclusivity of our brand. In addition, if we underestimate consumer demand for products distributed by us, we may not be able to service the demand for the products and this may damage our reputation and consumer relationships.

Similarly, we are vulnerable to demand and pricing shifts and to suboptimal selection and timing of raw material purchases for our Owned Brands. This could cause us to experience excess inventory levels of raw materials or a shortage of products available for sale and have a material adverse effect on our business, reputation, results of operations or financial condition.

7. ***Our growth strategies are subject to execution risks that may affect our business, results of operations and prospects.***

Our continued success in the future depends on our ability to implement our growth strategies effectively. Our growth strategies may not succeed due to various factors, including inability to identify opportunities with sufficient growth potential, failure to effectively market our business initiatives or foresee challenges with respect to our planned business initiatives or other operational difficulties.

Our growth depends in part on our ability to ensure opening of new EBOs and other physical stores successfully, both for the International Brands and our Owned Brands. However, this is subject to a variety of risks and uncertainties, and any failure to successfully open new stores would have a material adverse effect on our results of operations. These include, among others, our failure to identify suitable store locations, negotiate acceptable lease terms, suitable franchisee partner, source sufficient levels of inventory to meet the needs of the new stores. In addition, our proposed expansion will place increased demands on our operational, managerial and administrative resources. These increased demands could cause us to operate our business less effectively, which in turn could cause deterioration in the financial performance of our

individual stores and our overall business. To the extent new store openings are in markets with existing stores, we may experience reduced net sales in existing stores in those markets. In addition, successful execution of our growth strategy may require that we obtain additional financing, and we cannot assure you that we will be able to obtain that financing on acceptable terms or at all. Further, as part of our growth strategy, we seek to continue to add new international luxury brands to our portfolio. However, the success of each new brand is subject to various factors, some of which are outside our control. For example, since Fiscal 2012, six of our agreements with the International Brands were either not renewed or were prematurely terminated, due to a number of causes, including non-performance of these brands in India.

Further, we are planning on entering into new distribution channels and our success in entering new distribution channels depends on our ability to anticipate and implement innovations in customer experience and logistics to appeal to customers who increasingly rely on online channels to meet their shopping needs. If for any reason we are unable to implement our multi-channel distribution initiatives, provide a convenient and consistent experience for consumers across all channels or provide consumers the products they want, when and where they want them, our financial performance and brands could be adversely affected. For instance, we have recently entered into a memorandum of understanding dated April 15, 2016 with Tata UniStore Limited, with the intention of targeting the luxury consumer in India on the internet. The *Tata Cliq* online platform is a curated marketplace for brands to sell products through dedicated online storefronts, which we believe enables us to maintain brand identity for the International Brands. However, the market for purchase of luxury products online remains significantly low in India, and there can be no assurance that we will be able to successfully establish an online presence for the International Brands. Further, our online presence could have an adverse effect on our operational results, including diversion of traffic and sales from the EBOs and other physical stores, as well as liability for online content.

In addition, we are planning to expand our product offerings, including by offering new brands of international luxury products and launching new lines of products under the *Satya Paul* brand, such as cosmetics and home collections. These plans involve various risks, including that the implementation of these plans may be delayed or may not be successful and implementation of these plans may divert management's attention from other aspects of our business and place a strain on our management, operational and financial resources, as well as our information systems. Further, our ability to successfully carry out our plans to expand our product offerings may be affected by, among other things, economic and competitive conditions, changes in consumer spending patterns and changes in consumer preferences and style trends.

Failure in effectively implementing our growth strategies may result in diminution, loss or write-off of our investments in such lines of business, and may have an adverse effect on our business, results of operations and prospects.

8. Our failure to protect the intellectual property of our Owned Brands or the International Brands could harm our competitive position and materially adversely affect our business and results of operations.

We own a number of trademarks in India, including the trademarks '*Satya Paul*' and '*Bw!tch*'. We use a number of other trademarks, certain of which have been registered. We have also submitted applications for the registration of 35 trademarks under various classes of the Trade Mark Rules, 2002, including for '*Genesis Colors*', '*Club SP*' and '*Satya Paul Home*' and have made an application for registration of a design under the Designs Act, 2001 as well as an application for registration of a copyright for the published artistic work 'Maya' under the Copyrights Act, 1957. We believe that maintaining and enhancing our intellectual property rights is critical to maintaining and expanding our consumer base.

If we fail to protect our trademarks or other intellectual property, our business and financial condition may be adversely affected. In addition, pending our application for registration, our trademarks and designs will have limited legal protection. Furthermore, if we are unable to register any of these trademarks, we will not be able to use them in connection with our business, and, consequently, we may be unable to capitalize on the associated brand recognition. Additionally, we have hypothecated our *Satya Paul* brand in order to secure one of our borrowings. In the event we default in the repayment of our loan, our *Satya Paul* brand may be seized, which would adversely impact our business, results of operations and financial conditions. For further details of our intellectual property, see "***Our Business – Intellectual Property***" and "***Government and Other Approvals – Intellectual Property Approvals***" on page 121 and 302, respectively.

Further, pursuant to our agreements with brand owners of the International Brands, we also have limited rights to use the intellectual property, including trademarks, in connection with the operation of our stores and for the products which we are selling at the locations approved by the brand owners. Certain of these agreements provide that any unauthorized use of such intellectual property rights by us would result in an event of default. In the event we or any of our employees inadvertently use the intellectual property in such a manner, our agreements may be terminated, which could have a material adverse effect on our business, financial condition and results of operations.

9. ***We are subject to restrictive covenants under our joint venture/distribution agreements in relation to the International Brands that could adversely affect our financial condition and results of operations.***

There are certain restrictive covenants in agreements that we have entered into with the brand owners for the International Brands. For instance, some of our agreements include minimum purchase and/or minimum target obligations, pursuant to which we are required to purchase from the brand owners a certain specified minimum quantities of products and/or we are required to sell a certain number of products, on an annual basis, respectively, failing which such brand owners have the right to terminate our agreement. We have, in the past, faced instances where we have been unable to meet such minimum purchase and target obligations provided under certain of our agreements. While none of the brand owners have sought to terminate the joint venture/distribution agreement with them as a result of our inability to meet such targets, we cannot assure you that in the event we are unable to meet our targets in the future, or comply with any other terms and conditions in such agreements, the brand owners will not seek to terminate our agreements with them.

Further, some of our agreements restrict us from manufacturing, distributing, marketing or selling products or brands which are in competition with the products or brands of the brand owners. Such restrictions may limit our ability to form new arrangements with other international luxury brands, and as a result, such brand owners may enter into arrangements with our competitors which may adversely affect our business, results of operations and financial condition. Additionally, other than for one of the International Brands for which we do not have exclusive distribution rights, our agreements typically provide that we have exclusive distribution rights in India, these rights may not extend to sale of such products in duty free stores or through online sales channels for certain International Brands.

Moreover, our agreements also provide for a minimum spend obligation on us for marketing materials and advertisements, which may be linked to our net sales or order value. In addition a significant number of our agreements with the International Brands are governed by foreign laws, and we are also required to comply with the provisions of certain foreign laws related to bribery and anti-corruption, such as the United Kingdom Bribery Act of 2010 and the U.S. Foreign Corrupt Practices Act of 1977, which apply to the brand owners.

One of our agreements also includes a covenant which provides that if we fail to comply with material terms and/or covenants under a "material agreement" relating to our indebtedness resulting in acceleration of the repayment of such indebtedness, such a failure would also result in an event of default under our agreement.

If we are unable to meet such minimum spend obligation or contravene any of the terms provided above, the brand owners may terminate our agreement, or chose not to renew our agreements, which may adversely affect our business, reputation, results of operations and financial condition. Additionally, in the event any of the brand owners decide to terminate our agreements for any of the reasons above, or otherwise, and distribute within India on their own, our business and results of operations may be materially impacted.

10. ***A significant portion of our expenses is denominated in foreign currency, which exposes us to foreign currency risk, which may adversely affect our business, financial condition, results of operations and prospects.***

Some of our raw materials in relation to our *Satya Paul* and *Bw!tch* products and products for the International Brands are imported from overseas suppliers and brand owners, respectively, and accordingly we are required to make payments to such suppliers and brand owners in foreign currency, including, the Euro, the U.S. Dollar and British Pound and we may be affected by fluctuations in the currency exchange rate between these currencies and the Indian Rupee. In Fiscal 2015 and Fiscal 2016, our net foreign exchange gain constituted 0.03% and 0.35% of our total consolidated operating revenues, respectively.

The exchange rate between the Indian Rupee and various foreign currencies, including the Euro, has fluctuated significantly in the recent past. We do not currently enter into foreign currency hedges and we cannot assure you that we will be able to adequately insulate ourselves from, or mitigate, any unhedged foreign currency exposures in the future, including in the event we enter into any foreign currency hedges in the future.

11. ***Our business is subject to changes in tax rules and regulations or policies imposed by the Government of India or other state governments that could adversely affect our business, financial conditions and results of operation.***

    Taxes and other levies imposed by the Government of India or state governments in India that affect our industry include import duties on raw materials and finished goods, excise duty on the manufacture of our products (as deemed manufacturers), central and state sales tax and other levies, income tax, value added tax, service tax and other new or special taxes and surcharges introduced on a permanent or temporary basis from time to time. Any adverse change in Indian tax rules and regulations or policy may have an adverse effect on our business, financial condition and results of operations. For instance, with effect from January 1, 2016, the Income Tax Rules, 1962 were amended such that any purchase or sale of goods exceeding ₹ 200,000 would require the permanent account number of the buyer to be quoted to the relevant income tax authorities. We cannot assure you that this or other such changes or other regulatory changes in the future, will not have an adverse effect on our business and financial condition and results of operations. In addition, the Indian Parliament has recently approved the adoption of a comprehensive national goods and services tax ("**GST**") regime that combines taxes and levies by the Central and State Governments into a unified rate structure which has received the assent of the President of India. We may be impacted by the introduction of the GST, including, the increase of our working capital requirements, since transactions, including transfer of stock will be subjected to GST. We are unable to provide any assurance as to this or any other aspect of the tax regime following implementation of the GST.

12. ***We have entered into agreements with third parties to operate the EBOs under distributor and franchisee models, which exposes us to risks associated with reliance on our franchisees.***

    We have entered into agreements with third party franchisees to operate the EBOs in India for our Owned Brands as well as for the International Brands, under distributor and franchisee models. Although prior to Fiscal 2016, we operated a significant number of the EBOs with respect to our Owned Brands, with effect from February, 2016, we changed our business model and transferred the operation of the Company-operated EBOs with respect to our Owned Brands to the franchisees, pursuant to franchise agreements.

    In exchange for operating the EBOs for our Owned Brands as well as the International Brands, the franchisees typically receive a percentage of the income from sales generated by the points of sale that they operate. Typically, our arrangement with our franchisees is such that they conduct the daily operations at the EBOs and we incur the expenses for the design and interiors and we define the layouts, fit outs and fixtures at the EBOs. Further, under certain of our franchise agreements, we permit our franchisees to return or exchange products purchased from us if the products are not sold within a prescribed time period or do not conform to certain specifications, at the same cost for which the products were purchased from us. If we receive a greater number of returns or exchanges than predicted, based on historical averages, our business and operations could be adversely affected and we may incur significant expenses associated with such returns or exchanges. Furthermore, while we believe that we currently have good business relations with our franchisees, our inability to maintain such relations or to continue to expand our franchisee networks could have a material adverse effect on our business, financial condition and results of operations.

    Additionally, since our franchisees operate the EBOs, we have no control over such franchisees or their labour practices nor do we assess their labour practices. The violation of, or any suspected violation of, labour laws or other applicable regulations by our franchisees could damage our reputation or lead to legal action against us.

13. ***We may not be able to respond to changing fashion and retail trends in a timely manner, which could have a material adverse effect on our brand, business, financial condition and operating results.***

    Our results of operations depend upon the continued demand by consumers for our Owned Brands. We believe that our success depends in large part upon our ability to anticipate, gauge and respond in a timely

manner to changing fashion trends and consumer demands and preferences and upon the appeal of the products distributed by us. If we are unable to anticipate consumer preferences or industry changes, or if we are unable to modify products distributed by us, on a timely basis, we may lose consumers or become subject to greater pricing pressure.

A decline in demand for the products as a result of the above, or a misjudgment on our part could, among other things, lead to lower sales, excess inventories and higher markdowns, each of which could have a material adverse effect on our brand, reputation, results of operations and financial condition.

14. We as well as our Subsidiaries, Group Companies, Promoter and Directors are involved in certain legal proceedings, which if determined adversely, may adversely affect our business, financial condition, results of operations and prospects.

In the ordinary course of our business, we as well as our Subsidiaries, are involved in certain legal proceedings, pending at varying levels of adjudication at different fora. The summary of the outstanding matters set out below includes details of criminal proceedings, tax proceedings, statutory and regulatory actions and other 'material' pending litigation involving our Company, its Subsidiaries, Group Companies, Directors and Promoters. All pending litigation involving our Company, Promoters, Directors, Subsidiaries and Group Companies, other than criminal proceedings, statutory or regulatory actions and taxation matters, are considered 'material' if the monetary amount of claim by or against the entity or person in any such pending matter is in excess of 0.1% of our Company's consolidated revenues as per our restated consolidated financial information for fiscal 2016, amounting to ₹ 4.40 million. A summary of such legal proceedings, including material legal proceedings is set out below:

(in ₹ million, unless otherwise stated)

S. No.	Name of Entity	Criminal Proceedings	Tax proceedings	Statutory/ Regulatory proceedings	Material civil litigation	Aggregate amount involved*
1.	**Company**					
	By the Company	6	-	-	1**	4.18
	Against the Company	-	5	-	1	31.65
2.	**Subsidiaries**					
	By the Subsidiaries:	-	-	-	1**	-
	Against the Subsidiaries:	-	4	1	2#	0.06#
3.	**Group Companies**					
	By the Group Companies	-	-	-	1**	-
	Against the Group Companies	-	2	-	-	69.45
4.	**Promoters**					
	By the Promoters	-	-	-	-	-
	Against the Promoters	-	4	1	-	0.91
5.	**Directors (other than Promoter)**					
	By the Directors	-	-	-		-
	Against the Directors	28	1	3	1	95.22
	Total	**34**	**16**	**5**	**7**	**201.47##**

** To the extent ascertainable.*
 # The amounts involved are US$ 0.1 million and EUR 1.4 million, respectively, in addition to the ₹0.06 million.
*** The proceeding denoted is the same, with our Company, a Subsidiary and a Group Company as co-petitioners.*
Excludes amounts involved in currencies other than INR, i.e. US$ 0.1 million and EUR 1.4 million.

Involvement in such proceedings could divert management time and attention, and consume financial resources. Further, an adverse judgment in some of these proceedings could have an adverse impact on our business, results of operations and financial condition. For further details, in relation to the proceedings involving our Company, our Subsidiaries, our Group Companies, our Promoter and our Directors, see the section entitled "***Outstanding Litigation and Material Developments***" on page 294.

We cannot assure you that any of the outstanding material litigation matters will be settled in our favor or in favor of our Company, Subsidiaries, Group Companies, Promoter or any of our Directors, or that no additional liability will arise out of these proceedings. An adverse outcome in any of these proceedings could have an adverse effect on our business, results of operations and financial condition.

15. ***We participate and operate in competitive markets with low barriers to entry which may increase competition and have a material adverse effect on our business, financial condition and results of operation.***

We operate in highly competitive market segments, both for our Owned Brands as well as for the International Brands that are fragmented among several market participants and we compete with numerous brands or players unaffiliated and established multinational and Indian companies with sizeable market shares, particularly for products for our Owned Brands. In relation to the International Brands, we compete against other domestic distributors which operate under similar distribution arrangements with other international brands, international brands which distribute their own products directly in India as well as websites that sell such products online.

Barriers to entry for the market segments in which we operate are generally low. We anticipate these low barriers to entry, combined with forecast growth potential in the market for luxury products, will lead to increased competition both from established players as well as from new entrants in the industry. This could include attrition of our staff to our competitors or our staff establishing competitive enterprises. Our competitors may have access to substantially greater financial and marketing resources, longer operating histories, better brand recognition and more established relationships in the industry than we do. In addition, new market entrants may have higher profit margins than we do, which may enable them to compete more aggressively in offering discounts and other promotional incentives.

16. ***We rely on third party suppliers and manufacturers to manufacture a majority of our Owned Brands' products, and we have limited control over them and may not be able to obtain quality products on a timely basis or in sufficient quantity which may have a material adverse effect on our results of operations.***

The manufacture of the products for our Owned Brands is done by third party manufacturers and all of the raw materials for these products are sourced from third-party suppliers. Additionally, we also source certain finished products for the *Bw!tch* brand from third party suppliers. If we experience significant increased demand, or need to replace an existing manufacturer or third-party supplier, there can be no assurance that additional manufacturing capacity or additional supplies of raw materials will be available when required on terms that are acceptable to us, or at all, or that any supplier or manufacturer would allocate sufficient capacity to us in order to meet our requirements or fill our orders in a timely manner. Even if we are able to expand existing or find new manufacturing or raw material sources, we may encounter delays in production and added costs as a result of the time it takes to train our suppliers and manufacturers in our methods, products and quality control standards.

Delays related to supplier changes could also arise due to an increase in shipping times if new suppliers are located farther away from our markets or from other participants in our supply chain. Any delays, interruption or increased costs in the supply of raw materials or manufacture of products for our Owned Brands could have an adverse effect on our ability to meet consumer demand for our products and result in lower revenue from operations both in the short and long term.

In addition, there can be no assurance that our suppliers and manufacturers will continue to provide fabrics and other raw materials or manufacture products that are consistent with our standards. We may, in the future, receive shipments of products that fail to conform to our quality control standards. In such an event, unless we are able to obtain replacement products in a timely manner, we risk the loss of revenue resulting from the inability to sell those products and related increased administrative and shipping costs.

While our staff periodically visits and monitors the operations of our third party manufacturers operating our manufacturing facilities, we do not control these manufacturers or their labor practices nor do we assess their labor practices, either during such visits or in determining sourcing allocations. The violation of, or any suspected violation of, labor laws or other applicable regulations by our contract manufacturers, or any divergence of our contract manufacturers' labor practices from those typically acceptable in the countries in which we operate, could damage our reputation or lead to legal actions against us. Non-governmental organizations may also attempt to create an unfavorable impression of our sourcing practices or the practices of some of our manufacturers that could harm our image. Either of these events, in turn, could have a material adverse effect on our financial condition and results of operations.

17. ***Our business is subject to seasonality. Lower revenues in the second quarter 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 Fiscal quarters. Typically, we see an increase in our business during the third quarter of any given Fiscal, i.e., during the Diwali and holiday season. Therefore, our operating results and cash flows for different Fiscal quarters 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 Fiscal quarters or periods.

18. ***The unauthorized marketing and sale by third parties of counterfeit or parallel imported products of the International Brands for which we have exclusive distribution rights, could have a material adverse effect on our business.***

We have, in the past, faced instances where third parties have marketed or sold counterfeit or parallel imported products, for which we have distribution rights within India pursuant to agreements with the brand owners. For instance, a third party e-commerce portal had marketed certain products under the mark of one of our International Brands, for which we have exclusive distribution rights in India. Such unauthorized marketing by third parties of products for which we have exclusive distribution rights, either through passing off or through the parallel import of products, may adversely impact our product sales and reduce our revenue, thereby adversely affecting our results of operations and financial condition, as well as our competitive position.

19. ***We rely on large format retail stores for the shop-in-shop operations for our Owned Brands. The termination and/or non-renewal of our agreements with large format retail stores may materially and adversely affect our business, results of operations and financial condition.***

We rely on large format retail stores for our shop-in-shop operations, specifically in relation to our Owned Brands. Our agreements with large format retail stores provide us with the right to establish shop-in-shops in their respective stores. As of August 31, 2016, our *Satya Paul* products were sold at 38 EBOs and 99 shop-in-shops in two large format retail stores across 18 cities in India and our *Bw!tch* products were sold at three EBOs, 152 shop-in-shops in four large format retail stores across 19 cities in India and over 221 local trade stores across India. Our shop-in-shop outlet channel represented 6.54% of our consolidated sales for Fiscal 2016. Our ability to open new shop in shops within large format retail stores depends mainly on the growth, and sales of our products at the large format retail stores.

We cannot assure you that we will have the right to occupy these shop-in-shops in the future, or that we will be able to continue with the uninterrupted use of these properties. There is a risk that our agreements may not be renewed or could be terminated prematurely. In the event that the large format retail stores do not renew our agreements at the expiration of their term, if they terminate such agreements at any time, or if they do not execute agreements with us for additional shop-in-shops within large format retail stores, our business, results of operations and financial condition would be materially adversely affected. In addition, in the event the rental prices for our current shop-in-shop stores increase, our ability to lease spaces at such locations may be restricted.

20. ***We are exposed to the credit risks of our franchisees and large format retail stores and any non-payment or non-performance by any of them could materially and adversely affect our financial condition and results of operations.***

We are exposed to payment delays and/or defaults by our franchisees and large format retail stores. As of March 31, 2016, our trade receivables amounted to ₹ 1,141.45 million and accounted for 37.23% of our total current assets and 6.74% of these trade receivables were more than six months past due. Our financial position and profitability therefore depends on the credit-worthiness of our franchisees and large format retail stores.

Certain of these counterparties may have weak credit histories and we cannot assure you that these counterparties will always be able to pay us in a timely fashion, if at all. Any change in the financial condition of our franchisees or large format retail stores that adversely affects their ability to pay us may materially adversely affect our results of operations and financial condition.

21. ***We rely on the expertise, experience and leadership of our Promoter and Managing Director, Mr. Sanjay Kapoor, as well as other members of our management team and our business and growth prospects may decline if we cannot benefit from these relationships in the future or are unable to attract or retain key personnel.***

We rely in many ways on our relationship with our Promoter and Managing Director, Mr. Sanjay Kapoor, as a result of his reputation, experience and knowledge of the market for luxury products. He has more than 24 years of experience in the luxury fashion industry and has been primarily responsible for the direction and growth of our business. He has also provided personal guarantees for a number of our financing arrangements. Our growth and future success are influenced, in part, by our continued relationship with Mr. Sanjay Kapoor.

Our sustained growth also depends on the continued involvement of other members of our senior management team, such as our group Chief Executive Officer, Mr. Nikhil Mehra, who has been associated with us since 2008 and has played a key role in driving the growth of the International Brands business.

Our success also depends on the continued service and performance of the other members of our senior management team and other key personnel for implementation, management and running of the daily operations and the planning and execution of our business strategy. In addition, our future success may also depend on our ability to attract and retain additional qualified design, sales and marketing personnel. In the event that we lose the services of any of these or other key individuals and are unable to find suitable replacements in a timely manner, our business and results of operations may be materially adversely affected. We cannot assure you that we will be successful in replacing personnel who leave or in recruiting and retaining a sufficient number of personnel with the requisite skills.

22. ***A significant disruption to our distribution network or any disruption of civil infrastructure, transport or logistic services, may create delays in deliveries of products distributed by us.***

We rely on our ability to replenish depleted inventory in our sales network through deliveries to our warehouses and onwards to the EBOs run by our franchisees and shop-in-shops by various modes of transport. Unexpected delays in those deliveries, including due to delays in obtaining customs clearance for products manufactured by the brand owners or other raw materials imported by us, or increases in transportation costs, could significantly decrease our ability to make sales and earn profits. Manufacturing delays or unexpected demand for products distributed by us may also require us to use faster, but more expensive, transportation methods such as aircraft, which could adversely affect our gross margins. In addition, labor shortages or labor disagreements in the transportation or logistics industries or long-term disruptions to the national and international transportation infrastructure that lead to delays or interruptions of deliveries could materially adversely affect our business.

Further, there can be no assurance that we will be able to secure sufficient transport capacity for these purposes. A significant disruption to our distribution network or any disruption of civil infrastructure could lead to a failure by us to provide products distributed by us in a timely manner, which would adversely affect our business and results of operations.

23. ***We do not own most of the premises on which we operate and our business, results of operations and financial condition would be materially adversely affected if our leases or licenses are not renewed or are terminated.***

Most of our premises, including our Registered and Corporate Office, warehouses and the EBOs of the International Brands and our Owned Brands, are located on premises leased or licensed by us. While we endeavor to enter into long term agreements, we cannot assure you that we will be able to renew any such leases when the term of the original lease expires, on similar terms or terms reasonable for us or that such leases will not be prematurely terminated (including for reasons that may be beyond our control). The lease deed for our Registered and Corporate Office stipulates that our Company shall use the premises for the purpose of manufacturing and designing activities. While we operate a design studio at such premises, where all the *Satya Paul* and *Bw!tch* products are designed, if we are deemed to be non-compliant with the terms of the lease deed for any reason, our lease may be prematurely terminated.

If such leases or licenses are not renewed, or are not renewed on terms and conditions that are favorable to us, we may suffer disruptions in our operations which could have an adverse effect on our business. Also, in the event our leases or licenses are not renewed and we are required to shift the locations of our warehouses and branch offices, fresh applications would have to be made to various regulatory authorities for relevant licenses and approvals. Further, the rentals for such premises may be significantly higher than the rentals for our the premises we currently lease, which may adversely affect our business, financial condition, results of operations and prospects.

24. Our obligations under our financing arrangements, including our debt service obligations, may adversely affect our business, financial condition, results of operations and prospects.

Our total consolidated debt as on March 31, 2016 was ₹ 1,096.46 million, including ₹ 1,096.03 million of secured debt, of which a majority was extended to us by our lenders at floating interest rates. As on March 31, 2016, 3.67% of our total consolidated debt (including unsecured debt) was scheduled to mature in 12 months, subject to any prepayment or re-schedulement.

We may also incur additional indebtedness in the future. Our indebtedness could have several important consequences, including but not limited to a portion of our cash flows required to be directed towards the servicing of our debt, from time to time, which could would reduce the availability of cash to fund our working capital requirements, strategic growth initiatives, and general corporate purposes, particularly in the event we are required to bear high finance charges. Further, the terms of our current and future financing arrangements may require us to comply with financial covenants, negative covenants and other restrictions imposed on us by our lenders, which may also limit our operational flexibility or impede our planned growth. For instance, the terms of our debt financing restrict prepayment, or impose additional premium or costs in the event of prepayment, which could affect our ability to refinance our high cost borrowings in the event the interest rate environment should improve during the tenor of such high cost loans. The terms of our debt financing also restrict further capital raising or any change in our capital structure or management or corporate reorganization or the issuance of guarantees or other forms of financial assistance by us or other significant strategic investment in the future, or include a cross default provision.

Any failure to service our current or future indebtedness or to satisfactorily comply with any applicable condition or covenant under our financing agreements from time to time (including technical defaults) could 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, results of operations and prospects. In the event of any breach of any covenant contained in any of our financing agreements, we may be required to immediately repay our borrowings, either in whole or in part, together with any related costs. Moreover, as we have granted security interests over certain of our assets, including our owned premises and our *Satya Paul* brand in order to secure our borrowings, any failure to satisfy our obligations under such borrowings could lead to the forced sale and seizure of our premises and of the *Satya Paul* brand, which may adversely affect our business, financial condition, results of operations and prospects. For further details of our indebtedness, see "***Financial Indebtedness***" on page 292.

25. Continued operations of our manufacturing facilities are critical to our Owned Brands and any shutdown of our facilities may have a material adverse effect on our business, results of operations and financial condition.

Our manufacturing facilities which are operated by third party contract-manufacturers are subject to operating risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of efficiency, obsolescence, labor disputes, natural disasters, industrial accidents and the need to comply with the directives of relevant government authorities. Our 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. Our business and financial results may be adversely affected by any disruption of operations of our product lines, including as a result of any of the factors mentioned above**.**

26. Our Company, on a standalone and consolidated basis, has incurred losses in the past and may continue to incur losses in the future.

Our Company, on a standalone basis, has incurred losses of ₹ 55.29 million, ₹ 130.55 million and ₹ 127.68 million in Fiscals 2016, 2015 and 2014, respectively and has, on a consolidated basis, incurred losses of ₹ 65.64 million and ₹ 181.11 million in Fiscals 2015 and 2014, respectively, and we cannot assurance you that we will not continue to incur losses in the future. Our inability to maintain sufficient cash flow in the future, to obtain credit facilities and other sources of funding, in a timely manner, or at all, to meet our working capital or to pay our debts, could adversely affect our operations, financial condition and profitability. For further details, see "***Financial Statements***" on page 159.

27. ***We have experienced negative cash flows in the past. Any such negative cash flows in the future could adversely affect our business, results of operations and prospects.***

We have experienced negative cash flows in the last three Fiscals, as provided below:

(₹ in million)

Particulars	Fiscal 2016	Fiscal 2015	Fiscal 2014
Net cash / (used in) from operating activities	(49.09)	284.17	(180.01)
Net cash / (used in) from investing activities	(45.29)	(113.23)	(39.14)
Net cash / (used in) from financing activities	36.78	(98.91)	333.35
Net increase/ (decrease) in cash and cash equivalents	(57.60)	72.03	114.20

Negative cash flows in the future could adversely affect our business, results of operations and prospects. Please see "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" and "***Financial Statements***" on pages 274 and 159, respectively.

28. ***Some of our corporate records including certain secretarial records for the transfer and allotment of Equity Shares are not traceable.***

Certain historical corporate records and regulatory filings made by us, including returns of allotment with respect to Equity Shares allotted by us on July 16, 1999 and on July 25, 2007 are not available with us. With a view to retrieve these documents, we also conducted a search in the records of the RoC, and were informed that return of allotment filed in respect of the Equity Shares allotted on July 16, 1999 has been destructed by the RoC and such return for Equity Shares allotted on July 25, 2007 was not available in such records. Accordingly, have relied on other documents, including our annual reports, audited financial information for such matters.

29. ***One of our Joint Ventures has been delayed in filing a statutory form with the RBI in relation to the receipt of foreign investment.***

The RBI issued a letter dated August 31, 2016 to one of our Joint Ventures seeking confirmation on whether such Joint Venture had filed a form FC-GPR, reporting allotment of equity shares pursuant to investment received from a non-resident entity in 2013. Pursuant to the letter from the RBI, our Joint Venture upon enquiries was informed that although our Joint Venture had submitted the FC-GPR to the authorised dealer bank for filing in time, due to certain discrepancies in the form could not be filed with the RBI. Our Joint Venture has, on September 23, 2016 submitted a reply to the letter issued by the RBI, along with necessary reporting documents, including revised form FC-GPR, together with a request to the RBI for condonation of delay. However, the Joint Venture may be subject to a penalty by the RBI for the delay in complying with the reporting requirements under applicable foreign investment regulations.

30. ***If we or our franchisees are unable to obtain the requisite approvals, licenses, registrations or permits to develop and operate our business or are unable to renew them in a timely manner, our business or results of operations may be adversely affected.***

We and our franchisees require a number of approvals, licenses, registrations and permits for operating our business, including shops and establishment registrations. While we have obtained a number of required approvals for our operations, certain approvals for which we have submitted applications are currently pending. We are also in the process of applying for the renewal of certain approvals that have expired. In addition, we may need to apply for more approvals, including the renewal of approvals which may expire from time to time and approvals, in the ordinary course of business. For further details on approvals obtained by us, see the section titled "***Government and Other Approvals***" on page 301.

If we or our franchisees fail to obtain any applicable approvals, licenses, registrations or permits in a timely manner, we may not be able to operate our business as planned, or at all, which could affect our business or results of operations. We cannot assure you that the approvals, licenses, registrations or permits issued to us or them, would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any failure to renew the approvals that have expired, or to apply for and obtain the required approvals, licenses, registrations or permits, or any suspension or revocation of any of the approvals, licenses, registrations or permits that have been or may be issued to us, may adversely affect our business or results of operations.

31. We may be vulnerable to failures of our information technology systems, which may adversely affect our business, financial condition, results of operations and prospects.

We rely on information technology systems and networks, such as our enterprise resource planning ("**ERP**") platform, to support our business processes, as well as internal and external communications. These systems and networks are potentially vulnerable to damage or interruption from a variety of sources. For example, an extended outage in any of our telecommunications networks utilized by our information technology ("**IT**") systems or a similar event could lead to an extended unanticipated interruption of our IT systems or networks. In addition, although we have implemented certain network security measures such as password based protections, firewalls and back-up servers, our information technology systems could be subject to physical or electronic disruptions, including on account of power failure, break-ins, fire, earthquakes, rain or water damage, unauthorized downloads and tampering, sabotage, misuse or fraud by our own personnel, interception in electronic transmissions through external communication channels and networks, disruptions in the services of external network or hardware or software providers, or computer viruses or worms. There are also risks associated with implementing any upgrades to our system and networks, including systems disruptions.

The realization of any risks related to our information technology system and networks, or failure to successfully implement any upgrades, could have a material adverse effect on our business, results of operations and financial condition.

32. We have in the past entered into related party transactions and may continue to do so in the future, which may adversely affect our business, financial condition, results of operations and prospects.

We have in the past, and expect to continue to enter, into transactions with certain related parties in the ordinary course of business. For example, in Fiscal 2016, we paid rent amounting to ₹ 0.03 million to Genesis Overseas Private Limited, one of our Promoter Group companies in relation to a premises located in New Delhi. For further details of our related party transactions, see "***Financial Statements – Restated Consolidated Financial Information***" on page 215.

While we believe that our past related party transactions have been conducted on an arm's length basis, we cannot assure you that we could not have achieved more favorable terms if such transactions had not been entered into with related parties or that we will be able to maintain existing terms, in cases where the terms are more favorable than if the transaction had not been conducted with related parties. We cannot assure you that such transactions, individually or in aggregate, will not have material adverse effect on our business, financial condition and results of operations, resulting from potential conflicts of interest or otherwise.

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

Our Company has covered itself against certain risks, including coverage for risks relating to burglary, fire and marine cargo. Further, pursuant to our agreements with the brand owners for the International Brands, we are required to maintain adequate insurance cover against commercial risks (such as public liability insurance, but excluding product liability insurance), at our expense. While we maintain insurance in amounts that we believe to be appropriate for our operations with insurers that we believe to be reliable and credit worthy, we may face losses and liabilities that are uninsurable by their nature, or that are not covered, fully or at all, under our subsisting insurance policies. For instance, as on the date of this Draft Red Herring Prospectus, we do not have directors and officers liability policy.

Moreover, coverage under insurance policies would generally be subject to certain standard or negotiated exclusions or qualifications and, therefore, any future insurance claims by us may not be honored by our insurers in full, or at all. In addition, our premium payments under our insurance policies may require a significant investment by us.

To the extent that we may suffer loss or damage for which we did not obtain insurance or that is not covered by insurance or exceeds our insurance coverage, the loss would have to be borne by us and our business, cash flow, financial condition, results of operations and prospects may be adversely affected.

34. ***Grants of stock options under our employee stock option plan may result in a charge to our profit and loss account and, to that extent, adversely affect our business, financial condition, results of operations and prospects.***

As on the date of this Draft Red Herring Prospectus, 35,300 stock options are remaining to be granted to eligible employees under the Genesis Colors Limited Stock Option Plan – 2016 ("**GCL SOP 2016**"), formerly, Genesis Colors Private Limited Stock Option Plan 2013 ("**GCL SOP 2013**").

Under Indian GAAP, the grant of employee stock options results in a charge to our Company's profit and loss account equal to the intrinsic value (which will amortize over the vesting period of these stock options) based on the difference between the fair value of our Equity Shares determined at the date of grant and the exercise price. Our employee stock compensation expense, on a consolidated basis, amounted to ₹ 9.28 million, ₹ 1.52 million and ₹ 5.92 million for the Fiscals 2016, 2015 and 2014, respectively. In addition to the impact on the profit and loss account, the exercise of vested stock options will dilute the interests of Equity Shareholders (as in the case of any issuance of Equity Shares).

For more information on GCL SOP 2016, see "***Capital Structure – Employee Stock Option Scheme – GCL SOP 2016***" on page 72.

35. ***Our Company has issued Equity Shares during the preceding year at a price which may be below the Offer Price.***

In the 12 months preceding the filing of this Draft Red Herring Prospectus, our Company has issued Equity Shares at a price that may be lower than the Offer Price. The price at which our Company has issued Equity Shares in the preceding year is not indicative of the price at which they will be issued or traded. For more information, see "***Capital Structure***" on page 68.

36. ***Our funding requirements and proposed deployment of the proceeds of the Fresh Issue are based on management estimates and have not been independently appraised.***

Our funding requirements and deployment of the proceeds of the Fresh Issue have not been appraised by any bank or financial institution or other independent agency. Furthermore, in the absence of such independent appraisal, or the requirement for us to appoint a monitoring agency in terms of the SEBI ICDR Regulations, the deployment of the Net Proceeds is at our discretion. As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**SEBI Listing Regulations**"), the Audit Committee shall monitor the utilization of the Net Proceeds.

37. ***We will not receive any proceeds of the Offer for Sale and a portion of the proceeds of the Offer for Sale is proposed to be paid to one of our Group Companies and our Promoter, Mr. Sanjay Kapoor.***

The Offer includes an Offer for Sale of up to 1,916,741 Equity Shares by the Selling Shareholders. The entire proceeds of the Offer for Sale will be transferred to the Selling Shareholders and will not result in the creation of value for us or in respect of your investment in our Company.

Further, our Company proposes to utilize the proceeds of the Fresh Issue to purchase equity shares of GLF currently held by Splendor Distributions Ltd, one of our Group Companies, and our Promoter, Mr. Sanjay Kapoor, and therefore, such portion of the Net Proceeds will not result in the creation of any tangible assets for our Company. For further details on the utilization of the Net Proceeds, see "***Objects of the Offer***" on page 83.

38. Our Directors and Key Managerial Personnel have interests in our Company other than normal remuneration or benefits and reimbursement of expenses incurred

Certain of our Directors (including our Promoter and Managing Director, Mr. Sanjay Kapoor) and Key Managerial Personnel may be regarded as having interests in our Company, other than normal remuneration or benefits and reimbursement of expenses incurred. Our Promoter and Managing Director, Mr. Sanjay Kapoor, may be deemed to be interested to the extent of the Equity Shares held by him as well as to the extent of any dividends or other distributions which are payable, if any by our Company. Additionally, certain of our Directors and KMPs may also be interested to the extent of stock options that may be granted to them from time to time under the GCL SOP 2016. For more information, see "***Our Management – Interest of Directors***" and "***Our Promoters, Promoter Group and Group Companies – Interest of our Promoters and Related Party Transactions***" on pages 143 and 152, respectively.

39. Certain of our Group Companies have incurred losses in the preceding three fiscals, which may have an adverse effect on our reputation.

Certain of our Group Companies have incurred losses in recent fiscals. Provided below are details of these losses (after tax) suffered in Fiscal 2014, 2015 and 2016:

(₹ in million)

Name of Group Company	Details of Loss		
	Fiscal 2016	**Fiscal 2015**	**Fiscal 2014**
Burberry India Private Limited	(80.02)	(36.72)	(9.53)
V&B Lifestyle India Private Limited	(42.83)	(33.12)	(0.41*)

** For the period from September 16, 2013 (the date on which V&B Lifestyle India Private Limited was incorporated) to March 31, 2014.*

We cannot assure you that these or other Group Companies will not incur losses in future periods or that there will not be an adverse effect on our reputation, as a result of such losses.

40. This Draft Red Herring Prospectus contains information from industry sources including the report commissioned from Frost & Sullivan (India) Private Limited. Prospective investors are advised not to place undue reliance on such information.

This Draft Red Herring Prospectus includes information derived from an industry report titled *"Assessment on Indian Luxury Goods Industry"* dated September 15, 2016, prepared by Frost & Sullivan (India) Private Limited, ("**F&S Report**") pursuant to an engagement with the Company. We commissioned this report for the purpose of confirming our understanding of the market for luxury products in India. Neither we, nor any of the GCBRLMs and BRLM, nor any other person connected with the Offer has verified the information in the F&S Report and other industry sources quoted in this Draft Red Herring Prospectus, and we cannot guarantee the accuracy, adequacy or completeness of any such information. Moreover, the industry sources including the F&S Report contains certain industry and market data, based on certain assumptions. There are no standard data gathering methodologies in the segments in which we conduct our businesses, and methodologies and assumptions vary widely among different industry sources. Further, such assumptions may change based on various factors. 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 Draft Red Herring Prospectus. Further, the F&S Report is not a recommendation to invest in our Company. Prospective investors are advised not to place undue reliance on the F&S Report or extracts thereof as included in this Draft Red Herring Prospectus, when making their investment decisions.

Also, see "***Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation***" and "***Industry Overview***" on pages 12 and 92, respectively.

External Risk Factors

41. Recent global economic conditions have been unprecedented and challenging and continue to affect the Indian market, which may adversely affect our business, financial condition, results of operations and prospects.

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse

effects on the market price of securities of companies located in other countries, including India. For instance, the economic downturn in the U.S. and several European countries during a part of Fiscal 2008 and 2009 adversely affected market prices in the global securities markets, including India. Negative economic developments, such as rising fiscal or trade deficits, or a default on national debt, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general.

A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy, including the movement of exchange rates and interest rates in India. In June 2016, a majority of voters in the United Kingdom elected to withdraw from the European Union in a national referendum. The referendum was advisory, and the terms of any withdrawal are subject to a negotiation period that could last at least two years after the government of the United Kingdom formally initiates a withdrawal process. Nevertheless, the referendum has created significant uncertainty about the future relationship between the United Kingdom and the European Union, including with respect to the laws and regulations that will apply as the United Kingdom determines which European Union laws to replace or replicate in the event of a withdrawal. The referendum has also given rise to calls for the governments of other European Union member states to consider withdrawal. These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. Any of these factors could depress economic activity and restrict our access to capital, which could have a material adverse effect on our business, financial condition and results of operations and reduce the price of our equity shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

42. Political, economic or other factors beyond our control may have an adverse impact on our business, results of operations and prospects.

The following external risks may have an adverse impact on our business, results of operations and prospects, should any of them materialize:

- the lingering effects of the global economic slowdown have generally dampened business confidence and made the credit markets more volatile, as well as negatively impacting other industry players;

- increase in interest rates may adversely affect our access to capital and increase our borrowing costs, which may constrain our ability to grow our business and operate profitably;

- the Indian economy has had sustained periods of high inflation in the recent past. High rates of inflation may increase our employee costs and decrease demand for products distributed by us, which may have an adverse effect on our profitability and competitive advantage, to the extent that we are unable to pass on increased employee costs by increasing cost of the products;

- a downgrade of India's sovereign rating by international credit rating agencies may adversely affect our access to capital and may increase our borrowing costs, which may constrain our ability to grow our business and operate profitably;

- a decline in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy as well as the valuation of the Indian Rupee, which may adversely affect our financial condition;

- political instability, resulting from a change in government or in economic and fiscal policies, may adversely affect economic conditions in India;

- civil unrest, acts of violence, terrorist attacks, regional conflicts or situations or war; for instance, several parts of Haryana were affected by communal agitation and protests in February 2016. If our operations are disrupted by any such agitation, particularly in locations where we have a significant concentration or presence, our business, results of operations and prospects could be adversely affected; and

- India has experienced natural calamities such as earthquakes, tsunamis, floods and drought in recent years. The extent and severity of these natural disasters determines their effect on the economy. If any of the EBOs or other facilities were to be damaged as a result of an earthquake or other natural calamities, or if such events should otherwise impact the national or any regional economies, our business, results of operations and prospects may be adversely affected.

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

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, 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.

- the Companies Act 2013 contains significant changes to Indian company law, including in relation to issuance of capital, related party transactions, corporate governance, audits, shareholder class actions and restrictions on the number of layers of subsidiaries. Among other things, effective April 1, 2014, companies exceeding certain net worth, revenue or profit thresholds are required to spend at least 2% of average net profits from the immediately preceding three financial years on corporate social responsibility projects, failing which an explanation is required to be provided in such companies' annual reports; and

- the General Anti Avoidance Rules ("**GAAR**") are proposed to be effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to our Company, it may have an adverse tax impact on us.

In addition, unfavorable 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/or may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in applicability, interpretation or implementation of any amendment to, or change in, law, regulation or policy, including due to an absence, or a limited body, of administrative or judicial precedent may be time consuming and costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future.

44. Significant differences exist between Indian GAAP and other accounting principles, such as the International Financial Reporting Standards ("IFRS") and U.S. GAAP, which may be material to investors' assessment of our financial condition. Further, our failure to successfully adopt IND (AS) may have an adverse effect on the price of our Equity Shares.

Our financial information included in this Draft Red Herring Prospectus are prepared in conformity with Indian GAAP. Indian GAAP differs in certain significant respects from IFRS, U.S. GAAP and other accounting principles and standards. We have not attempted to quantify the impact of U.S. GAAP or IFRS on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial information to those of U.S. GAAP or IFRS. If we were to prepare our financial information in accordance with such other accounting principles, our results of operations, cash flows and financial condition may be substantially different. The significant accounting policies applied in the preparation of our Indian GAAP financial information are set forth in the notes to our restated consolidated financial information included in this Draft Red Herring Prospectus. Prospective investors should review the accounting policies applied in the preparation of our financial information summarised in the section "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on page 274, and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful

information is entirely dependent on the investor's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

Further, India has decided to adopt the "Convergence of its existing standards with IFRS". These IFRS based / synchronized Accounting Standards are referred to in India as "**IND (AS)**". Public companies in India, including our Company, would be required to prepare annual and interim financial statements under IND (AS) in accordance with the roadmap for the convergence with IFRS announced by the Ministry of Corporate Affairs, GoI (the "**MCA**"), through press note dated January 22, 2010. The MCA has issued the Companies (Indian Accounting Standards) Rules, 2015 on February 16, 2015, effective April 1, 2015, pursuant to which, IND (AS) is mandatorily applicable to companies (except banking companies, insurance companies and non-banking financial companies) effective from (i) the accounting periods beginning on or after April 1, 2016 (with comparatives for the period ending March 31, 2016 or thereafter), for companies with net worth of ₹ 5,000 million or more; and (ii) the accounting periods beginning on or after April 1, 2017 (with comparatives for the period ending March 31, 2017 or thereafter) for listed or to-be-listed companies (i.e. whose equity and/or debt securities are listed or are in the process of being listed on any stock exchange in or outside India) with net worth less than ₹ 5,000 million and unlisted companies with net worth between ₹ 2,500 million and ₹ 5,000 million. These requirements would also apply to any holding, subsidiary, joint venture or associate companies of such aforementioned companies. Therefore, we will need to prepare financial statements in accordance with IND(AS) for the Fiscal starting on April 1, 2017.

Pursuant to a SEBI circular dated March 31, 2016, with respect to the financial information to be included in any offer document filed with SEBI on or after April 1, 2016 and until March 31, 2017, our financial statements, on a standalone as well as consolidated basis, for the preceding five years, included in this Draft Red Herring Prospectus have been prepared in accordance with Indian GAAP. There can be no assurance that the adoption of IND (AS) will not affect our reported results of operations and we have not attempted to quantify the differences in our financial statements as a result of the adoption of IND(AS) in this Draft Red Herring Prospectus, nor have we provided a reconciliation of our financial statements to those under IND(AS). Further, our financial statements reported under IND(AS) in future accounting periods may not be directly comparable with our financial statements historically prepared under Indian GAAP, including those disclosed in this Draft Red Herring Prospectus. Accordingly, our historical financial statements included in this Draft Red Herring Prospectus may not form an accurate basis to consider our accounting policies and financial statements to be adopted by our Company for future periods, which may differ materially from our historical financial statements.

Any failure to successfully adopt IND (AS) may have an adverse effect on the trading price of our Equity Shares. Moreover, our transition to IND (AS) may be hampered by increasing competition and increased costs for the relatively small number of experienced accounting personnel available as more Indian companies begin to prepare IND (AS) financial statements.

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

We are not a listed company and have not historically been subject to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the provisions of the SEBI Listing Regulations, which will require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies. Further, as a listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions to support the existence of effective disclosure controls and procedures and internal control over financial reporting. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required.

As a result, our management's attention may be diverted from other business concerns, which may adversely affect our business, results of operations and prospects. In addition, we may need to hire

additional legal and accounting staff with appropriate experience and technical accounting knowledge, however, we cannot assure you that we will be able to do so in a timely and efficient manner.

46. ***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 and Retail Individual Investors are not permitted to withdraw their Bids after Bid/Offer Closing Date.***

    Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are required to pay the Bid Amount on submission of the Bid, and 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 can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date.

    Therefore, QIBs and Non-Institutional Investors would not be able to withdraw or lower their Bids, notwithstanding adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations, or otherwise, at any stage after the submission of their Bids.

47. ***Our ability to raise foreign capital may be constrained by Indian law, which may adversely affect our business, financial condition, results of operations and prospects.***

    Under India's consolidated Foreign Direct Investment Policy (the "**Consolidated FDI Policy**"), up to 100% foreign investment is permitted in the "wholesale trading" sector without prior regulatory approval (the "**Automatic Route**"), subject to the satisfaction of certain conditions, including restrictions on wholesale trading of goods among companies of the same group. The FDI Policy also provides the methodology for calculation of total foreign investment (i.e., whether direct or indirect foreign investment) in an Indian company, which would apply at every stage of investment (i.e., including downstream investments) in Indian companies that are not owned and controlled by Indian resident entities.

    Our Company and our Subsidiary, GLF, are both classified as engaged in the wholesale trading sector. However, our joint venture companies, namely, Burberry India Private Limited, V&B Lifestyle India Private Limited and Canali India Private Limited, and/or our indirect Subsidiaries, i.e., Genesis La Mode Private Limited, GLF Lifestyle Brands Private Limited and GML India Fashion Private Limited are engaged in the "single brand product retail trading" sector, and are subject to restrictions on foreign direct investment in accordance with the FDI policy, which include 49% foreign investment under the automatic route. These joint ventures have received approval from the Foreign Investment Promotion Board dated December 7, 2009, July 5, 2013 and February 10, 2012, respectively, and are subject to the terms and conditions of such approvals, as well as the FDI Policy. In accordance with the provisions of the FDI policy for the calculation of total foreign investment and such approvals, total foreign investment in our Company will continue to be restricted to 49% and our Company will need to continue to be "owned and controlled" by resident Indian citizens and Indian companies.

    Such regulatory restrictions limit our financing sources for ongoing expansion plans and other strategic transactions. We cannot assure you that any required regulatory approvals for proposed overseas funding will be granted to us without onerous conditions or in a timely manner, or at all. To that extent, limitations on foreign equity raising may have a material adverse effect on our business, financial condition, results of operations and prospects.

Risks Related to our Equity Shares

48. ***Our Equity Shares have not been publicly traded prior to this Offer. After this Offer, our Equity Shares may experience price and volume fluctuations and an active trading market for our Equity Shares may not develop. Further, the price of our Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Offer Price, or at all.***

    Prior to this Offer, there has been no public market for our Equity Shares. An active trading market on the Stock Exchanges may not develop or be sustained after this Offer. Moreover, the Offer Price is intended to be determined through a book-building process and may not be indicative of the price of our Equity Shares at the time of commencement of trading of our Equity Shares or at any time thereafter.

The trading price of our Equity Shares after this Offer may be subject to significant fluctuations in response to factors including general economic, political and social factors, developments in India's fiscal regime, variations in our operating results, volatility in Indian and global securities markets, developments in our business as well as our industry and market perception regarding investments in our business, changes in the estimates of our performance or recommendations by financial analysts, and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments. The trading price of our Equity Shares may also decline in reaction to events that affect the entire market and/or other companies in our industry even if these events do not directly affect us and/or are unrelated to our business or operating results.

49. 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.

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

Capital gains arising from the sale of equity shares within 12 months in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if Securities Transaction Tax ("**STT**") is paid on the transaction. STT is levied on and collected by a domestic stock exchange on which equity shares are sold. Any gain realized on the sale of equity shares held for more than 12 months to an Indian resident, which are sold other than on a recognized stock exchange and on which no STT has been paid, is subject to long term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of equity shares is exempt from taxation in India where an exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident.

Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable to pay tax in India as well as in their own jurisdiction on a gain on the sale of equity shares.

51. The trading price of our Equity Shares may fluctuate due to volatility of the Indian and global securities markets.

In recent years, Indian stock exchanges have, in line with global developments, experienced substantial fluctuations in the prices of listed securities. In the past, Indian stock exchanges have also experienced temporary closures, broker defaults, settlement delays and strikes by brokerage firm employees. In addition, from time to time, Indian stock exchanges have imposed restrictions on trading in certain securities, limitations on price movements and margin requirements.

52. Under Indian law, foreign investors are subject to restrictions that limit their ability to transfer shares, which may adversely impact the trading price of our Equity Shares.

Under foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing and reporting requirements specified by the RBI. If a transfer of shares is not compliant with such pricing or reporting requirements and does not 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 Government agency can be obtained on any particular terms, or at all.

53. Any future issuance of Equity Shares may dilute your shareholding, and significant sales of Equity Shares by our major shareholders, may adversely affect the trading price of our Equity Shares.

Future issuances of Equity Shares by our Company after this Offer will dilute investors' holdings in our Company. Further, any significant sales of Equity Shares after this Offer may adversely affect the trading price of our Equity Shares. In addition, the perception that such issuance or significant sales of Equity Shares may occur may adversely affect the trading price of our Equity Shares and impair our future ability to raise capital through offerings of Equity Shares.

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

A public limited company incorporated in India must offer its equity shareholders pre-emptive rights to subscribe to a proportionate number of equity shares to maintain their existing ownership, prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by a three-fourths majority of the equity shareholders voting on such resolution.

If you are a foreign investor and the law of the foreign 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 foreign jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interests in our Company would be diluted.

55. 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 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.

Prominent Notes:

- Initial public offering of [●] Equity Shares of face value ₹ 10 each of our Company, for cash at a price of ₹ [●] per Equity Share aggregating up to ₹ [●] million, consisting of a Fresh Issue of [●] Equity Shares by our Company aggregating up to ₹ 3,800 million and an Offer for Sale by the Selling Shareholders of up to 1,916,741 Equity Shares aggregating up to ₹ [●] million. The Offer shall constitute [●]% of the post-Offer paid-up Equity Share capital of our Company.

- Our net worth as on March 31, 2016, as per our restated consolidated financial information and restated standalone financial information included in this Draft Red Herring Prospectus is ₹ 1,390.66 million and ₹ 963.17 million, respectively. See "***Financial Statements***" on page 159.

- The net asset value per Equity Share as on March 31, 2016, as per our restated consolidated financial information and restated standalone financial information included in this Draft Red Herring Prospectus is ₹ 663.42 and ₹ 459.49, respectively. See "***Financial Statements***" on page 159.

- The average cost of acquisition per Equity Share by our Promoters as on date of this Draft Red Herring Prospectus is:

Name of Promoter	Average cost of acquisition per Equity Share (₹)*
Mr. Sanjay Kapoor	44.38
Sanjay Kapoor Trust (through its trustee, Mr. Sanjay Kapoor)	18.00

**As certified by our Nayyar Maniar & Associated LLP, Chartered Accountants by their certificate dated September 27, 2016.*

- Other than the change in name of our Company 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 Draft Red Herring Prospectus.

- There has been no financing arrangement whereby our Promoter Group, our Directors, or any of their respective 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 this Draft Red Herring Prospectus.

- For details of transactions between our Company and Subsidiaries or our Group Companies during the last financial year, including the nature and cumulative value of the transactions, see "***Financial Statements***" on page 159.

- For information regarding the business or other interests of our Group Companies in our Company, see "***Our Promoters, Promoter Group and Group Companies***" and "***Financial Statements***" on pages 152 and 159, respectively.

- Investors may contact the GCBRLMs and BRLM that have submitted the due diligence certificate to SEBI or the Registrar to the Offer, for any complaints pertaining to the Offer.

SECTION III – INTRODUCTION

SUMMARY OF INDUSTRY

*The information in this section should be read in conjunction with the sections "**Risk Factors**" and "**Our Business**" on pages 16 and 104, respectively.*

Overview of the Indian Economy

With a growth rate of 7.6% in GDP in Fiscal 2017, as forecast by the Reserve Bank of India, the Indian economy has outperformed the Chinese economy as well in terms of real GDP growth in 2015. It is expected that with the revival of industrial activity, introduction of policies favorable to industries, and growth in infrastructure investments, the actual growth may be higher than projections. The Indian economy outperformed the Chinese economy in terms of real GDP growth in 2015. The large population and the increasing number of youth in the country are fuelling the demand for various products.

Demographically favourable position of India

India is the second most populous country in the world and is expected to see its population grow at the rate of 1.1% over the next five years. The urban population as a percentage of India's total population is estimated to increase from the current 32% to 35% by 2020, thereby increasing the number of people that access premium retail facilities.

The share of young people (in age group of 15-34) in the total population is going to be the key driver for demand of premium, bridge to luxury, and luxury products. Such demand is expected to continue to increase as income levels increase which indicate a large potential for growth in India. Increasing disposable income and availability of easy credit are some of the other key factors that are influencing spending.

Trend of growth in ultra-high net worth individuals ("UHNI") and ultra-high net worth households ("UHNH") in the Indian population mix

Currently, Indian metros and tier-I cities are the core markets for luxury products, with Mumbai, India's financial hub, which is home to 41,200 millionaires, and the national capital, New Delhi, which houses 20,600 high net worth individuals. Between 2000 and 2015, Mumbai and Delhi registered a growth of 357% and 335% in terms of number of millionaire, respectively, to be among the top 5 fastest growing major cities in Asia Pacific. Going forward as well, Mumbai and Delhi are expected to cement their positions further in terms of HNI growth and, by 2025, these two Indian cities are likely to be among the top three cities in Asia in terms of growth in HNI population. It is estimated that 55% of the UHNH population is present in the top four cities of India (Mumbai, Delhi, Kolkata, and Chennai), with the balance 45% residing in other smaller cities such as Surat, Chandigarh, Jaipur, and Aurangabad.

Global Trends in Luxury Goods

China is one of the key markets for luxury goods. Last year, Chinese consumers played an active role in the growth of luxury spending worldwide — they made up the largest portion of global luxury purchases (31%), followed by Americans (24%) and Europeans (18%). The year 2015 saw a strong growth of the bridge to luxury goods segment in Europe. Michael Kors led the bandwagon, introducing an entry-level option into luxury for young consumers. Men's luxury goods sales in the UK were on an upswing, with men's luxury apparels and footwear and accessories sales witnessing a high growth in the UK. The number of wealthy tourists from China, Russia, and the Middle East visiting the UK for luxury shopping is increasing every year.

Composition of the Indian Retail Sector and growth

The retail industry includes apparel (luxury and non-luxury), electronics, commodities, and accessories. It was valued at US $600 Billion and contributed 10% to the GDP and 8% of the overall workforce of India, in 2015. The organized retail sector that grew at a CAGR of 20% in FY'09-13 is expected to account for 24% of the market by 2020.

Overview of Luxury Retail in India

India is one of the fastest emerging markets for luxury products. In 2010, the Indian luxury market was worth INR 54,106 Million and reached INR 163,807 Million by 2015, at a CAGR of about 24%. This is approximately 0.65% of the global luxury market, which was worth over INR 25,000 Billion (2015).

A combination of increasing urbanization, youth-driven demographics, and a surge in the middle-income class population will drive the demand for premium / bridge to luxury and luxury products and services. The surge in the middle-income consumers and the affluent class will continue in the coming decade. Indians in their 30s and 40s have the highest income in the country and comprise almost 70% of the people in the top income bracket.

HNI and UHNI: high spenders on luxury goods

The HNI and UHNI consumers are showing increasing interest in luxury goods.

Younger UHNIs, with high disposable incomes and ample choice of luxury options, are usually high spenders. The increase in the UHNI population will provide a boost in the luxury spending, resulting in an increase in the demand of luxury products and an increase in the luxury brand outlets in the country.

Most of the UHNI spending categories has seen an increase as jewelry, apparel, and electronics continue to be at the top, accounting for nearly 50% of total spends by such UNHI. Despite the attraction of shopping in foreign destinations, many of them prefer to shop within India, as most major foreign luxury brands are now available locally.

Increasing per capita income

An increase in the overall per capita income has resulted in rise of per capita disposable income in the country, which increased at a CAGR of 10% from ₹ 73,476 in 2012 to ₹ 107,711 in 2016. As per a recent ASSOCHAM study, tier-II and tier-III cities will be the upcoming high disposable income cities with greater purchasing power parity, higher Internet penetration, and an increasingly brand-conscious young population.

Real Estate: Restraint on Luxury Retail

Due to the challenges such as rising real estate prices that luxury players face in the metro cities, they have started looking at the mini-metro (population between 1 Million and 4 Million) cities for expansion and cities such as Pune, Chennai, Hyderabad, Surat, Indore, and Thiruvananthapuram have witnessed the advent of luxury brands in recently. A majority of the high-end malls/stores are currently based in metros such as Delhi (40+ stores), Mumbai (30+ stores), Bengaluru (25+ stores), Chennai (10+ stores), and Hyderabad (6 stores).

Due to limited high-end retail infrastructure development in these tier-II and tier-III cities, online purchase / e-retailing enjoys higher prospects here and it is anticipated that increased internet penetration across tier-II and tier-III cities along with high disposable income shall result in growing internet transactions.

Luxury Goods being sold in India

Accessories (sun glasses, costume jewelry, cufflinks, lighters, and bags) and premium beauty and personal care have gained a share of the overall luxury goods category. While watches and jewelry, and clothing and apparel continue to remain large subcategories and are growing at a high rate of 24.6% and 23.1%, respectively, accessories (CAGR of 30.6% in 5 years) and beauty and personal care (CAGR of 28.7% 5 years) have grown much faster over the past 5 years. This might be due to Indian consumers becoming more conscious about their appearance, and taking more care of themselves as well as traveling more in the recent times.

Categories of Luxury Goods

1. Apparel, Apparel Accessories, and Footwear

Designer apparel has become very popular among Indian consumers and affluent Indian urban consumers are willing to splurge and pamper themselves with designer apparel on special occasions such as weddings, functions, social gatherings, and parties. Designer sarees and Indian dresses are becoming popular party wear among Indian women, which has helped in the growth of a number of designer labels in the country. Men's designer jeans

witnessed the fastest retail value growth of 34% in 2015 with sales reaching ₹ 1,900 Million. The affluent urban Indian male is more conscious about his looks and style than ever before and designer jeans is one product that he is willing to spend on as it can then be mixed and matched with tops and other accessories. Men's designer tops registered the slowest retail value growth of 16% in 2015 with sales reaching ₹ 2,400 million. The growth of designer tops has been slow due to the existence of a large range of premium men's tops brands in the country and consumers tend to purchase these premium brands, instead of investing in designer tops.

Competitive Landscape

Burberry enjoys highest market share of 7% in this fragmented luxury apparel and footwear market. This Genesis Colors portfolio brand enjoys combined market value share of close 11.8% (year 2015) in luxury apparel and footwear category in India, the other leading brand in the category being Donna Karan.

2. Luxury bags

This category primarily includes leather bags (for both men and women) and small goods like wallets. Women consumers see luxury leather bags as style statements and love to flaunt them. In India, luxury leather goods are generally sold via luggage and apparel specialist stores. These remain the key retail distribution channels as they offer the widest product ranges. The majority of these stores are located in luxury shopping centers. There is a rising interest in luxury leather goods among Indian consumers. The category grew at a CAGR of 23.1% (2010-2015).

3. Luxury Accessories

Luxury accessories are, by and large, purchased by entry-level consumers, as these products offer the very first 'luxury' experience to consumers as investment here is comparatively lesser than buying a luxury bag or apparel or footwear. This category has very high "show-off" value. Consumers who are entering the category of luxury goods shopping are more eager to flaunt their luxury possessions, and these products are more of category width gainers and help in expanding category usage. The accessories category has witnessed the healthiest growth, at a CAGR of 31% (higher than apparel, footwear, and leather goods) over the last 5 years, indicating that more and more Indian consumers are buying these products and are willing to explore the status, style, and quality offered by luxury products.

4. Bridge to Luxury

Bridge to luxury or affordable luxury products can be defined as high-end premium products with a price tag that is a little lesser than luxury products. These products and brands indeed have high flaunt value and attract a huge consumer base from the upper-middle class and upper class population. Among these, apparel is one of the most aspired-for categories.

Indian Ethnic wear market

Women's Ethnic Wear

Overall, the women's ethnic wear market is growing at 8% CAGR (over next 10 years starting from 2012) and the branded market is pegged at 25% of total ethnic wear, i.e. ₹ 173,311 Million, by year 2015. Branded ethnic wear market is expected to grow at a high growth rate of 40% in the coming years.

Women's Innerwear

Women's innerwear was worth ₹ 141,339 Million in 2015, growing at CAGR of 14% over the last five years. The super-premium category (priced at ₹ 3,000 and above) has 5% share of this market valued at ₹ 7,076 Million, whereas the premium and bridge to luxury segments (priced at ₹ 1,500-3,000) enjoys 15% share of this market and is valued at ₹ 21,200 Million.

Key Players in the Indian Luxury Goods Industry

Genesis Colors, Reliance Brands, and DLF Brands are the key players in the luxury goods industry.

Genesis is one of India's leading fashion retailers in the premium and luxury segment. The company designs, manufactures, sells, and distributes fashion and luxury products in India. The company has acquired distribution rights for multiple leading international luxury brands and has exclusive distribution agreements in India for 15 international brands.

DLF Brands is the retail wing of the real estate company DLF. It is diversifying its portfolio to bring in more childcare, parenting, and accessories brands into the country. The company has two premium brands in the fashion category.

SUMMARY OF BUSINESS

*The following information should be read together with the more detailed financial and other information included in this Draft Red Herring Prospectus, including the information contained in the sections titled "**Risk Factors**", "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" and "**Financial Statements**" on pages 16, 274 and 159 respectively. In this Draft Red Herring Prospectus, references to "revenue from Owned Brands" includes, in addition to revenues from Satya Paul and Bw!tch, revenues from private-label contract manufacturing and distribution for certain third-party brands (which contributed 5.52%, 1.95% and 8.36% to our total revenue from Owned Brands in Fiscals 2014, 2015 and 2016, respectively), some of which we have ceased to manufacture/distribute either before or with effect from April 1, 2016, as applicable. Further, in this Draft Red Herring Prospectus, references to "revenue from International Brands" means revenues from the distribution and sale of such international luxury and premium brands as are part of our portfolio from time to time, in respect of which we have distribution rights in India. As of the date of this Draft Red Herring Prospectus, we have the rights to distribute 16 such international brands, as described in more detail in "**Our Business**" on page 104.*

Overview

We are a leading platform for luxury and premium brands in India. (*Source: F&S Report*) We distribute in the Indian market, some of the world's marquee international luxury brands and our own brands, *Satya Paul* and *Bw!tch* (which we refer to as our "**Owned Brands**"), with products across the apparel, accessories, travel and lifestyle segments, through a network of 98 EBOs across India as well as through large format retail outlets and other distribution channels in the case of our Owned Brands. Our portfolio of international luxury brands includes the *Armani* brands (*Giorgio Armani*, *Emporio Armani*, *Armani Jeans* and *A|X Armani Exchange*), *Bottega Veneta*, *Burberry*, *Canali*, *Coach*, *Furla*, *G-Star Raw*, *Hugo Boss*, *Jimmy Choo*, *Michael Kors*, *Paul Smith*, *Tumi* and *Villeroy & Boch* (which we refer to as the "**International Brands**"). Under our arrangements with these brands we have rights to distribute their products in India across various channels. Our Owned Brand, *Satya Paul*, offers products across the premium apparel and accessories categories for women and men and is one of the leading brands in India in the branded ethnic wear category. (*Source: F&S Report*) *Bw!tch* is one of the key brands in the fast growing branded premium/bridge to luxury lingerie category in India. (*Source: F&S Report*) We believe that with our diverse portfolio of brands, which offers a wide range of western and ethnic Indian products, we are well positioned to influence the purchasing patterns of the affluent Indian consumer.

We pioneered the concept of luxury retailing in India by acquiring distribution rights for leading international luxury brands which would be appealing to Indian luxury consumers. (*Source: F&S Report*) Our deep understanding of the taste and preferences of the Indian consumer of luxury products helps us bring to the Indian market a selection of merchandise tailored to local aesthetics from brands that we perceive to be relevant to the market, across various price points within the luxury segment. As on August 31, 2016, our International Brands were sold at 57 EBOs across seven Indian cities. At the EBOs operated by our Subsidiaries, and through our franchisee for the other EBOs, we focus on ensuring delivery of a shopping experience that is comparable to global standards, with the latest collections at competitive prices in a luxurious shopping environment. These factors, together with our ability to offer access to an affluent and loyal clientele and premium real estate, makes us a partner of choice in the Indian market for international luxury brands, on viable terms. We have entered into joint venture agreements with the brand owners of *Burberry*, *Canali* and *Villeroy & Boch*, pursuant to which, products of these brands are sold at stores operated by the respective JVs. We distribute the other International Brands through third-party franchisees appointed by us or through certain of our Subsidiaries. We have also recently, in April 2016, entered into a partnership with Tata Unistore Limited, to target the luxury consumer on the internet in India, through the online platform *Tata Cliq*, a curated marketplace for luxury brands to sell products through dedicated online storefronts.

With respect to our Owned Brands, we have grown *Satya Paul,* which was acquired by us in 2002, from a women-focused brand to one of the leading brands in India in the branded ethnic wear category, with products across the apparel and accessories categories. *Satya Paul* is positioned as "affordable luxury wear" and is recognized for its vibrant and colourful prints and designs. We have been successful in expanding the demographic profile of target customers for *Satya Paul* products by developing the accessories product portfolio under the brand and by reaching out to younger, contemporary customers through our recently launched *pret* line of indo-western fusion silhouettes, under the brand *Club SP*. *Satya Paul's* product portfolio includes printed and embroidered sarees, ready to wear apparel, bridal wear for women and accessories including scarves, bags, ties, belts, wallets and cufflinks, for men and women. Further, we launched *Bw!tch* in 2007, when we perceived a significant market

opportunity in the premium branded lingerie segment, which is a fast growing category in India (*Source: F&S Report*). Product categories under the *Bw!tch* brand include lingerie, innerwear, shapewear, nightwear, swimwear and accessories.

Satya Paul and *Bw!tch* products are conceptualized, designed and developed by our in-house team. All apparel and certain fabric based accessories under the *Satya Paul* brand and certain *Bw!tch* products are manufactured at facilities situated in Haryana (Gurgaon and Manesar), India. We distribute our Owned Brands through various sales and distribution channels in India, including franchisee operated EBOs, shop-in-shops in large format multi-brand stores, internet sales platforms, as well as, in the case of *Satya Paul*, through the corporate sales channel. As on August 31, 2016, *Satya Paul* products were sold at 38 such EBOs across 19 cities and 99 shop-in-shops across India. Additionally, *Satya Paul* products were also sold online at *www.satyapaul.com* and five other internet sales platforms, as well as internationally, in the USA, Canada and Dubai, through local distributors in these markets. *Bw!tch* products were sold at three such EBOs, 152 shop-in-shop outlets across 19 cities in India and 221 local trade stores across India, and through six internet sales platforms, as on August 31, 2016.

Our consolidated revenue from operations increased from ₹ 3,597.77 million in Fiscal 2014 to ₹ 4,321.62 million in Fiscal 2016, representing a CAGR of 9.60%. Our revenue from the International Brands business increased from ₹ 2,556.74 million in Fiscal 2014 to ₹ 3,179.94 million in Fiscal 2016, representing a CAGR of 11.52% and comprised 71.06%, 73.22% and 73.58% of our consolidated revenue from operations during Fiscals 2014, 2015 and 2016, respectively. Our revenue from Owned Brands segment increased from ₹ 1,041.03 million in Fiscal 2014 to ₹ 1,141.68 million in Fiscal 2016, representing a CAGR of 4.72% and comprised 28.94%, 26.78% and 26.42% of our consolidated revenue from operations during Fiscals 2014, 2015 and 2016, respectively. Our overall EBITDA increased from ₹ 120.27 million in Fiscal 2014 to ₹ 422.66 million in Fiscal 2016, at a CAGR of 87.83%.

Our Market Opportunity

According to the F&S Report, India is one of the fastest emerging markets for luxury products. The Indian luxury market has grown from ₹ 54,106 million in 2010 to ₹ 163,807 million in 2015, at a CAGR of approximately 24%. The biggest contributor towards market growth is the wealthy population of the country. India has over two million households earning over US$ 100,000 annually. It is expected that by the year 2020, the number of Indian ultra-high net-worth households (with wealth of US$ 30 million and above) will increase to 348,000. India ranks third in terms of absolute increase in the number of UHNI, which, between 2005 and 2015, rose from 1,368 to 6,020. In terms of UHNI, Mumbai and Delhi are ranked at 21 and 33, respectively, out of 97 cities across the world and are expected to move up to 14 and 29, respectively, by 2025. This increase in the UHNI will boost the luxury spending of this group of population, resulting in an increase in the demand of luxury products and an increase in the luxury brand outlets in India.

India is the second most populous country in the world and the population is expected to grow at the rate of 1.1% over the next five years. The number of young individuals (age group of 15-34) as a percentage of the total population is of key importance, as they are expected to drive demand, including for premium, bridge-to-luxury and luxury products. The expected increase in this percentage as well as income levels, directly implies the availability of potential future workforce and consequently, the potential for spending money. Indians in their 30s and 40s have the highest income in the country and comprise almost 70% of people in the top income bracket. An increase in gross disposable income typically results in greater purchasing power and a change in household spending patterns. Further, as consumers rise up in existing categories of consumption, they move from cheaper brands to more expensive ones or displace existing consumables with alternatives of higher value or both. All these factors will further lead to an increase in the market size of the luxury industry in India.

In terms of key categories within luxury products, while clothing and apparel continue to remain a large sub-category, growing at a high CAGR of 23.1% in the last five years, the accessories sub-category has grown at a faster during the same period, at a CAGR of 30.6%. Women ethnic wear is the largest sub-category in bridge-to-luxury and premium apparel, while lingerie is a fast growing category in this segment, which is growing at a CAGR of 14%.

Our Strengths

Partner of choice for international luxury brands

We pioneered the concept of luxury retailing in India by acquiring distribution rights for leading international luxury brands which would be appealing to Indian luxury consumers. (*Source: F&S Report*) With our robust portfolio, comprising a large bouquet of International Brands, we benefit from a firm foothold in the industry and are well positioned to leverage on its overall growth. We have long-standing relationships with brand owners of a number of International Brands, including *Armani Jeans*, *Emporio Armani*, *Giorgio Armani*, *Canali*, *Burberry*, *Paul Smith*, *Bottega Veneta* and *Jimmy Choo*, for whom we have been the exclusive distributors India for periods ranging from four to eight years. We have diversified our portfolio to include brands such as *Tumi* and *Villeroy & Boch* that offer products in the travel and lifestyle categories, in addition to brands with products in the luxury apparel and accessories categories. Of our existing portfolio of 16 International Brands, our arrangements with eight such brands have come up for renewal in the past, and the term each of those arrangements has been extended, signifying our ability to ensure continuity of relationship with international luxury brands on account of our performance standards. Moreover, our association and relationship with brands such as *Canali* has deepened and advanced over the years, as is evidenced by the fact that we have moved from being exclusive distributors in India for *Canali* to entering into a JV partnership with them. Similarly, we are currently in the process of negotiating a potential joint venture partnership with *Hugo Boss*. Further, recently in September 2016, in addition to extending the term of our existing arrangement with respect to the three *Armani* brands we have been exclusively distributing in India since 2012, Giorgio Armani S.p.A. also granted us exclusive distribution rights with respect to a new brand, i.e. *A|X Armani Exchange*, signifying our continuing and deepening association with the brand owner. A majority of the International Brands in our portfolio, including *Emporio Armani, Giorgio Armani, Armani Jeans, Bottega Veneta, Canali*, *Paul Smith*, *Hugo Boss* and *Jimmy Choo*, were distributed in India by other players prior to our acquisition of distribution rights for these brands. We believe that through our efforts, in particular on account of our understanding of consumer tastes and our merchandising skills, we have been successful in growing these brands in India.

Our emphasis on ensuring strict presentation, marketing and promotional standards consistent with the luxury experience and demands of these International Brands, and our ability to offer access to an affluent and loyal clientele, premium real estate along with effective inventory management are key distinguishing factors for us. Since the year 2008, when we first acquired the right to exclusively distribute *Canali* products in India, we have added an average of two international luxury brands to our portfolio each year, with a conscious effort to partner with brands that we believe are relevant for the Indian market and address demand for products across various price points within the luxury segment. We have been successful in driving sales and thereby increasing value for the International Brands, which has led us to become a partner of choice for international luxury brands looking to establish or expand their existing brand presence in India.

Deep understanding of the Indian luxury market

We acquired the *Satya Paul* brand in 2002 and have been engaged in distribution of international luxury brands in India since 2008. Given our history and experience, we have been connected with affluent Indian consumers and have developed an insight into their tastes and preferences. This understanding enables us to bring into the Indian market a selection of merchandise from the latest global collections of the International Brands, tailored to local aesthetics, in terms of product as well as pricing. This is a key differentiating factor for us, which we believe increases sales productivity for these brands. In addition, over the years, we have been collecting data (including through our exclusive franchisee that operates certain EBOs) on customer demographics, purchase patterns and feedback as part of our customer record management ("**CRM**") initiative. We process, analyze and mine this data on a continued basis, and are thereby able to gauge and track market trends, changing consumer preferences, demographics and purchase patterns of consumers as well as flexibility in terms of pricing of products. Based on this, we undertake sourcing and merchandising at our end, in addition to providing feedback to the International Brands with a view to help bring the most relevant product offerings to the Indian market, including taking into account varying preferences across different regions within India. For instance, we have noted that the Indian aspirational luxury consumers prefer products with large and visible brand logos. Also, based on our feedback, certain International Brands offer a larger collection of bags at EBOs in India as compared to shoes, unlike their typical store offerings around the world; additionally, certain brands have also introduced products specific to India, such as *Canali*, which, in keeping with its rich heritage in fine suiting, introduced the 'bandhgala' jacket. We also gain valuable insights into the Indian luxury market through actively managing our JVs in partnership with our JV partners, which are engaged in directly retailing luxury products to the end-consumers.

We believe that our ability to leverage our CRM database, which is continually updated with feedback from the EBOs, also helps drive sales across our International Brands. We analyse the CRM data and send customized and targeted emails to past purchasers, with a view to cross sell products of other complementary International Brands,

bundle offers comprising products of different International Brands during festive seasons as well as manage inventory effectively. As part of our CRM database, we maintain a record of consumers who have purchased products at EBOs of the International Brands and our Owned Brands, based on information gathered from our exclusive franchisees, JVs and Subsidiaries operating the EBOs. The number of unique consumers who have purchased products at EBOs of the International Brands and our Owned Brands, increased from 62,057 in Fiscal 2014 to 69,318 in Fiscal 2016, representing an 11.70% increase in the number of unique purchasing consumers during such period. Further, the number of repeat customers, i.e. number of customers who have purchased products at any of the EBOs of the International Brands and our Owned Brands more than once, increased from 9,467 during Fiscal 2014 to 43,941 during Fiscal 2016.

Given our market position and rich experience in the fashion focused luxury market in India, we are well-positioned to leverage on the anticipated growth of the Indian luxury market.

Access to premium real estate across India

As a distributor of the International Brands in India, we identify suitable locations for their EBOs, in addition to EBOs for our Owned Brands. Access to premium real estate on competitive terms, is a key factor impacting the success and sustainability of any brand in the market in which we operate, partially due to the lack of viable premium commercial real estate in India. All EBOs of the International Brands and our Owned Brands are located on premises leased by us, which allows us to ensure continuity of business from a particular location for the brands. We believe we have strong business relationships with premier real estate players, providing us with access to the most suitable store locations, at competitive commercial terms. As of August 31, 2016, we had leased retail space aggregating to carpet area of 108,930 sq. ft. at premier malls, luxury hotels and high-end commercial space across India.

Given our large bouquet of International Brands, we believe we are able to negotiate commercial terms as an "anchor tenant" at specialized luxury format malls, such as DLF Emporio Mall in Delhi, Palladium Mall in Mumbai, UB City Mall in Bangalore and Quest Mall in Kolkata. Of the 57 EBOs where the International Brands were sold as on August 31, 2016, 43 EBOs were located in these four malls, with at least 9 EBOs of the various International Brands at each such mall. We believe that our size and scale as an anchor tenant (owing to our wide portfolio of International Brands) provides us with significant competitive advantages, including favourable pricing and lease terms. Our ability to negotiate favourable lease terms of such nature help us effectively manage our operating costs and improve our margins.

Own established Indian premium brands

We have successfully developed and grown our brand *Satya Paul* into one of the leading brands in India in the branded ethnic wear category. (*Source: F&S Report*) Our in-house design team conceives and designs all *Satya Paul* products at our design studio situated at our Registered and Corporate Office in Gurgaon. We believe that we have been successful creating a distinct recognition for *Satya Paul* in the minds of customers through its characteristic, vibrant and colourful prints and designs. We have also evolved the *Satya Paul* brand over the years by understanding and analyzing the changing trends, responding to such changing trends and have been instrumental in creating an appeal in the market for ethnic premium products. We have also made conscious efforts to expand the demography to include younger, contemporary consumers. According to the F&S Report, the overall women's and men's ethnic wear markets are expected to grow at a CAGR of 8% and 8.5%, respectively, over the next few years up to 2020, and we believe we are well positioned to take share in the overall growth of the market.

Our brand *Bw!tch* is one of the key brands in the fast growing branded premium/bridge to luxury lingerie category in India. We focus on offering vibrant designs that appeal to the contemporary Indian woman, and have expanded product offerings under the brand to include lingerie, innerwear, shapewear, nightwear, swimwear and accessories. Our pricing is a key differentiator, as *Bw!tch* is the amongst the most affordable premium/ bridge-to-luxury lingerie brand in India. We largely distribute *Bw!tch* through distribution channels other than EBOs, which enables us to reach a wider set of customers in terms of geography (i.e. across 19 cities in India, including Tier 2 and Tier 3 cities, as of August 31, 2016, as well as through sales on internet sales platforms) and also across varying levels of purchasing power. According to the F&S Report, the overall lingerie category is growing at a 14% CAGR and online sales for lingerie are expected to grow substantially in the next three years, at a CAGR of 42%.

Our Owned Brands belong to relatively unorganized segments, which allows us to compete effectively by capitalizing on their brand value. We have a widespread pan-India distribution network, with respect to our Owned Brands, which are sold through multiple distribution channels, including franchisee-operated EBOs, shop-in-shops, internet sales platforms, exports and other local trade channels, in addition to corporate sales for *Satya Paul* through tie-ups with various corporate houses for corporate gifting, promotions and uniforms. Owning, developing, managing and growing these Owned Brands provides us with further insights into the Indian luxury market and consumer preferences through a closer connect with the consumers and helps us build deeper relationships with our distribution network, which we are able to leverage across our business segments.

Experienced management and operating team

Our senior management and operations team has extensive experience across a broad range of disciplines in the fashion focussed industry, including design, merchandising, sales and marketing, real estate and finance. We rely on our Promoter and Managing Director, Mr. Sanjay Kapoor's vision and experience in the luxury fashion industry, with which he has been associated for over 24 years. Our Group Chief Executive Officer, Mr. Nikhil Mehra, has been associated with us since 2008, and has played a key role in driving the growth of our international luxury brands business segment through overall management of existing brands in our portfolio, acquisition of new brands and improving business efficiencies. Further, our Executive Director and Chief Financial Officer, Mr. Samit Guha, has over 19 years of experience in leading and managing finance and accounting functions in both manufacturing and service industries, and plays a critical role in overall management of our finance, IT, human resources and legal functions. Ms. Renu Prasad, Chief Operating Officer – Owned Brands has approximately 20 years of experience in the apparel and fashion industry and is responsible for the overall business of our Owned Brands. The merchandising, brand building and marketing functions with respect to the International Brands are headed by Ms. Deepika Gehani, Creative and Merchandising Head of GLF, who has over 10 years of experience in designing and marketing in the fashion industry. Our management and operational team has strong creative and operational experience and has helped drive our growth.

Our Strategies

Continue to increase our portfolio of international luxury brands

We have built a robust portfolio of international luxury brands, both through first-time partnerships in India and through acquisition of distribution rights for international brands that were previously distributed by others in the Indian market. We seek to continue to grow our international brands business segment, with particular focus on increasing the size of our portfolio, in order to capitalize on the significant and growing market opportunity in this segment. For example, in January 2016, we entered into an exclusive distribution agreement with *Coach* and introduced their products to the Indian market, which we were able to do on account of our efforts over the last Fiscal to engage in dialogue with the brand owner and collaborate on their India entry strategy. The first *Coach* EBO opened in Mumbai in July 2016. We also introduced *Hugo Boss* to our portfolio of International Brands in 2016. Towards this end, we intend to leverage our existing platform to acquire exclusive rights to distribute new international luxury brands in India, with a continued focus on brands in the apparel and accessories product categories, in particular, in the handbags and shoes segments. We seek to do this through continued connect and dialogue with suitable brand owners on their India entry strategy, as well as identifying opportunistic acquisitions of brands currently present in the Indian market and being distributed by our competitors. We also seek to add to our portfolio any brands owned or managed by the same group as the brands in our existing portfolio. For instance, we have recently acquired exclusive rights to distribute *A|X Armani Exchange*, which is the fourth brand of the *Armani* group in our portfolio of International Brands. We believe we are strongly positioned as the first port of call for international luxury brands looking to enter the Indian market, or seeking to revitalize their brands in India.

Expand the reach and sales of our existing international luxury brands

We seek to expand the reach of the distribution network for the International Brands to new and suitable markets in India, where we perceive that there is a market for these brands, combined with the availability of high-end retail space. We also continue to explore new EBO locations in existing markets, both through acquiring additional space at existing malls or analyzing the feasibility of new retail locations, while maintaining our in-store experience for customers. We seek to maximize the same store sales of the International Brands by maintaining consistent store-level execution and offering customers a broad and relevant selection of products. We also intend to continue to expand awareness for the brands in our portfolio in an effort to maintain high levels of customer

traffic. We seek to do this by increasing visibility for the brands at fashion shows in India, implementing innovative marketing strategies directed at increasing footfalls at the EBOs, such as in-store events involving wine tastings and exclusive product previews for select customers, as well as through digital and social media campaigns with a view to attract young affluent customers. We have also, in January 2016, rolled out our loyalty program, 'Genesis Luxe Club', which we seek to leverage to drive repeat sales for the International Brands and *Satya Paul*.

Establish an online presence through our partnership with Tata Cliq

In April 2016, we entered into a partnership with the Tata Unistore Limited, with the intention of targeting the luxury consumer in India on the internet. The *Tata Cliq* online platform is a curated marketplace for brands to sell products through dedicated online storefronts, which we believe enables us to maintain brand identity for the International Brands. This partnership provides us the rights to exclusively manage the *Tata Cliq* luxury platform for a period of two years from the launch of the platform, both for such International Brands in our portfolio that grant their consent to be sold through the *Tata Cliq* platform as well as for other international luxury brands that, jointly targeted by Tata Unistore Limited and us, agree to make their products available for sale through the platform. In addition to being an investment light model for us, we believe this online partnership will expand our reach to a large customer base in other Tier 1 and Tier 2 cities in India, where opening luxury stores is a challenge given the lack of high-end retail real estate outside the metropolitan cities in India, and also gives us access to a large customer database from *Tata Cliq*. The *Tata Cliq* platform will also help us to expand our brand portfolio by on-boarding brands for which offline stores may not be feasible. We believe that in partnership with the *Tata Cliq* platform, we can offer a comprehensive online luxury experience to customers across India, while expanding both our product portfolio and customer reach.

Drive expansion and growth of our Owned Brands

We seek to keep growing our Owned Brands, *Satya Paul* and *Bw!tch*, by continuing to innovate and expand the product offerings under these brands, in keeping with fashion trends and consumer tastes. We have identified the accessories portfolio for men and women, including handbags, cufflinks, ties, belts and scarves as an area of increased focus for us in terms of product offerings. We also intend to continue to explore the viability of collaborations with other third-parties to keep up with fashion trends and enhance the appeal of the product offerings across a wide demographic. We seek to continue to leverage on our strong relationships with popular Indian personalities and explore collaborations with them for marketing and creative initiatives, such as our recent tie-up with Gauri Khan to co-design our select *Satya Paul* collection and brand endorsement by Malaika Arora. We have also recently launched a *pret* line of indo-western fusion silhouettes, under the *Club SP* brand, through which we seek to reach out to and meet the lifestyle demands of younger, contemporary Indian women through smart, ready to wear silhouettes. We expect to launch three EBOs for the *Club SP* line by the end of Fiscal 2017, as well as market and distribute online and though a large format retail chain.

We also seek to grow our Owned Brand *Bw!tch* by continuing to further increase the points of sale and distribution for the brand, which increased from 110 in Fiscal 2014 to 182 in Fiscal 2016, in an effort to reach a broader customer base across Tier 2 and Tier 3 cities. We also intend to focus on further increasing the appeal for *Bw!tch* branded products among affluent customers by being present through shop-in-shops at premier large format retail outlets as well as adding product categories to complement our product mix, such as premium swimwear and lounge wear.

We are also exploring launching branded products in the cosmetics and home categories, which we believe offer a large and relatively under-penetrated consumer base.

Increase operational efficiencies and consolidate the business

Improving on operational efficiencies, managing as well as reducing costs and consolidating our business are key areas of focus for us. Accordingly, we seek to identify areas where we can leverage on our existing capabilities and increase efficiencies. For instance, we are actively evaluating implementation of a simplified group structure, including through merging our Company and our Subsidiary, Genesis Luxury Fashion Private Limited ("**GLF**"), which houses the international luxury brands business segment, with a view to increase business and operational efficiencies and enhance value for our Company's shareholders. As a first step towards this end, our Company will utilize a portion of the Net Proceeds of the Fresh Issue to purchase an additional equity shareholding of GLF,

pursuant to which, our Company will hold 98.42% of GLF's share capital. For details, see "***Objects of the Offer***" on page 83.

Keeping our rental costs in check is crucial for us to maintain healthy margins. Accordingly, we will continually strive to further deepen and further extend our business relationships with real estate owners, in order to be able to identify and rent premier real estate on competitive terms. Further, as we continue to expand our business, we plan to improve our operating results by taking advantage of economies of scale in purchasing our inventory, leveraging our existing infrastructure and continually optimizing and improving our operations in areas such as inventory management. We seek to better leverage our expenses, particularly general corporate overhead and fixed costs such as non-variable occupancy costs, through increases in both same store sales and total sales.

Further, we intend to continue to assimilate relevant customer information, track footfalls, conversion rates, purchase patterns and other metrics to produce meaningful analysis that can be implemented across our platform through our CRM initiative. In addition to tracking the number of purchasing customers, we also maintain a database on customers who have visited the EBOs and provided us with some contact information, which helps us reach out to them when products they have requested for or expressed interest in become available, and assimilate logs on footfalls, in order to continually assess suitability of the EBO locations as well as demand for and acceptability of the merchandise stocked at the EBOs. Improving on the CRM data analytics and its efficient implementation is expected to enhance our inventory management systems by enabling us to order the most suitable collections, sizes and quantity of products for the purpose of distribution to and sale at the EBOs.

SUMMARY FINANCIAL INFORMATION

Restated Standalone Summary Statement of Assets and Liabilities

(All amounts are in INR Millions, unless otherwise stated)

Particulars	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012
EQUITY AND LIABILITIES					
Shareholders' funds					
Share capital	20.96	20.77	20.77	317.54	317.54
Reserves and surplus	928.88	984.17	1,114.71	581.15	792.88
Money received against share warrants	13.33	13.33	13.33	13.33	-
	963.17	**1,018.27**	**1,148.81**	**912.02**	**1,110.42**
Non-current liabilities					
Long-term borrowings	2.33	2.67	21.07	52.43	16.99
Other long-term liabilities	43.82	38.23	26.81	31.50	32.85
Long-term provisions	15.46	15.48	15.22	15.94	13.42
	61.61	**56.38**	**63.10**	**99.87**	**63.26**
Current liabilities					
Short-term borrowings	448.55	420.61	447.88	416.64	404.63
Trade payables					
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	279.23	212.77	200.11	174.12	107.17
Other current liabilities	107.08	99.61	144.33	159.26	298.27
Short-term provisions	38.09	43.11	27.70	19.00	10.32
	872.95	**776.10**	**820.02**	**769.02**	**820.39**
TOTAL	**1,897.73**	**1,850.75**	**2,031.93**	**1,780.91**	**1,994.07**
ASSETS					
Non-current assets					
Fixed assets					
Tangible fixed assets	160.67	210.91	245.16	181.10	192.04
Intangible fixed assets	2.54	3.57	5.40	8.08	6.90
Capital work-in-progress	-	-	3.65	30.61	21.98
Non-current investments	540.72	540.72	540.72	481.11	402.19
Long-term loans and advances	110.22	95.03	110.75	97.07	241.76
Other non-current assets	0.39	-	0.45	4.98	4.75
	814.54	**850.23**	**906.13**	**802.95**	**869.62**
Current assets					
Inventories	415.83	399.10	567.57	448.82	499.30
Trade receivables	568.95	544.14	480.53	484.66	444.65
Cash and bank balances	9.52	13.47	42.62	16.54	8.03
Short-term loans and advances	47.78	43.70	35.02	27.88	172.47
Other current assets	41.11	0.11	0.06	0.06	-
	1,083.19	**1,000.52**	**1,125.80**	**977.96**	**1,124.45**
TOTAL	**1,897.73**	**1,850.75**	**2,031.93**	**1,780.91**	**1,994.07**

Restated Standalone Summary Statement of Profit and Loss

(All amounts are in INR Millions, unless otherwise stated)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
Revenue from operations	1,141.68	1,112.74	1,061.93	1,052.02	866.42
Other operating revenues	32.20	24.58	23.52	15.28	22.29
Other Income	3.61	34.44	9.32	19.64	22.10
Total Revenue	**1,177.49**	**1,171.76**	**1,094.77**	**1,086.94**	**910.81**
Expenses					
Cost of materials consumed	184.77	180.22	274.32	261.56	218.19
Purchases of traded goods	243.02	110.00	223.95	192.47	205.66
Changes in inventories of finished goods and traded goods	(4.85)	166.82	(120.72)	30.45	32.49
Employee benefits expenses	266.73	255.87	216.32	193.76	162.06
Finance costs	64.12	69.47	71.72	93.10	87.73
Depreciation and amortisation	30.76	50.06	36.65	41.19	46.76
Other expenses	448.23	469.87	520.21	499.98	443.71
Total expenses	**1,232.78**	**1,302.31**	**1,222.45**	**1,312.51**	**1,196.60**
Loss before tax and exceptional items, as restated	**(55.29)**	**(130.55)**	**(127.68)**	**(225.57)**	**(285.79)**
Exceptional items	**-**	**-**	**-**	**13.82**	**(195.05)**
Loss after exceptional items, but before tax, as restated	**(55.29)**	**(130.55)**	**(127.68)**	**(211.75)**	**(480.84)**
Tax expense					
Current tax	-	-	-	-	-
Deferred tax	-	-	-	-	-
Net loss for the year, as restated	**(55.29)**	**(130.55)**	**(127.68)**	**(211.75)**	**(480.84)**

Restated Standalone Summary Statement of Cash Flows

(All amounts are in INR Millions, unless otherwise stated)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
Cash flows from operating activities:					
Loss before tax, as restated	(55.29)	(130.55)	(127.68)	(211.75)	(480.84)
Adjustments :					
Depreciation and amortisation	30.75	50.06	36.64	41.18	46.75
Profit on sale of investment	-	-	-	(13.82)	(129.66)
Profit on sale of business	-	-	-	-	(120.45)
Provision for doubtful receivables	8.34	-	5.17	-	15.73
Provision for doubtful receivables written back	-	(5.75)	-	-	-
Bad debts written off	-	-	0.01	-	(6.34)
Provision for fringe benefit tax written back	-	(0.17)	-	-	-
Expense on employee stock option scheme	1.87	-	4.40	-	-
Distribution by subsidiary	(1.87)	-	-	-	-
Loss on sale of fixed assets	3.70	1.48	14.88	2.65	9.38
Interest income	(1.32)	(0.23)	(0.15)	(4.95)	(8.12)
Provision for wealth tax	-	0.20	0.21	-	-
Finance costs	64.12	69.47	71.72	93.10	87.73
Inventory written off	-	-	-	-	445.16
Provision for loss of margin on sales return, written back	(4.53)	-	-	-	-
Provisions no longer required, written back	0.00	-	-	-	-
Operating cash flows before working capital changes	**45.77**	**(15.49)**	**5.20**	**(93.59)**	**(140.66)**
Adjustments for :					
(Increase)/decrease in trade receivables	(33.15)	(57.86)	(1.05)	(40.02)	199.93
(Increase)/decrease in loans and advances	(14.79)	8.92	(17.76)	3.24	30.53
(Increase)/decrease in inventories	(16.74)	168.48	(118.76)	50.48	(75.18)
Increase/(decrease) in trade payable	66.47	12.67	25.98	66.69	(214.40)
Increase/(decrease) in provisions	(0.50)	15.84	7.97	11.20	2.65
Increase/(decrease) in other liabilities	29.38	(8.99)	1.52	7.71	6.48
Net Cash Generated from Operations	**76.44**	**123.57**	**(96.90)**	**5.71**	**(190.65)**
Income tax (paid) / refunded	(2.80)	(2.03)	(3.28)	(3.15)	(8.57)
Net cash flows generated from/(used in) operating activities (A)	**73.64**	**121.54**	**(100.18)**	**2.56**	**(199.22)**
Cash flows from investing activities:					
Acquisition of interest in subsidiaries, associates or joint ventures	-	-	(59.61)	(34.13)	(0.05)
Proceeds from disinvestment in subsidiaries, associates or joint ventures	-	-	-	-	159.30
Purchases of fixed assets (including capital advances)	(27.03)	(14.27)	(93.46)	(42.80)	(29.61)
Deposit received/(repayment) of deposit for sale of property	6.00	-	-	(200.00)	200.00
Proceeds from sale of fixed assets	1.73	1.33	2.92	0.11	0.07
Bank deposits (having original maturity of more than three months)	(2.55)	(4.90)	2.07	(0.09)	-
Redemption/maturity of bank deposits (having original maturity of more than three months)	2.44	5.06	-	-	-
Loan received	-	-	-	160.00	-
Loan given	(1.12)	-	-	(30.00)	(289.30)
Interest received	1.28	0.13	1.64	4.54	7.78
Proceeds from sale of investments	-	-	-	128.23	-
Proceeds from sale of business	-	-	-	-	250.00
Net cash flows (used in)/generated from investing activities (B)	**(19.25)**	**(12.65)**	**(146.44)**	**(14.14)**	**298.19**
Cash flows from financing activities:					
Share warrant amount received	-	-	-	13.33	-
Issue of equity shares and premium thereon	0.19	-	360.08	0.01	-
Repayment of borrowings	(66.99)	(78.44)	(315.79)	(195.33)	(53.19)
Proceeds from borrowings	50.00	35.51	226.10	282.42	-
Proceeds from/(repayment of) cash credit and working capital facilities (net)	27.94	(27.27)	75.55	12.00	(7.39)
Principal payments under finance lease	(0.66)	(0.12)	-	-	-
Finance costs paid	(68.56)	(67.98)	(74.22)	(92.82)	(84.65)
Net cash flows (used in)/generated from financing activities (C)	**(58.08)**	**(138.30)**	**271.72**	**19.61**	**(145.23)**
Net change in cash and cash equivalents (A+B+C)	**(3.69)**	**(29.41)**	**25.10**	**8.03**	**(46.26)**
Cash and cash equivalents at the beginning of the period	12.01	41.42	16.32	8.03	54.29
Cash and cash equivalents taken over on amalgamation	-	-	-	0.26	-
Cash and cash equivalents at the end of the period (see below)	**8.32**	**12.01**	**41.42**	**16.32**	**8.03**

Restated Standalone Summary Statement of Cash Flows

(All amounts are in INR Millions, unless otherwise stated)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
Notes to cash flow statement					
1. Components of cash and cash equivalents:					
Cash on hand	0.29	1.48	1.23	1.67	0.73
Balances with banks in current accounts	8.03	9.21	39.72	10.73	6.52
Balances with banks in deposit accounts	-	-	-	3.04	0.59
Credit card collections in hand	-	1.32	0.47	0.88	0.19
	8.32	**12.01**	**41.42**	**16.32**	**8.03**

Restated Consolidated Summary Statement of Assets and Liabilities

(All amounts are in INR Millions, unless otherwise stated)

Particulars	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012
EQUITY AND LIABILITIES					
Shareholders' funds					
Share capital	20.96	20.77	20.77	317.54	317.54
Reserves and surplus	1,356.37	1,356.72	1,464.21	929.08	889.11
Money received against share warrants	13.33	13.33	13.33	13.33	-
	1,390.66	**1,390.82**	**1,498.31**	**1,259.95**	**1,206.65**
Minority interest	805.23	1,001.68	958.25	1,011.94	322.43
Non-current liabilities					
Long-term borrowings	4.95	2.67	21.07	52.43	16.99
Other long-term liabilities	114.88	101.03	76.03	49.67	54.68
Long-term provisions	31.70	31.14	25.48	24.95	21.58
	151.53	**134.84**	**122.58**	**127.05**	**93.25**
Current liabilities					
Short-term borrowings	1,051.26	878.48	817.39	688.42	801.38
Trade payables					
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	453.94	400.68	425.44	354.63	251.23
Other current liabilities	186.91	176.12	216.40	228.65	128.46
Short-term provisions	48.82	126.95	124.51	74.80	29.47
	1,740.93	**1,582.23**	**1,583.74**	**1,346.50**	**1,210.54**
TOTAL	**4,088.35**	**4,109.57**	**4,162.88**	**3,745.44**	**2,832.87**
ASSETS					
Non-current assets					
Fixed assets					
Tangible fixed assets	509.47	621.74	650.99	542.66	425.98
Intangible fixed assets	13.78	18.74	12.34	22.78	8.20
Capital work-in-progress	-	-	38.65	30.58	21.97
Goodwill on consolidation	21.70	18.44	18.44	18.44	18.44
Non-current investments	-	-	-	-	3.23
Deferred tax assets (net)	85.69	68.64	58.44	43.47	26.98
Long-term loans and advances	390.62	313.43	285.18	273.15	174.18
Other non-current assets	1.15	0.79	6.28	6.01	5.18
	1,022.41	**1,041.78**	**1,070.32**	**937.09**	**684.16**
Current assets					
Current investments	49.00	-	-	-	-
Inventories	1,301.08	1,139.81	1,283.79	1,012.66	938.09
Trade receivables	1,141.45	1,012.47	989.03	1,020.87	910.02
Cash and bank balances	298.14	707.89	623.84	631.77	157.80
Short-term loans and advances	186.86	169.75	185.91	139.87	111.97
Other current assets	89.41	37.87	9.99	3.18	30.83
	3,065.94	**3,067.79**	**3,092.56**	**2,808.35**	**2,148.71**
TOTAL	**4,088.35**	**4,109.57**	**4,162.88**	**3,745.44**	**2,832.87**

Restated Consolidated Summary Statement of Profit and Loss

(All amounts are in INR Millions, unless otherwise stated)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
Revenue from operations	4,321.62	4,155.14	3,597.77	2,962.93	2,155.10
Other operating revenues	49.11	52.14	20.76	14.87	17.88
Other Income	31.60	58.24	49.34	42.78	20.34
Total revenue	**4,402.33**	**4,265.52**	**3,667.87**	**3,020.58**	**2,193.32**
Expenses					
Cost of materials consumed	184.93	180.06	274.31	261.56	218.19
Purchases of traded goods	1,882.16	1,615.87	1,687.05	1,326.54	974.51
Changes in inventories of finished goods and traded goods	(149.55)	142.48	(325.22)	(154.87)	(77.76)
Employee benefits expenses	548.31	505.52	444.45	417.23	299.90
Finance costs	116.69	125.38	119.06	113.05	86.80
Depreciation and amortisation	161.92	205.14	144.02	163.64	113.78
Other expenses	1,497.30	1,504.41	1,405.65	1,230.38	905.46
Total expenses	**4,241.76**	**4,278.86**	**3,749.32**	**3,357.53**	**2,520.88**
Profit/(loss) before tax and exceptional items, as restated	**160.57**	**(13.34)**	**(81.45)**	**(336.95)**	**(327.56)**
Exceptional items	-	16.18	(44.17)	25.35	(445.16)
Profit/(loss) after exceptional items, but before tax, as restated	**160.57**	**2.84**	**(125.62)**	**(311.60)**	**(772.72)**
Tax expense					
Current tax	107.13	78.67	70.44	22.36	7.58
Deferred tax	(17.06)	(10.19)	(14.95)	(16.52)	(5.23)
Profit/(loss) after tax and before minority interest, as restated	**70.50**	**(65.64)**	**(181.11)**	**(317.44)**	**(775.07)**
Add/ Less: Minority interest	(77.96)	(42.74)	54.42	125.32	15.11
Net loss for the year attributable to equity shareholders, as restated	**(7.46)**	**(108.38)**	**(126.69)**	**(192.12)**	**(759.96)**

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited*)

Annexure III

Restated Consolidated Summary Statement of Cash Flows
(All amounts are in INR Millions, unless otherwise stated)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
Cash flows from operating activities:					
Profit/(loss) before tax, as restated	160.57	2.84	(125.62)	(311.60)	(772.72)
Adjustments :					
Depreciation and amortisation	161.92	205.14	144.02	163.64	113.78
Profit on sale of investment	-	-	-	-	-
Profit on sale of business	-	-	(33.34)	(25.35)	-
Provision made/(written back) for diminution in the value of investments	-	-	-	-	-
Provision for doubtful receivables	8.34	17.61	5.17	-	3.74
Provision for doubtful advances	1.45	1.83	1.87	-	-
Provision for margin loss on sales return not required, written back	(7.03)	-	-	-	(3.00)
Advances written off	0.75	1.14	0.09	1.45	0.95
Provision for doubtful receivables written back	-	(6.92)	-	-	-
Bad debts written off	-	-	-	-	-
Provision for fringe benefit tax written back	-	-	-	-	-
Expense on employee stock option scheme	9.28	1.52	5.92	2.63	4.38
Distribution by subsidiary	(1.87)	-	-	-	-
Loss on sale of fixed assets	15.08	16.96	32.15	10.08	17.62
Finance costs	116.69	125.38	119.06	113.05	86.80
Unrealised foreign exchange gain/(loss)	(0.19)	(4.89)	(5.68)	0.34	0.18
Interest income	(27.80)	(47.88)	(38.94)	(24.46)	(4.83)
Interest income on income tax refunds	(0.62)	-	-	-	-
Provision for wealth tax	-	0.20	0.22	0.19	-
Finance costs	-	-	-	-	-
Inventory written off	-	-	-	-	445.16
Operating cash flow before working capital changes	**436.57**	**312.93**	**104.92**	**(70.03)**	**(107.93)**
Adjustments for :					
(Increase)/decrease in trade receivables	(137.31)	(36.25)	23.64	(110.85)	127.04
(Increase)/decrease in loans and advances	(71.18)	(47.24)	(57.70)	(130.96)	46.26
(Increase)/decrease in other assets	(20.87)	(6.12)	(0.67)	(1.28)	(15.76)
(Increase)/decrease in inventories	(161.28)	143.98	(325.95)	(134.82)	(169.44)
Increase/(decrease) in trade payable	50.83	(19.18)	93.53	103.09	(165.23)
Increase/(decrease) in provisions	(2.37)	18.63	18.16	28.48	3.09
Increase/(decrease) in other liabilities	53.30	1.44	(1.48)	26.32	(3.79)
Net Cash Generated from Operations	**147.69**	**368.19**	**(145.55)**	**(290.05)**	**(285.76)**
Income tax (paid) / refunded	(196.78)	(84.02)	(34.46)	(8.97)	(29.31)
Net cash flows (used in)/generated from operating activities (A)	**(49.09)**	**284.17**	**(180.01)**	**(299.02)**	**(315.07)**
Cash flows from investing activities:					
Acquisition of interest in subsidiaries, associates and joint ventures	(274.23)	-	-	-	(0.05)
Purchase of Investments	(49.00)	-	-	-	-
Purchases of fixed assets (including capital advances)	(120.01)	(174.88)	(344.37)	(280.68)	(162.97)
Deposit received/(repayment) of deposit for sale of property	6.00	-	-	-	-
Proceeds from sale of fixed assets	1.75	1.49	7.53	0.13	0.14
Bank deposits (having original maturity of more than three months)	(19.42)	(73.26)	(112.75)	(465.93)	(40.72)
Redemption/maturity of bank deposits (having original maturity of more than three months)	371.20	66.77	233.18	-	-
Loan received/ (given)	(1.12)	-	-	-	-
Interest received	38.25	44.70	32.90	23.44	4.47
Proceeds from sale of investments	-	-	-	3.23	-
Proceeds from sale of business	1.29	21.95	144.37	109.71	-
Net cash flows (used in)/generated from investing activities (B)	**(45.29)**	**(113.23)**	**(39.14)**	**(610.10)**	**(199.13)**
Cash flow from financing activities:					
Share warrant amount received	-	-	-	13.33	-
Issue of equity shares and premium thereon	0.19	-	365.77	749.99	604.86
Proceeds from issue of debentures	-	-	-	-	293.81
Dividend distribution tax paid	(4.69)	-	-	-	-
Repayment of borrowings	(67.67)	(78.44)	(271.49)	(65.18)	(54.53)
Proceeds from borrowings	55.17	35.53	226.10	151.19	-
Proceeds from/(repayment of) cash credit and working capital facilities (net)	172.40	61.07	128.96	180.83	77.65
Proceeds from short term borrowings	-	-	-	0.52	(267.94)
Repayment of short term borrowings	-	-	-	(0.50)	-
Principal payments under finance lease	(0.65)	(0.11)	-	-	-
Finance costs paid	(117.97)	(116.96)	(115.99)	(112.59)	(83.38)
Net cash flows generated from/(used in) financing activities (C)	**36.78**	**(98.91)**	**333.35**	**917.59**	**570.47**

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited*)

Annexure III

Restated Consolidated Summary Statement of Cash Flows
(All amounts are in INR Millions, unless otherwise stated)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
Net change in cash and cash equivalents (A+B+C)	**(57.60)**	**72.03**	**114.20**	**8.47**	**56.27**
Cash and cash equivalents at the beginning of the period	311.91	239.88	125.68	117.21	60.94
Cash and cash equivalents at the end of the period (see below)	**254.31**	**311.91**	**239.88**	**125.68**	**117.21**
Notes to cash flow statement					
1. Components of cash and cash equivalents:					
Cash on hand	5.22	6.30	10.62	6.31	1.67
Balances with banks in current accounts	247.43	120.93	82.38	72.64	114.67
Balances with banks in deposit accounts	0.22	180.12	143.14	43.19	-
Credit card collections in hand	1.44	2.06	3.04	3.54	0.87
Cheques in hand	-	2.50	0.70	-	-
	254.31	**311.91**	**239.88**	**125.68**	**117.21**

THE OFFER

The following table summarizes details of the Offer:

Offer	**Up to [●] Equity Shares aggregating up to ₹ [●] million**
The Offer consists of:	
Fresh Issue[(1)]	Up to [●] Equity Shares aggregating up to ₹ 3,800 million
Offer for Sale[(2)]	Up to 1,916,741 Equity Shares aggregating up to ₹ [●] million
Of which:	
A. QIB Category[(3)]	At least [●] Equity Shares
Of which:	
Anchor Investor Portion[(4)]	Up to [●] Equity Shares
B. Non-Institutional Category[(3)]	Not more than [●] Equity Shares
C. Retail Category[(3)]	Not more than [●] Equity Shares
Pre and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer	10,609,300 Equity Shares
Equity Shares outstanding after the Offer	[●] Equity Shares
Use of proceeds of the Offer	For details, see "***Objects of the Offer***" on page 83.

(1) The Offer has been authorised by our Board pursuant to its resolution dated September 20, 2016, and by our shareholders pursuant to their resolution dated September 20, 2016.

*(2) 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 305.*

(3) Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Category or the Retail Category would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and the Institutional Selling Shareholders, in consultation with the GCBRLMs and BRLM and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Category will not be allowed to be met with spill-over from other categories or a combination of categories. The Offer shall constitute at least 25% of the fully diluted post-Offer paid up equity share capital of our Company.

*(4) Our Company and the Institutional Selling Shareholders may, in consultation with the GCBRLMs and BRLM, allocate up to 60% of the QIB Cateogry to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion will be 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 is made to Anchor Investors. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added back to the QIB Category. For further details, see the "**Offer Procedure**" on page 327.*

Note: Pursuant to Rule 19(2)(b) of the SCRR, the Offer is being made for at least [●]% of the post-Offer paid-up equity share capital of our Company.

In view of the restrictions on foreign investment in our Company, allocation in this Offer shall be subject to a ceiling on the allocation/ Allotment to non-resident investors, such that total foreign investment in our Company does not exceed 49% of our paid-up Equity Share capital, post-Offer. Allocation to non-residents in all categories will be subject to the aforementioned restriction and the allocation to Anchor Investors, if any, and the Basis of Allotment will accordingly be determined by our Company and the Institutional Selling Shareholders, in consultation with the GCBRLMs, BRLM and the Designated Stock Exchange. For more information, see "*Restriction on Foreign Ownership of Securities*" on page 326.

GENERAL INFORMATION

Our Company was incorporated as "Genesis Retail Private Limited" on November 23, 1998, as a private limited company under the Companies Act 1956, at New Delhi, with a certificate of incorporation granted by the RoC. Pursuant to a resolution of our shareholders dated August 10, 2001, the name of our Company was changed to "Genesis Colors Private Limited" and a fresh certificate of incorporation was issued by the RoC on September 14, 2001. Pursuant to a change in the location of our registered office from New Delhi to Gurgaon, the RoC issued a fresh certificate of incorporation dated March 20, 2015. Further, pursuant to conversion of our Company to a public limited company, our name was changed to "Genesis Colors Limited" and the RoC issued a fresh certificate of incorporation upon conversion to public limited company on September 16, 2016. For further details of changes in name and Registered and Corporate Office of our Company, see "***History and Certain Corporate Matters***" on page 126.

Registration Number: 054949

Corporate Identity Number: U51311HR1998PLC054949

Registered and Corporate Office

51-52, Udyog Vihar
Phase IV, Gurgaon – 122 001
Haryana, India
Telephone: +91 124 4181111
Facsimile: +91 124 4181112
Website: www.genesiscolors.com

Address of the Registrar of Companies

Our Company is registered with the Registrar of Companies, National Capital Territory of Delhi and Haryana, 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
Telephone: +91 11 26235707
Fascimile: +91 11 26235702

Board of Directors

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

Name and Designation	Age (years)	DIN	Address
Mr. Atul Singh *Designation:* Chairman and Independent Director	56	00060943	Villa Aashna, No. 08, Green Avenue, Vasant Kunj, New Delhi – 110 070, India
Mr. Sanjay Kapoor *Designation:* Managing Director	48	00264602	8/1, First Floor, Shanti Niketan, New Delhi –110 021, India
Mr. Samit Guha *Designation:* Whole-time Director and Chief Financial Officer	46	06898192	Flat-301, Tower-23 Vipul Greens, Sohna Road, Gurgaon – 122 018, Haryana, India
Ms. Nalini Gupta *Designation:* Non-executive Director	52	00407008	216A, Hamilton Court, DLF Phase IV, Gurgaon – 122 001, Haryana, India

Name and Designation	Age (years)	DIN	Address
Mr. Vishal Kirti Keshav Marwaha *Designation:* Nominee Director	52	00164204	D-2-A/8, Vasant Vihar, New Delhi – 110 057, India
Mr. Vikram Suhas Godse *Designation:* Nominee Director	43	00230548	132, Shaan Apartments, Kashinath Dhuru Road, Prabhadevi, Mumbai – 400 025, Maharashtra, India
Mr. Bharadwaj Thiruvenkata Venkatavaraghavan *Designation:* Nominee Director	38	02918495	702, 7th Orchid Tower-A, 241/242, Bellasis Road, Mumbai Central 400 008, Maharashtra, India
Mr. Arun Seth *Designation:* Independent Director	64	00204434	A-7, Geetanjali Enclave, New Delhi – 110 017, India
Mr. Tejpreet Singh Chopra *Designation:* Independent Director	46	00317683	C-1/140, Safdurjung Development Area, New Delhi – 110 016, India

For brief profiles and further details in respect of our Directors, see "***Our Management***" on page 138.

Chief Financial Officer

Mr. Samit Guha is the Chief Financial Officer of our Company. His contact details are as follows:

Mr. Samit Guha
51-52, Udyog Vihar, Phase IV
Gurgaon - 122 001, Haryana, India
Telephone: +91 124 4181155
Facsimile: +91 124 4181112
E-mail: samit@genesiscolors.com

Company Secretary and Compliance Officer

Ms. Meenu Juneja is the Company Secretary and Compliance Officer of our Company. Her contact details are as follows:

Ms. Meenu Juneja
51-52, Udyog Vihar, Phase IV
Gurgaon -122 001, Haryana, India
Telephone: +91 124 418 1040
Facsimile: +91 124 418 1112
E-mail: complianceofficer@genesiscolors.com

Investors can contact the Company Secretary and Compliance Officer, 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 GCBRLMs and BRLM.

All grievances, other than of Anchor Investors may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary(ies) 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(ies) where the Bid was submitted. Further, the Bidder shall enclose the

Acknowledgment Slip or the application number from the Designated Intermediaries in addition to the documents or 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 GCBRLM or BRLM where the Bid cum Application Form was submitted by the Anchor Investor.

Global Co-ordinators and Book Running Lead Managers

ICICI Securities Limited ICICI Centre, H.T. Parekh Marg, Churchgate Mumbai – 400 020, Maharashtra, India **Telephone:** +91 22 2288 2460 **Facsimile:** +91 22 2282 6580 **E-mail:** gcl.ipo@icicisecurities.com **Investor Grievance E-mail:** customercare@icicisecurities.com **Website:** www.icicisecurities.com **Contact Person:** Govind Khetan **SEBI Registration No.:** INM000011179	**Edelweiss Financial Services Limited** 14th Floor, Edelweiss House, Off. CST Road Kalina, Mumbai – 400 098, Maharashtra, India **Telephone**: +91 22 4009 4400 **Fascimile**: +91 22 4086 3610 **E-mail**: gcl.ipo@edelweissfin.com **Investor Grievance E-mail**: customerservice.mb@edelweissfin.com **Website**: www.edelweissfin.com **Contact Person**: Siddharth Shah/ Sanjukta Bhattacharjee **SEBI Registration No**.: INM0000010650

Book Running Lead Manager

Ambit Private Limited
Ambit House, 449, Senapati Bapat Marg, Lower Parel
Mumbai – 400 013, Maharashtra, India
Tel: +91 22 3982 1819
Fax: +91 22 3982 3020
E-mail: genesisipo@ambit.co
Investor Grievance E-mail: customerservicemb@ambit.co
Website: www.ambit.co
Contact Person: Sandeep Sharma
SEBI Registration No.: INM000010585

Statement of inter-se allocation of responsibilities among the Global Co-ordinators and Book Running Lead Managers and the Book Running Lead Manager

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

S. No	Activity	Responsibility	Co-ordinator
1.	Capital structuring with the relative components and formalities such as composition of debt and equity, type of instruments, and positioning strategy	I-Sec, Edelweiss, Ambit	I-Sec
2.	Pre-Offer due diligence of the Company including its operations/management/business plans/legal etc., drafting and design of DRHP, RHP and Prospectus, ensure compliance and completion of prescribed formalities with the Stock Exchanges, SEBI and RoC including finalisation of RHP, Prospectus and RoC filing	I-Sec, Edelweiss, Ambit	I-Sec
3.	Drafting and approval of all statutory advertisements	I-Sec, Edelweiss, Ambit	I-Sec
4.	Drafting and approval of publicity material other than statutory advertisements, including corporate advertising, brochures, etc.	I-Sec, Edelweiss, Ambit	Edelweiss
5.	Appointment of Registrar to the Offer, Printers, Banker(s) to the Offer, Advertising agency (including co-ordinating all agreements to be entered with such parties)	I-Sec, Edelweiss, Ambit	Edelweiss

S. No	Activity	Responsibility	Co-ordinator
6.	Preparation of roadshow presentation and FAQs for the roadshow team	I-Sec, Edelweiss, Ambit	I-Sec
7.	International institutional marketing of the Offer, which will cover, *inter alia*: • Institutional marketing strategy • Finalizing the list and division of international investors for one-to-one meetings • Finalizing international road show and investor meeting schedules	I-Sec, Edelweiss, Ambit	I-Sec
8.	Domestic institutional marketing of the Offer, which will cover, *inter alia*: • Finalizing the list and division of domestic investors for one-to-one meetings • Finalizing domestic road show and investor meeting schedules	I-Sec, Edelweiss, Ambit	Edelweiss
9.	Conduct non-institutional marketing of the Offer	I-Sec, Edelweiss, Ambit	Edelweiss
10.	Conduct retail marketing of the Offer, which will cover, *inter-alia*: • Finalising media, marketing, public relations strategy and publicity budget • Finalising collection centres • Finalising centres for holding conferences for brokers etc. • Follow-up on distribution of publicity and Offer material including form, RHP/Prospectus and deciding on the quantum of the Offer material	I-Sec, Edelweiss, Ambit	Edelweiss
11.	Co-ordination with Stock-Exchanges for book building software, bidding terminals and mock trading,	I-Sec, Edelweiss, Ambit	Edelweiss
12.	Coordination with Stock Exchanges for deposit of 1% security deposit	I-Sec, Edelweiss, Ambit	I-Sec
13.	Managing the book and finalization of pricing in consultation with the Company and the Institutional Selling Shareholders	I-Sec, Edelweiss, Ambit	I-Sec
14.	Post-Bidding activities – management of escrow accounts, coordinating underwriting, co-ordination of non-institutional allocation, finalization of the basis of allotment based on technical rejections, listing of instruments, announcement of allocation and dispatch of refunds to Bidders, etc, payment of the applicable securities transaction tax, co-ordination with SEBI and stock exchanges for refund of 1% security deposit	I-Sec, Edelweiss, Ambit	Edelweiss

Syndicate Members

[●]

Legal Counsel to the Company, and HEP Mauritius Limited, as to Indian Law

Shardul Amarchand Mangaldas & Co
Amarchand Towers
216, Okhla Industrial Estate Phase – III
New Delhi 110 020, India
Telephone: +91 11 4159 0700
Facsimile: +91 11 2692 4900

Legal Counsel to the GCBRLMs and BRLM as to Indian Law

Luthra & Luthra Law Offices
1st and 9th Floor, Ashoka Estate,
Barakhamba Road,
New Delhi – 110 001, India
Telephone: +91 11 4121 5100
Facsimile: +91 11 2372 3909

Legal Counsel to Mayfield and ICP as to Indian Law

Khaitan & Co
One Indiabulls Centre
13th Floor, Tower 1
841 Senapati Bapat Marg
Mumbai - 400 013
Maharashtra, India
Telephone: +91 22 6636 5000
Facsimile: +91 22 6636 5050

Registrar to the Offer

Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound
L.B.S. Marg, Bhandup (West)
Mumbai – 400 078, Maharashtra, India
Telephone: +91 22 6171 5400
Facsimile: +91 22 2596 0329
E-mail: gcl.ipo@linkintime.co.in
Investor Grievance E-mail: gcl.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Shanti Gopalkrishnan
SEBI Registration No.: INR000004058

Anchor Escrow Bank

[●]

Refund Bank

[●]

Self Certified Syndicate Banks

The list of SCSBs is available at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries on the SEBI website, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated Branches of the SCSBs 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/home/list/5/33/0/0/Recognised-Intermediaries on the SEBI website, 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/home/list/5/33/0/0/Recognised-Intermediaries) 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/home/list/5/33/0/0/Recognised-Intermediaries).

Broker Centres/ Designated CDP Locations/ Designated RTA Locations

In accordance with SEBI Circular No. 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 will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

Auditors to our Company

B S R & Co. LLP
Building no. 10, 8th Floor
Tower-B, DLF Cyber City, Phase – II
Gurgaon – 122 002, Haryana, India.
Telephone: +91 124 7191000
Facsimile: +91 124 7198613
E-mail: ptulsyan@bsraffiliates.com
ICAI Firm Registration Number: 101248W/W-100022

Our Statutory Auditors, by a certificate dated September 27, 2016 have confirmed that they hold a valid peer review certificate dated June 30, 2016, issued by the Peer Review Board of the Institute of Chartered Accountants of India, New Delhi.

Bankers to our Company

Punjab National Bank **Address:** 17, Prabhat Kiran Building, Rajendra Place, New Delhi – 110 008, India **Telephone:** +91 11 25714509 **Facsimile:** +91 11 25766853 **E-mail:** bo1522@pnb.co.in **Website:** www.pnbindia.in **Contact Person:** SP Singh, Assistant General Manager	**IDBI Bank Limited** **Address:** 1st Floor, Videocon Tower, E-1, Jhandewalan Extension, New Delhi – 110 055, India **Telephone:** +91 11 66083043 **Facsimile:** +91 11 66083038 **E-mail:** g_singh@idbi.co.in **Website:** www.idbi.com **Contact Person:** Gurmeet Singh, Assistant General Manager

Grading of the Offer

No credit agency registered with SEBI has been appointed in respect of obtaining grading for the Offer.

Appraising Entity

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

Monitoring Agency

As the size of the Fresh Issue is less than ₹ 5,000 million, the appointment of a monitoring agency is not required. As required under the SEBI Listing Regulations, the Audit Committee appointed by the Board shall monitor the utilisation of the proceeds of the Offer. We will disclose the utilisation of the proceeds of the Offer under a separate head along with details, if any in relation to all such proceeds of the Offer that have not been utilised thereby also indicating investments, if any, of such unutilised proceeds of the Offer in our balance sheet for the relevant Fiscal years.

Expert

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

Our Company has received consent from the Auditors, B S R & Co. LLP, to include their name in this Draft Red Herring Prospectus as required under Section 26(1)(a)(v) of the Companies Act 2013 and as an "expert" as defined under Section 2 (38) of the Companies Act 2013 to the extent and in their capacity as the statutory auditor of our Company and in respect of their examination reports dated September 20, 2016 on our restated consolidated financial information and restated standalone financial information as of and for the Fiscals ended March 31, 2016, 2015, 2014, 2013 and 2012, and such consent has not been withdrawn as of the date of this Draft Red Herring 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 investors on the basis of the Red Herring Prospectus and the Bid cum Application Forms within the Price Band, which will be decided by our Company and the Institutional Selling Shareholders, in consultation with the GCBRLMs and BRLM, and advertised in [●] editions of [●] (a widely circulated English national daily newspaper) and [●] editions of [●] (a widely circulated Hindi national daily newspaper, Hindi also being the regional language in the place where our Registered and Corporate Office is located), at least five Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purposes of uploading on their website. The Offer Price shall be determined by our Company and the Institutional Selling Shareholders, in consultation with the GCBRLMs and BRLM after the Bid/Offer Closing Date.

All Investors (except Anchor Investors) can 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 can revise their Bid(s) during the Bid/ Offer Period and withdraw their Bid(s) until Bid/ Offer Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date. Except 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 319.

In view of the restrictions on foreign investment in our Company, allocation in this Offer shall be subject to a ceiling on the allocation/ Allotment to non-resident investors, such that total foreign investment in our Company does not exceed 49% of our paid-up Equity Share capital, post-Offer. Allocation to non-residents in all categories will be subject to the aforementioned restriction and the allocation to Anchor Investors, if any, and the Basis of Allotment will accordingly be determined by our Company and the Institutional Selling Shareholders, in consultation with the GCBRLMs, BRLM and the Designated Stock Exchange. For more information, see "*Restriction on Foreign Ownership of Securities*" on page 326.

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 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 the Prospectus is filed with the RoC.

Illustration of Book Building Process and the Price Discovery Process

(Investors should note that the following is solely for the purpose of illustration and is not specific to this Offer, and does not illustrate bidding by Anchor Investors)

Bidders can Bid at any price within the Price Band. For instance, assuming a price band of ₹ 20 to ₹ 24 per share, an issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. A graphical representation of the consolidated demand and price would be made available at the Bidding Centres during the bid period. The illustrative book as shown below indicates the demand for the shares of the issuer company at various prices and is collated from bids from various investors.

Bid Quantity	Bid Price (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%

Bid Quantity	Bid Price (₹)	Cumulative Quantity	Subscription
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

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

Underwriting Agreement

After the determination of the Offer Price and allocation of Equity Shares but prior to the filing of the Prospectus with the RoC, our Company and the Selling Shareholders will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. It is proposed that pursuant to the terms of the Underwriting Agreement, each of the GCBRLMs and BRLM will be severally responsible for bringing in the amount devolved, in the event any of their respective Syndicate Members do not fulfill their underwriting obligations. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to closing, as specified therein.

The Underwriting Agreement is dated [●]. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

This portion has been intentionally left blank and will be filled in before filing of the Prospectus with the RoC

(₹ in million)

Name, address, telephone, fax and e-mail of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten
[●]	[●]	[●]
[●]	[●]	[●]

The abovementioned amounts are provided for indicative purposes only and would be finalized after the pricing and 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. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscriptions for/subscribe to Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement.

CAPITAL STRUCTURE

The share capital of our Company, as of the date of this Draft Red Herring Prospectus, is set forth below.

	Particulars	Aggregate nominal value *(in ₹)*	Aggregate value at Offer Price *(in ₹)*
A)	**AUTHORISED SHARE CAPITAL***		
	54,010,500 Equity Shares of ₹ 10 each	540,105,000	[●]
B)	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER**		
	10,609,300 Equity Shares	106,093,000	[●]
C)	**OFFER**		
	Offer of up to [●] Equity Shares aggregating up to ₹ [●] million	[●]	[●]
	Of which		
	Fresh Issue of [●] Equity Shares aggregating to ₹ 3,800 million**		
	Offer for Sale of up to 1,916,741 Equity Shares aggregating to ₹ [●] million***		
	Of which		
	QIB Category of at least [●] Equity Shares#	[●]	[●]
	Of which:		
	- [●] Equity Shares shall be available for allocation to Mutual Funds only	[●]	[●]
	- [●] Equity Shares shall be available for all QIBs including Mutual Funds	[●]	[●]
	Non-Institutional Category of not more than [●] Equity Shares	[●]	[●]
	Retail Category of not more than [●] Equity Shares	[●]	[●]
D)	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER**		
	[●] Equity Shares of ₹ 10 each	[●]	[●]
E)	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer		1,601,670,517
	After the Offer		[●]

* *For details of the changes in the authorized share capital of our Company, see "**History and Certain Corporate Matters – Amendments to our Memorandum of Association**" on page 127.*

** *The Fresh Issue has been authorised by our Board pursuant to a resolution passed at its meeting held on September 20, 2016 and by our Shareholders pursuant to a resolution passed at the extraordinary general meeting held on September 20, 2016.*

*** *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 305.*

\# *Our Company and the Institutional Selling Shareholders, in consultation with the GCBRLMs and BRLM, may allocate up to 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 shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which Equity Shares are allocated to Anchor Investors in the Offer. In case of under-subscription in the Anchor Investor Portion, the remaining Equity Shares will be added to the QIB Category. For more information, see "**Offer Procedure**" on page 327.*

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	Number of equity shares	Face value (₹)	Issue price (₹)	Nature of consideration	Reason/ Nature of allotment	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)
November 23, 1998	400	10	10	Cash	Subscription to the MoA(1)	400	4,000
July 16, 1999*	199,600	10	10	Cash	Further issue(2)	200,000	2,000,000
July 20, 2001	100,000	10	10	Cash	Further issue(3)	300,000	3,000,000

Date of allotment	Number of equity shares	Face value (₹)	Issue price (₹)	Nature of consideration	Reason/ Nature of allotment	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)
July 5, 2004	700,000	10	10	Cash	Further issue(4)	1,000,000	10,000,000
October 31, 2005	130,900	10	63.03	Cash	Further issue(5)	1,130,900	11,309,000
	11,500	10	10	Cash	Further issue(6)	1,142,400	11,424,000
	15,866	10	630.28	Cash	Further issue(7)	1,158,266	11,582,660
	7,934	10	630.20	Cash	Further issue(8)	1,166,200	11,662,000
	23,800	10	630.25	Cash	Further issue (9)	1,190,000	11,900,000
April 1, 2006	34,100	10	660	Cash	Further issue(10)	1,224,100	12,241,000
	18,182	10	660	Other than cash	Further issue(11)	1,242,282	12,422,820
May 3, 2006	104,165	10	720	Cash	Further issue(12)	1,346,447	13,464,470
June 22, 2006	34, 725	10	720	Cash	Further issue(13)	1,381,172	13,811,720
July 25, 2007*	171,682	10	873.70	Other than cash	Conversion of 15,000,000 Preference Shares into Equity Shares (14)	1,552,854	15,528,540
October 9, 2009	155,299	10	3,863.51	Cash	Further issue(15)	1,708,153	17,081,530
December 21, 2010	45,455	10	N.A.	Bonus	Bonus issue in the ratio of 1:15.50(16)	1,753,608	17,536,080
January 3, 2013	1	10	6,272.28	Cash	Further issue(17)	1,753,609	17,536,090
June 18, 2013	315,650	10	1,140.51	Cash	Rights issue(18)	2,069,259	20,692,590
August 26, 2013	140	10	2,142,857.14	Other than cash	Conversion of 300,000 Series A CCPS into 140 Equity Shares(19)	2,069,399	20,693,990
March 21, 2014	7,306	10	10	Cash	Allotment pursuant to exercise of options granted under GCL SOP 2016 (20)	2,076,705	20,767,050
Equity Shares issued in the two years preceding the date of this Draft Red Herring Prospectus							
March 1, 2016	19,484	10	10	Cash	Rights Issue(21)	2,096,189	20,961,890
September 14, 2016	8,384,756	10	N.A.	Bonus	Bonus issue in the ratio of 1:4(22)	10,480,945	104,809,450
September 20, 2016	128,355	10	1,038.66	Cash	Conversion of five warrants into 128,355 Equity Shares (23)	10,609,300	106,093,000

Our Company has been unable to trace the forms 2 filed in respect of these allotment, for further details, see "Risk Factors – Some of our corporate records including certain secretarial records for the transfer and allotment of Equity Shares are not traceable**" on page 29.*

(1) Initial subscription to the MoA by Mr. Sanjay Kapoor, Mr. Jyoti Mohan Narula, Ms. Nasib Kapoor and Ms. Ritu Narula for 100 Equity

Shares each.

(2) *Allotment of 99,800 Equity Shares each to Mr. Sanjay Kapoor and Mr. Jyoti Mohan Narula*

(3) *Allotment of 99,900 Equity Shares to Mr. Puneet Nanda and 100 Equity Shares to Ms. Meera Nanda*

(4) *Allotment of 233,334 Equity Shares to Mr. Jyoti Mohan Narula, 233,333 Equity Shares to Mr. Sanjay Kapoor and 233,333 Equity Shares to Mr. Puneet Nanda*

(5) *Allotment of 119,000 Equity Shares to Mr. Sanjay Kapoor and 11,900 Equity Shares to Mr. Jyoti Mohan Narula*

(6) *Allotment of 10,000 Equity Shares to Ms. Nalini Gupta and 1,500 Equity Shares to Mr. Virender Bhasin*

(7) *Allotment of 15,866 Equity Shares to Prasad Agents Private Limited*

(8) *Allotment of 7,934 Equity Shares to Ms. Vrinda Rajgarhia*

(9) *Allotment of 23,800 Equity Shares to Mr. Kulbhushan Loond*

(10) *Allotment of 34,100 Equity Shares to Mr. Deepak Mohan Narula*

(11) *Allotment of 18,182 to Genesis Overseas Private Limited as purchase consideration for the transfer of the business of Genesis Overseas Private Limited to our Company pursuant to an agreement for sale of business dated April 1, 2006. For further details, see "**History and Certain Corporate Matters**" on page 126.*

(12) *Allotment of 104,165 Equity Shares to J.M. Financial Investment Managers Limited*

(13 *Allotment of 34,725 Equity Shares to J.M. Financial Investment Managers Limited*

(14) *Allotment of 171,682 Equity Shares to J.M. Financial Trustee Company Private Limited pursuant to conversion of 15,000,000 Preference Shares*

(15) *Allotment of 155,299 Equity Shares to HEP Mauritius Limited*

(16) *Allotment of 8,786 Equity Shares to Mayfield FVCI, Ltd., 20,556 Equity Shares to Sequoia Capital India Growth Investments I, 1,504 to SVB Capital Partners I L.P. ("**SVB**"), 13,569 to HEP Mauritius Limited and 1,040 to ICP Holdings I.*

(17) *Allotment of 1 Equity Share to Bennett, Coleman & Company Limited ("**BCCL**")*

(18) *Allotment of 139,611 Equity Shares to Mr. Sanjay Kapoor, 3,400 Equity Shares to Pranav Ansal & Son HUF (through its karta, Mr. Pranav Ansal), 3,399 Equity Shares to Ms. Kusum Ansal, 3,399 Equity Shares to Ms. Sheetal Ansal, 32,053 Equity Shares to Mayfield FVCI, Ltd., 74,992 Equity Shares to Sequoia Capital India Growth Investment Holdings I, 49,516 Equity Shares to HEP Mauritius Limited and 9,280 Equity Shares to ICP Holdings I*

(19) *Allotment of 92 Equity Shares to Sequoia Capital India Growth Investment Holdings I, 38 Equity Shares to Mayfield FVCI, Ltd. and 10 Equity Shares to ICP Holdings I*

(20) *Allotment of 7,306 Equity Shares to Mr. Sanjay Kapoor*

(21) *Allotment of 3,470 Equity Shares to Mayfield FVCI, Ltd., 6,647 Equity Shares to Sequoia Capital India Growth Investments I, 5,360 Equity Shares to HEP Mauritius Limited, 1,005 Equity Shares to ICP Holdings I, 437 Equity Shares to Pranav Ansal & Son HUF (through its karta, Mr. Pranav Ansal), 437 Equity Shares to Ms. Kusum Ansal, 437 to Ms. Sheetal Ansal, 219 Equity Shares to Mr. Ajay Madan and 1,472 Equity Shares to Sequoia Capital India Growth Investment Holdings I*

(22) *Allottment of 3,323,104 Equity Shares to Mr. Sanjay Kapoor, 40 Equity Shares to Mr. Jyoti Mohan Narula, 721,840 Equity Shares to Mayfield FVCI, Ltd., 1,382,636 Equity Shares to Sequoia Capital India Growth Investments I, 1,114,868 Equity Shares to HEP Mauritius Limited, 208,988 to ICP Holdings I, 4 Equity Shares to BCCL, 90,888 Equity Shares to Pranav Ansal & Son HUF (through its karta, Mr. Pranav Ansal), 90,884 Equity Shares to Ms. Kusum Ansal, 90,884 Equity Shares to Ms. Sheetal Ansal, 840,196 to Sanjay Kapoor Trust (through its trustee, Mr. Sanjay Kapoor), 306,224 Equity Shares to Sequoia Capital India Growth Investment Holdings I, 168,688 to Seminary Tie-Up Private Limited and 45,512 Equity Shares to Mr. Ajay Madan*

(23) *Allotment of 128,355 Equity Shares to BCCL*

(b) History of 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 (₹)
December 27, 2006	10,000,000	10	10	Cash	Further issue(1)	10,000,000	100,000,000
March 8, 2007	5,000,000	10	10	Cash	Further issue (2)	15,000,000	150,000,000
July 25, 2007	15,000,000 preference shares of ₹ 10 each of our Company were converted into 171,682 Equity Shares and the authorized share capital of our Company was reclassified to ₹ 165,000,000 divided into 16,500,000 Equity Shares. For further details, see "**– *History of Equity Share Capital of our Company***" on page 68.						
May 22, 2008	Increase in the authorized share capital of our Compny by the creation of 300,005 preference shares of ₹ 1,000 each. For further details, see "**– *History of Equity Share Capital of our Company***" on page 68.						
June 13, 2008	300,000	1,000	1,000	Cash	Further Issue (3)	300,000	300,000,000
August 26, 2013	300,000 Series A CCPS were converted into 140 Equity Shares. For further details, see "**– *History of Equity Share Capital of our Company***" on page 68.						
Re-classification of the authorised preference share capital of 300,005,000 comprising of 300,005 Series-A CCPS into Equity Shares by creating authorised equity share capital of ₹ 300,005,000 divided into 30,000,500 Equity Shares on September 21, 2015.							

(1) *Allotment of 10,000,000 preference shares to J.M. Financial Trustee Company Private Limited*

(2) *Allotment of 5,000,000 preference shares to J.M. Financial Trustee Company Private Limited*

(3) *Allotment of 196,364 Series-A CCPS to Sequoia Capital Investment India Growth Investment Holdings I, 21,818 Series-A CCPS to SVB India Capital Partners I L.P. and 81,818 Series-A CCPS to Mayfield FVCI, Ltd.*

2. Equity Shares issued for consideration other than cash

Except as detailed below, no Equity Shares have been issued for consideration other than cash.

Date of allotment	Number of equity shares	Face value (₹)	Issue price (₹)	Reasons for allotment	Benefits accrued to the Company
April 1, 2006	18,182	10	660	Further issue	Allotment of 18,182 Equity Shares to Genesis Overseas Private Limited as purchase consideration for the transfer of the business of Genesis Overseas Private Limited to our Company pursuant to an agreement for sale of business dated April 1, 2006. For further details, see "***History and Certain Corporate Matters***" on page 126.
July 25, 2007	171,682	10	873.70	Conversion of 15,000,000 Preference Shares	Allotment of 171,682 Equity Shares upon conversion of 15,000,000 preference shares of ₹ 10 each of our Company that were issued to J.M. Financial Trustee Company Private Limited pursuant to a share subscription cum shareholders agreement dated April 19, 2006 entered into between our Company and J.M. Financial Investment Managers Limited and the letter agreement dated December 15, 2006 amongst such parties and JM Financial Fund
August 26, 2013	140	10	2,142,857.14	Conversion of 300,000 Series-A CCPS	Allotment of 92 Equity Shares to Sequoia Capital India Growth Investment Holdings I, 38 Equity Shares to Mayfield FVCI, Ltd. and 10 Equity Shares to ICP Holdings I, upon conversion of 300,000 Series-A CCPS held by them pursuant to the SSSHA

Further, our Company has issued bonus shares on December 21, 2010 and September 14, 2016. For further details, see "***Notes to Capital Structure – Share Capital History***" on page 68.

3. **Issue of Equity Shares in the last one year**

Except as set forth below our Company has not issued Equity Shares in one year immediately preceding the date of this Draft Red Herring Prospectus.

Date of allotment	Number of Equity Shares issued	Face value (₹)	Issue price (₹)	Names of allotees	Reasons for allotment
March 1, 2016	19,484	10	10	Allotment of 3,470 Equity Shares to Mayfield FVCI, Ltd., 6,647 Equity Shares to Sequoia India Growth Investments I, 5,360 Equity Shares to HEP Mauritius Limited, 1,005 Equity Shares to ICP Holdings I, 437 Equity Shares to Pranav Ansal, in the capacity of 'karta' of Pranav Ansal & Son HUF, 437 Equity Shares to Ms. Kusum Ansal, 437 Equity Shares to Ms. Sheetal Ansal, 1,472 Equity Shares to Sequoia India Growth Investment Holdings I and 219 Equity Shares to Mr. Ajay Madan	Rights issue
September 14, 2016	8,384,756	10	N.A.	Allottment of 3,323,104 Equity Shares to Mr. Sanjay Kapoor, 40 Equity Shares to Mr. Jyoti Mohan Narula, 721,840 Equity Shares to Mayfield FVCI, Ltd., 1,382,636 Equity Shares to Sequoia Capital India Growth Investments I, 1,114,868 Equity Shares to HEP Mauritius Limited, 208,988 to ICP Holdings I, 4 Equity Shares to BCCL, 90,888 Equity Shares to Pranav Ansal, in the capacity of 'karta' of Pranav Ansal & Son HUF, 90,884 Equity Shares to Ms. Kusum Ansal, 90,884 Equity Shares to Ms. Sheetal Ansal, 840,196 to Sanjay Kapoor Trust (through its trustee, Mr. Sanjay Kapoor), 306,224 Equity Shares to Sequoia Capital India Growth Investment Holdings I,	Bonus issue

				168,688 to Seminary Tie-Up Private Limited and 45,512 Equity Shares to Mr. Ajay Madan	
September 20, 2016	128,355	10	1,038.66	Allotment of 128,355 Equity Shares to BCCL pursuant to conversion of five warrants	Conversion of warrants

Our Company has not issued any Equity Shares out of revaluation reserves since incorporation.

4. **Employee Stock Option Scheme**

Pursuant to a resolution of our Board of Directors, dated June 18, 2013, our Company instituted an employee stock option plan, GCL SOP 2013, which was amended pursuant to a resolution of our Board dated February 4, 2014 and pursuant to resolution of our board and shareholders each dated May 30, 2016. Further, pursuant to resolutions passed by our Board and our shareholders each dated September 20, 2016, the GCL SOP 2013 was amended and renamed as Genesis Colors Limited Stock Option Plan, 2016, or GCL SOP 2016.

Our Auditors have, pursuant to their certificate dated September 28, 2016, confirmed that GCL SOP 2016 is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the SEBI ICDR Regulations.

Details pertaining to the GCL SOP 2016:

Particulars	Details			
	Fiscal 2014	**Fiscal 2015**	**Fiscal 2016**	**Period between April 1, 2016 to September 22, 2016**
Total options granted	54,687	Nil	7,278	14,250
Pricing formula	Fair Value Method			
Exercise price of options in ₹ (as on the date of grant of options)	For 7,306 options: ₹ 10; for 4,384 options: ₹ 1,932; for 850 options: ₹ 3,763; and for remaining options: ₹ 3,090	NA	₹ 3,090	₹ 618

Vesting period

Number of options	First Vesting	Second Vesting	Third Vesting	Fourth Vesting
7,306	Complete vesting on March 31, 2014			
42,814	10%	20%	30%	40%
	Vesting Date: April 1, 2014	Vesting Date: April 1, 2015	Vesting Date: April 1, 2016	Vesting Date: April 01, 2017
3,717	25%		75%	
	Vesting Date: April 1, 2016		Vesting Date: April 1, 2017	
850	Complete vesting on March 31, 2016			
4,278	10%	20%	30%	40%
	Vesting Date: June1 , 2016	Vesting Date: January 1, 2017	Vesting Date: January 1, 2018	Vesting Date: January 1, 2019
1,750	10%	20%	30%	40%
	Vesting Date: June 1 , 2016	Vesting Date: June 1, 2017	Vesting Date: June 1, 2018	Vesting Date: June 1, 2019
1,250	10%	20%	30%	40%
	Vesting Date: October 1, 2016	Vesting Date: October 1, 2017	Vesting Date: October 1, 2018	Vesting Date: October 1, 2019

	4,250	10%	30%	30%	30%
		Vesting Date: June 1, 2017	Vesting Date: June 1, 2018	Vesting Date: June 1, 2019	Vesting Date: June 1, 2020
	10,000	25%	25%	25%	25%
		Vesting Date: June 1, 2017	Vesting Date: June 1, 2018	Vesting Date: June 1, 2019	Vesting Date: June 1, 2020
Total options vested (excluding the options that have been exercised)	-		1,467	1,467	13,680
Options exercised	7,306		Nil	Nil	Nil
The total number of shares arising as a result of exercise of granted options (including options that have been exercised)	7,306		Nil	Nil	Nil
Options forfeited/lapsed/cancelled	12,279		19,719	717	894
Variation of terms of options	Nil		Nil	Nil	Nil
Money realized by exercise of options	73,060		Nil	Nil	Nil
Total number of options outstanding in force (as of September 22, 2016)	35,102		15,383	21,944	35,300 / 176,500*
Employee wise details of options granted to:					
(i) Directors/Senior management personnel	**Name of employee**		**Options**		
			Granted	**Exercised**	**Outstanding**
	Mr. Sanjay Kapoor		7,306	7,306	Nil
	Mr. Nikhil Mehra		18,283	Nil	18,283/91,415*
	Mr. Samit Guha		4,278	Nil	4,278/21,930*
	Mr. Meenu Juneja		1500	NIL	1500/7,500*
(ii) 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**		**Options**		
			Granted	**Exercised**	**Outstanding**
	Ms. Vinita Arora		1,000	Nil	1,000/5,000*
	Ms. Sajal Purakayastha		1,250	Nil	1,250/6,250*
	Ms. Renu Prasad		4,250	Nil	4,250/21,250*
(iii) 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	**Name of employee**		**Options Granted**	**Exercised**	**Outstanding**
	Mr. Sanjay Kapoor		7,306	7,306	Nil
	Mr. Nikhil Mehra		18,283	Nil	18,283/91,415*
	Mr. Samit Guha		4,278	Nil	4,278/21,930*
	Ms. Renu Prasad		4,250	Nil	1,500/7,500*
Vesting schedule (and conditions for vesting)	Nil		Nil	Nil	Nil
Lock-in	Nil				
Fully diluted earnings per share pursuant to issue of equity shares on a pre-offer basis on exercise of options in accordance with the Accounting Standard (AS) 20 'Earning Per Share'	(63.77)		(62.86)	(26.60)	NA
Where the Company has calculated the employee compensation cost using the intrinsic value of stock options, difference, if any, between employee	No impact		No impact	(1.79)	NA

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				
Weighted average exercise price and the weighted average fair value of options whose exercise price either equals or exceeds or is less than the market price of the stock	**Not applicable since market price is not available being an unlisted company**			
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**	**March 31, 2014**	**March 31, 2015**	**March 31, 2016**
	Exercise price	₹ 10 – ₹ 3,090	Not Applicable	₹ 3,090
	Share price	₹ 618.21	Not Applicable	₹ 2,931.61
	Expected volatility	0%	Not Applicable	10%
	Expected life	1 year to 3 years	Not Applicable	7 years
	Expected dividend	0%	Not Applicable	Nil
	Risk-free interest rate	9.30%	Not Applicable	8.33%
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	Not applicable			
Intention to sell Equity Shares arising out of the GCL SOP 2016 within three months after the listing of Equity Shares by directors, senior management personnel and employees having Equity Shares arising out of the GCL SOP 2016, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)	Not applicable			
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.	Nil			

* The exercise price of the shares was ₹ 3,090 per share. However, on September 20, 2016, in order to align the existing "Genesis Colors Private Limited Stock Option Plan 2013" with applicable SEBI regulations and pursuant to conversion of the Company to a public company, the Company amended its existing plan thereby changing the name to "Genesis Colors Limited Stock Option Plan 2016". Further consequent upon bonus issue of the shares to the existing members the Company is required to make fair adjustment in exercise price and number of options outstanding so that pre and post value of options granted remain the same. Hence the current number of options outstanding and exercise price as on September 22, 2016 has been changed accordingly.

5. **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 Draft Red Herring Prospectus, our Promoters hold, in aggregate, 5,204,125 Equity Shares, which constitutes 49.05% of the issued, subscribed and paid-up pre-Offer 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	Number of Equity Shares	Face value (₹)	Issue/purchase/selling price (₹)	Consideration	Nature of acquisition/transfer	Percentage of pre-Offer Equity Share capital (%)	Percentage of post-Offer Equity Share capital (%)
(A) Mr. Sanjay Kapoor							
November 23, 1998	100	10	10	Cash	Subscription to the MoA	Negligible	[●]
July 16, 1999	99,800	10	10	Cash	Further issue	0.94	[●]
November 9, 2001	100	10	10	Cash	Acquired from Ms. Nasib Kapoor	Negligible	[●]
July 5, 2004	233,333	10	10	Cash	Further issue	2.20	[●]
October 31, 2005	119,000	10	63.03	Cash	Further issue	1.12	[●]
April 1, 2006	21,000	10	10	Cash	Acquisition from Mr. Puneet Nanda	0.20	[●]
July 6, 2006	1,500	10	10	Cash	Acquisition from Mr. Virender Bhasin	0.01	[●]
March 8, 2007	10,000	10	10	Cash	Acquisition from Mr. Puneet Nanda	0.09	[●]
August 2, 2007	50,000	10	10	Cash	Acquisition from Mr. Puneet Nanda	0.47	[●]
September 17, 2009	15,866	10	895	Cash	Acquisition from Prasad Agents Private Limited	0.15	[●]
September 17, 2009	7,934	10	895	Cash	Acquisition from Ms. Vrinda Rajgarhia	0.07	[●]
September 17, 2009	23,800	10	850	Cash	Acquisition from Mr. Kulbhushan Loond	0.22	[●]
September 17, 2009	10,000	10	520	Cash	Acquisition from Ms. Nalini Gupta	0.09	[●]
October 29, 2009	(23,673)	10	3,712.14	Cash	Transfer to Sequoia Capital India Growth Investments I	(0.22)	[●]
October 29, 2009	(14,053)	10	3,385.54	Cash	Transfer to ICP Holdings I	(0.13)	[●]
November 26, 2009	(54,973)	10	3,638.15	Cash	Transfer to HEP Mauritius Limited	(0.52)	[●]
November 6, 2012	56,655	10	90	Cash	Acquisition from Mr. Puneet Nanda	0.53	[●]
November 6, 2012	4,345	10	90	Cash	Acquisition from Mr. Puneet Nanda	0.04	
May 18, 2013	(18,885)	10	1,159.65	Cash	Transfer to Pranav Ansal & Son HUF	(0.18)	[●]
May 18, 2013	(18,885)	10	1,159.65	Cash	Transfer to Ms. Kusum Ansal	(0.18)	[●]
May 18, 2013	(18,885)	10	1,159.65	Cash	Transfer to Ms. Sheetal Ansal	(0.18)	[●]
May 30, 2013	90,000	10	550	Cash	Acquired from Mr. Jyoti Mohan Narula	0.85	
August 5, 2013	109,011	10	550	Cash	Acquired from Mr. Jyoti Mohan Narula	1.03	[●]
June 18, 2013	139,611	10	1,140.51	Cash	Rights issue	1.32	[●]
November 14, 2013	(42,172)	10	1,778.43	Cash	Transfer to Seminary Tie-Up Private Limited	(0.40)	[●]
March 21, 2014	7,306	10	10	Cash	Allotment pursuant to exercise of options granted under the GCL SOP 2016 (then, GCL SOP 2013)	0.07	

Date of allotment/transfer	Number of Equity Shares	Face value (₹)	Issue/purchase/selling price (₹)	Consideration	Nature of acquisition/transfer	Percentage of pre-Offer Equity Share capital (%)	Percentage of post-Offer Equity Share capital (%)
November 26, 2014	4,155	10	550	Cash	Acquisition from Mr. Deepak Mohan Narula	0.04	[●]
November 26, 2014	18,786	10	550	Cash	Acquisition from Mr. Deepak Mohan Narula	0.18	[●]
September 14, 2016	3,323,104	10	N.A.	N.A.	Bonus Issue	31.32	[●]
Total (A)	**4,153,880**					**39.15**	**[●]**
(B) Sanjay Kapoor Trust*							
June 5, 2013	92,952	10	90	Cash	Acquisition from Mr. Puneet Nanda	0.88	[●]
August 5, 2013	117,097	10	90	Cash	Acquisition from Mr. Jyoti Mohan Narula	1.10	[●]
September 14, 2016	840,196	10	10	Bonus	Bonus issue	7.92	[●]
Total (B)	**1,050,245**					**9.90**	**[●]**
Grand Total (A+B)	**5,204,125**					**49.05**	**[●]**

** Through its trustee, Mr. Sanjay Kapoor*

Our Promoters have confirmed to the Company and the GCBRLMs and BRLM that the acquisition of the Equity Shares forming part of the Promoters' Contribution have been financed from personal funds/internal accruals and no loans or financial assistance from any banks or financial institution has been availed by for this purpose. All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares. As on the date of this Draft Red Herring Prospectus, none of the Equity Shares held by our Promoters are pledged.

(b) Shareholding of our Promoters and Promoter Group

Set forth below is the shareholding of our Promoters as on the date of this Draft Red Herring Prospectus. Other than our Promoters, none of the other members of the Promoter Group hold any Equity Shares as of the date of this Draft Red Herring Prospectus.

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/Promoter Group				
Mr. Sanjay Kapoor	4,153,880	39.15	[●]	[●]
Sanjay Kapoor Trust**	1,050,245	9.90	[●]	[●]
Total	**5,204,125**	**49.05**	**[●]**	**[●]**

**Assuming full subscription in the Offer.*
*** Through its trustee, Mr. Sanjay Kapoor*

All Equity Shares held by our Promoters are in dematerialized form as on the date of this Draft Red Herring 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 by our Promoters shall be provided towards minimum promoters' contribution and locked-in for a period of three years from the date of Allotment ("**Minimum Promoters' Contribution**"). All Equity Shares held by our Promoters are eligible for inclusion in the Minimum 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 Minimum 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	Face value (₹)	% of pre-Offer Equity Share capital	% of the fully diluted post- Offer Equity Share capital
[●]	[●]	[●]	10	[●]	[●]

Note: To be incorporated upon finalization of the Offer Price

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 74.

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 Minimum Promoters' Contribution from the date of filing this Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

The minimum 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 Minimum Promoters' Contribution under Regulation 33 of the SEBI ICDR Regulations. In this regard we confirm that:

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

(ii) the Minimum Promoters' Contribution does not include Equity Shares acquired during the one year preceding the date of this Draft Red Herring Prospectus at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;

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

(iv) the Equity Shares held by our Promoters and offered as part of the Minimum Promoters' Contribution are not subject to any pledge.

(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 Minimum 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 GCL SOP 2016 prior to the Offer; (c) Equity Shares which are successfully transferred as part of the Offer for Sale; and (d) Equity Shares held by Sequoia Capital India Growth Investment Holdings I, which is an FVCI (except 7,360 such Equity Shares, which will be locked-in until March 1, 2017).

Any unsubscribed portion of the Equity Shares being offered by the Selling Shareholders in the Offer for Sale would also be locked in as required under the SEBI ICDR Regulations.

(e) 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.

(f) 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 Minimum 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.

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 (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.

6. **Our shareholding pattern**

Set forth below is the shareholding pattern of our Company as on the date of this Draft Red Herring 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 eg: X	Class eg: Y	Total								
(A)	Promoter & Promoter Group	2	5,204,125	0	0	5,204,125	49.05	5,204,125	NA	5,204,125	49.05	0	49.05	0	0	0	0	5,204,125
(B)	Public	12	5,405,175	0	0	5,405,175	50.95	5,405,175	NA	5,405,175	50.95	0	50.95	0	0	0	0	5,116,378
(C)	Non Promoter-Non Public	0	0	0	0	0	0	0	NA	0	0	0	0	0	0	0	0	0
(1)	Shares underlying Custodian/Depository Receipts	0	0	0	0	0	0	0	NA	0	0	0	0	0	0	0	0	0
(2)	Shares held by Employee Trusts	0	0	0	0	0	0	0	NA	0	0	0	0	0	0	0	0	0
	Total (A)+(B)+(C)	14	10,609,300	0	0	10,609,300	100	10,609,300	NA	10,609,300	100	-	100	0	0	0	0	10,320,503

7. The GCBRLMs, BRLM and their respective associates do not hold any Equity Shares as on the date of this Draft Red Herring Prospectus. The GCBRLMs and BRLM 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.

8. **Shareholding of our Directors and Key Managerial Personnel in our Company**

Name	No. of Equity Shares	% of pre-Offer Equity Share capital
Mr. Sanjay Kapoor	4,153,880	39.15

9. As on the date of this Draft Red Herring Prospectus, our Company has 14 Equity Shareholders.

10. **10 largest shareholders of our Company**

(a) The 10 largest equity shareholders as on the date of this Draft Red Herring Prospectus and the number of Equity Shares held by them are as set forth below.

S. No.	Shareholder	Number of Equity Shares held	Percentage of Equity Share capital (%)
1.	Mr. Sanjay Kapoor	4,153,880	39.15
2.	Sequoia Capital India Growth Investments I	1,728,295	16.29
3.	HEP Mauritius	1,393,585	13.14
4.	Sanjay Kapoor Trust (through its trustee, Mr. Sanjay Kapoor)	1,050,245	9.90
5.	Mayfield FVCI, Ltd.	902,300	8.50
6.	Sequoia Capital India Growth Investment Holding I	382,780	3.61
7.	ICP Holdings I	261,235	2.46
8.	Seminary Tie-Up Private Limited	210,860	1.99
9.	BCCL	128,360	1.21
10.	Pranav Ansal & Son HUF (through its karta, Mr. Pranav Ansal)	113,610	1.07
	Total	**10,325,150**	**97.32**

(b) Our 10 largest equity shareholders as on ten days prior to the date of this Draft Red Herring Prospectus are set forth below.

S. No.	Shareholder	Number of Equity Shares held	Percentage of Equity Share capital (%)
1.	Mr. Sanjay Kapoor	4,153,880	39.63
2.	Sequoia Capital India Growth Investments I	1,728,295	16.49
3.	HEP Mauritius	1,393,585	13.30
4.	Sanjay Kapoor Trust (through its trustee, Mr. Sanjay Kapoor)	1,050,245	10.02
5.	Mayfield FVCI, Ltd.	902,300	8.61
6.	Sequoia Capital India Growth Investment Holding I	382,780	3.65
7.	ICP Holdings I	261,235	2.49
8.	Seminary Tie-Up Private Limited	210,860	2.01
9.	Pranav Ansal & Son HUF (through its karta, Mr. Pranav Ansal)	113,610	1.08
10.	Ms. Kusum Ansal	113,605	1.08
11.	Ms. Sheetal Ansal	113,605	1.08
	Total	**10,424,000**	**99.44**

(c) Our 10 largest equity shareholders as of two years prior to the date of this Draft Red Herring Prospectus are set forth below.

S. No.	Shareholder	Number of Equity Shares held	Percentage of Equity Share capital (%)
1.	Mr. Sanjay Kapoor	807,835	38.90
2.	Sequoia Capital India Growth Investments I	339,012	16.32

S. No.	Shareholder	Number of Equity Shares held	Percentage of Equity Share capital (%)
3.	HEP Mauritius	273,357	13.17
4.	Sanjay Kapoor Trust (through its trustee, Mr. Sanjay Kapoor)	210,049	10.12
5.	Mayfield FVCI, Ltd.	176,990	8.52
6.	Sequoia Capital India Growth Investment Holding I	75,084	3.62
7.	ICP Holdings I	51,242	2.47
8.	Felex Enterprises Private Limited (now, Seminary Tie-Up Private Limited)	42,172	2.03
9.	Mr. Deepak Mohan Narula	34,100	1.64
10.	Pranav Ansal & Son HUF (through its karta, Mr. Pranav Ansal)	22,285	1.07
	Total	**2,032,126**	97.86

For details relating to the cost of acquisition of Equity Shares by our Promoters, see the "***Risk Factors – Prominent Notes***" on page 38.

11. 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, other than in the normal course of business of the financing entity, during the six months immediately preceding the date of this Draft Red Herring Prospectus.

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

13. No person connected with the Offer, including, but not limited to, our Company, the Selling Shareholders, the members of the Syndicate, our Directors, Promoters or the members of our Promoter Group, shall offer 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.

14. No payment, direct or indirect benefit in the nature of discount, commission and allowance or otherwise shall be 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.

15. None of the Equity Shares held by the 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.

16. Our Company has not raised any bridge loans against the Net Proceeds.

17. 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.

18. Under-subscription, if any, in any category, except the QIB Category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company and the Institutional Selling Shareholders in consultation with the GCBRLMs and BRLM and the Designated Stock Exchange.

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

20. The Equity Shares issued pursuant to the Offer shall be fully paid-up at the time of Allotment, failing which, no Allotment shall be made.

21. Other than the options granted under the GCL SOP 2016, 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 Draft Red Herring Prospectus.

22. As on the date of this Draft Red Herring Prospectus, our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956.

23. Except for any exercise of options granted pursuant to GCL SOP 2016, there 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, as the case may be.

24. Except for the issue of Equity Shares pursuant to the exercise of options which have been granted pursuant to the GCL SOP 2016 and any capital restructuring on account of a proposed consolidation of our Company with GLF, post completion of the purchase of equity shares of GLF, as described in the section "***Objects of the Offer***" on page 83, in keeping with our business strategy, 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 or qualified institutions placement.

25. Our Promoters and Promoter Group will not participate in the Offer.

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

27. Except for Mutual Funds sponsored by entities related to the GCBRLMs, BRLM, Syndicate members and any persons related to the GCBRLMs, BRLM or Syndicate members cannot apply in the Offer under the Anchor Investor Portion.

28. 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 the Red Herring 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.

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

30. 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 327.

OBJECTS OF THE OFFER

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

Offer for Sale

The object of the Offer for Sale is to allow the Selling Shareholders to sell an aggregate of up to 1,916,741 Equity Shares held by them, aggregating up to ₹ [●] million. Our Company will not receive any proceeds from the Offer for Sale by the Selling Shareholders.

Fresh Issue

Details of the proceeds of the Fresh Issue are summarized below:

(₹ in million)

S. No.	Particulars	Amount*
(a)	Gross Proceeds of the Fresh Issue	3,800.00
	(Less) Offer related expenses in relation to the Fresh Issue**	[●]
(b)	Net Proceeds of the Fresh Issue (the "**Net Proceeds**")	[●]

**To be finalized upon determination of Offer Price.*
*** For details on Offer related expenses, see "**Other Regulatory and Statutory Disclosures**" on page 305.*

The objects of the Net Proceeds of the Fresh Issue are:

(a) Purchase of shares of Genesis Luxury Fashion Private Limited ("**GLF**"), one of our Subsidiaries, from Splendor Distributions Ltd and our Promoter, Mr. Sanjay Kapoor; and

(b) General corporate purposes.

Further, our Company expects that the listing of the Equity Shares will enhance our visibility and our brand image among our existing and potential customers and business associates.

The main objects clause and objects incidental and ancillary to the main objects set out in our Memorandum of Association enables our Company to undertake the activities for which the funds are being raised through the Fresh Issue. Further, the activities we have been carrying out until now are in accordance with our Memorandum of Association.

Schedule of Implementation and Use of Net Proceeds

The Net Proceeds will be utilized as set out below.

(₹ in million)

S. No.	Particulars	Amount	Estimated Utilization/ Repayment in Fiscal 2018	Estimated Utilization/ Repayment in Fiscal 2019
1.	Purchase of shares of GLF, one of our Subsidiaries:			
	(i) from Splendor Distributions Ltd ("**SDL**")	2,800.00	2,800.00	-
	(ii) from our Promoter, Mr. Sanjay Kapoor	371.40	371.40	-
2.	General corporate purposes*	[●]	[●]	[●]
	Total Net Proceeds	**[●]**	**[●]**	**[●]**

** The amount utilized for general corporate purposes shall not exceed 25% of the gross proceeds of the Fresh Issue.*

Details of the Objects

1. *Purchase of shares of GLF, one of our Subsidiaries, from SDL and our Promoter, Mr. Sanjay Kapoor*

Our Company proposes to utilize (i) ₹ 2,800 million from the Net Proceeds for purchase of GLF's equity shares from SDL; and (ii) ₹ 371.40 million from the Net Proceeds for purchase of GLF's equity shares from our Promoter, Mr. Sanjay Kapoor.

As on the date of this Draft Red Herring Prospectus, our Company holds 52.43% of the paid up share capital of GLF, through which we hold the distribution rights for several international luxury and premium brands in India. The shareholding pattern of GLF as on the date of this Draft Red Herring Prospectus is as follows:

Name	Number of Equity Shares	Percentage shareholding
Genesis Colors Limited	9,051,925	52.43%
SDL	7,008,679	40.60%
Mr. Sanjay Kapoor, our Promoter	929,670	5.39%
Others	273,372	1.58%

Our Company has executed an agreement dated September 14, 2016 with Sequoia Capital India Growth Investment Holdings I, Sequoia Capital India Growth Investments I, ICP, Mayfield, HEP Mauritius, BCCL, Mr. Pranav Ansal, Ms. Sheetal Ansal, Ms. Kusum Ansal, each an existing shareholder of our Company, GLF, Splendor Distributions Ltd (formerly known as L Capital GLF Limited), Seminary Tie-Up Private Limited and Mr. Sanjay Kapoor, our Promoter, pursuant to which our Company will purchase (i) 7,008,679 equity shares of face value of ₹ 10 each, aggregating to 40.60% of the paid up share capital of GLF, from SDL, for an aggregate consideration of ₹ 2,800 million; and (ii) 929,670 equity shares of face value of ₹ 10 each, aggregating to 5.39% of the paid up share capital of GLF, from our Promoter, Mr. Sanjay Kapoor, for an aggregate consideration of ₹ 371.40 million.

We believe that the acquisition of an aggregate of 45.99% shareholding of GLF, as above (which will increase our Company's shareholding in GLF to 98.42%) will enable us to increase revenues of our Company on a consolidated basis and progressively scale its business, thereby increasing returns to our Company. There are no dividends assured from GLF.

For further details on the shareholding and business of GLF, see "***History and Certain Corporate Matters***" and "***Our Business***" on pages 126 and 104, respectively.

2. *General corporate purposes*

The Net Proceeds will first be utilized towards purchase of equity shares of GLF from SDL, as set out above under the object "***Purchase of shares of GLF, one of our Subsidiaries, from SDL and our Promoter, Mr. Sanjay Kapoor***", followed by purchase of equity shares of GLF from our Promoter, Mr. Sanjay Kapoor as also set out above. Subject to this, our Company intends to deploy any balance left out of the Net Proceeds towards general corporate purposes and the business requirements of our Company, Subsidiaries and/or Joint Ventures, as approved by our management, from time to time, subject to such utilization for general corporate purposes not exceeding 25% of the Net Proceeds, in compliance with the SEBI ICDR Regulations.

Such general corporate purposes may include, but are not restricted to, the following:

(i) brand building, promotional and outreach activities;
(ii) strengthening our infrastructure and systems and processes, including our information technology systems, etc.;
(iii) investment towards expanding our business, including into new product offerings;
(iv) servicing our interest obligations under our financing arrangements, as well as for repayment of loans taken from time to time; and
(v) ongoing general corporate purposes or exigencies, as approved by the Board, subject to compliance with applicable law.

The allocation or quantum of utilization of funds towards the specific purposes described above will be determined by our Board, based on our business requirements and other relevant considerations, from time to time.

Means of Finance

The fund requirements set out above are proposed to be entirely funded from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the Net Proceeds, for the objects mentioned below.

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

Our fund requirements and deployment of the Net Proceeds are based on internal management estimates based on current market conditions, and have not been appraised by any bank or financial institution or other independent agency.

Offer Related Expenses

The total expenses of the Offer are estimated to be approximately ₹ [●] million. The expenses of this Offer include, among others, listing fees, underwriting fees, selling commission, fees payable to the GCBRLMs and BRLM, fees payable to legal counsels, fees payable to the Registrar to the Offer, Bankers to the Offer, processing fee to the SCSBs for processing ASBA Forms, brokerage and selling commission payable to Registered Brokers, Collecting RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges. The estimated Offer expenses are as follows:

(₹ in million)

Sr. No.	Activity Expense	Amount* (in ₹ Million)	Percentage of Total Estimated Offer Expenses*	Percentage of Offer Size*
1.	Fees of the GCBRLMs and BRLM, underwriting commission, brokerage and selling commission	[●]	[●]	[●]
2.	Commission and processing fee for SCSBs **	[●]	[●]	[●]
3.	Brokerage and selling commission for Registered Brokers, Collecting RTAs and CDPs***	[●]	[●]	[●]
4.	Advertising and marketing expenses, printing and stationery, distribution, postage etc.	[●]	[●]	[●]
5.	Fees payable to the Registrar to the Offer	[●]	[●]	[●]
6.	Listing fees, SEBI filing fees, book-building software and other regulatory expenses	[●]	[●]	[●]
7.	Miscellaneous	[●]	[●]	[●]
	Total Estimated Offer Expenses	[●]	[●]	[●]

**Will be incorporated at the time of filing of the Prospectus*
***SCSBs will be entitled to a processing fee of ₹ [●] per ASBA Form, for processing the ASBA Forms procured by members of the Syndicate, Brokers, sub-syndicate/ agents, Registered Brokers, Collecting RTAs or CDPs and submitted to the SCSBs. The selling commission payable to the SCSBs will be determined on the basis of the bidding terminal as captured in the bid book of the BSE or NSE.*
**** Registered Brokers, Collecting RTAs and CDPs will be entitled to a commission of ₹ [●] per valid ASBA Form submitted to them and uploaded on the electronic bidding system of the Stock Exchanges. The commissions and processing fees shall be payable within [●] Working Days post the date of the receipt of the final invoices of the respective intermediaries by the Company.*

Other than listing fees, which will be borne by our Company, all costs, fees and expenses associated with and incurred in connection with to the Offer shall be shared among our Company and the Selling Shareholders on a pro-rata basis, in proportion to the number of Equity Shares issued and Allotted by our Company through the Fresh Issue and sold by each of the Selling Shareholders through the Offer for Sale. Upon completion of the Offer, the Selling Shareholders shall reimburse our Company, on a pro-rata basis, in proportion to the respective Offered Shares sold pursuant to the Offer, for any expenses (other than listing fees) incurred by our Company on behalf of the Selling Shareholders. All such amounts payable by the Selling Shareholders in relation to the Offered Shares shall be deducted from the proceeds of the Offer, prior to such funds being transferred to the Selling Shareholders.

Interim Use of Funds

Pending utilization for the purposes described above, we undertake to temporarily invest the funds from the Net Proceeds only in scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended, in compliance with the investment policies approved by the Board from time to time. In accordance with Section 27 of the Companies Act 2013, our Company confirms that it shall not use the funds from the Net Proceeds for buying, trading or dealing in the equity or equity linked securities of other listed companies or for any investment in the equity market.

Bridge Loan

Our Company has not raised any bridge loans which are required to be repaid from the Net Proceeds.

Monitoring of Utilization of Funds

As the proceeds from the Fresh Issue do not exceed ₹ 5,000 million, in terms of Regulation 16 of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency. Our Board will monitor the utilization of the Net proceeds and will disclose such utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilized Net Proceeds in the balance sheet of our Company for the relevant Fiscals subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulation 18(3) of the SEBI Listing Regulations, our Company shall on a quarterly basis disclose to the Audit Committee the uses and application of the Net Proceeds. The Audit Committee shall make recommendations to our Board for further action, if appropriate. Our Company shall, on an annual basis, prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before our Audit Committee. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditor of our Company. Further, in accordance with the Regulation 32 of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the utilisation of the Net proceeds from the objects of the Fresh Issue as stated above; and (ii) details of category wise variations in the utilisation of the Net Proceeds from the objects of the Fresh Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results of our Company, after placing such information before our Audit Committee.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act 2013, our Company shall not vary the Objects of the Fresh Issue unless our Company is authorized to do so by way of a special resolution of its shareholders. In addition, the notice issued to the shareholders in relation to the passing of such special resolution shall specify the prescribed details and be published in accordance with the Companies Act 2013. Pursuant to the Companies Act 2013, the Promoters or controlling shareholders will be required to provide an exit opportunity to the shareholders who do not agree to such proposal to vary the objects, subject to the provisions of the Companies Act and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with the Companies Act 2013 and provisions of Chapter VI A of the SEBI ICDR Regulations.

The Selling Shareholders shall not be liable under Sections 13(8) and 27 of the Companies Act 2013, or other applicable law, for any variation by the Company of terms of any contract of the Company referred to in the Draft Red Herring Prospectus and/or the Objects of the Offer.

Other Confirmations

Except ₹ 371.40 million, which will be paid to our Promoter, Mr. Sanjay Kapoor, as consideration for the purchase of 929,670 equity shares of GLF currently held by him as disclosed under "***Details of the Objects – Purchase of shares of GLF, one of our Subsidiaries, from SDL and our Promoter, Mr. Sanjay Kapoor***" above, no part of the Net Proceeds will be paid by our Company to our Promoters, our Directors, members of our Promoter Group, Group Companies, associates or Key Management Personnel, except in the normal course of business and in compliance with applicable laws.

BASIS FOR OFFER PRICE

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

Bidders should also refer to the sections titled "***Our Business***", "***Risk Factors***" and "***Financial Statements***" on pages 104, 16 and 159, respectively, to have an informed view before making an investment decision.

Qualitative Factors

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

1. Partner of choice for international luxury brands;
2. Deep understanding of the Indian luxury market;
3. Access to premium real estate across India;
4. Own established Indian premium brand; and
5. Experienced management and operating team.

For further details, please refer to the section titled "***Our Business – Our Strengths***" on page 105.

Quantitative Factors

Information presented in this chapter is derived from the restated standalone financial information and restated consolidated financial information of our Company for Fiscals ended March 31, 2016, 2015, 2014, 2013 and 2012.

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

1. **Earnings per Share**

As per our restated standalone financial information:

Year/Period ended	Basic EPS (₹)	Diluted EPS (₹)	Weight
March 31, 2016	(26.60)	(26.60)	3
March 31, 2015	(62.86)	(62.86)	2
March 31, 2014	(63.77)	(63.77)	1
Weighted Average	**(44.88)**	**(44.88)**	

As per our restated consolidated financial information:

Year/Period ended	Basic EPS (₹)	Diluted EPS (₹)	Weight
March 31, 2016	(3.59)	(3.59)	3
March 31, 2015	(52.19)	(52.19)	2
March 31, 2014	(63.28)	(63.28)	1
Weighted Average	**(29.74)**	**(29.74)**	

Note:

1. *Earnings per share calculations are done in accordance with Accounting Standard 20 'Earnings Per Share' issued by the Institute of Chartered Accountants of India.*
2. *The face value of each Equity Share is ₹10.*
3. *Basic Earnings per share = Net profit/(loss) after tax, as restated attributable to equity shareholders / Weighted average number of shares outstanding during the period or year*
4. *Diluted Earnings per share = Net profit after tax, as restated / Weighted average number of diluted equity shares outstanding during the year*
5. *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 the total number of days during the year.

6. *The above EPS are after taking into account the impact of the dilutive effect of bonus issuance after March 31, 2016, outstanding stock options and outstanding convertibles.*

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

Particulars	As per our Restated Standalone Financial Information	As per our Restated Consolidated Financial Information
P/E ratio based on Basic EPS for the financial year ended March 31, 2016 at the Floor Price:	[●]	[●]
P/E ratio based on Diluted EPS for the financial year ended March 31, 2016 at the Floor Price:	[●]	[●]
P/E ratio based on Basic EPS for the financial year ended March 31, 2016 at the Cap Price:	[●]	[●]
P/E ratio based on Diluted EPS for the financial year ended March 31, 2016 at the Cap Price:	[●]	[●]

3. Return on Net Worth ("RoNW")

Return on net worth as per restated standalone financial information:

Period/Year ended	RONW (%)	Weight
March 31, 2016	(5.74%)	3
March 31, 2015	(12.82%)	2
March 31, 2014	(11.11%)	1
Weighted Average	**(8.99%)**	

Return on net worth as per restated consolidated financial information:

Period/Year ended	RONW (%)	Weight*
March 31, 2016	(0.54%)	3
March 31, 2015	(7.79%)	2
March 31, 2014	(8.46%)	1
Weighted Average	**(4.28%)**	

$$\text{RoNW (\%)} = \frac{\text{Net profit after tax (after preference dividend and related tax), as restated}}{\text{Net worth at the end of the year excluding preference share capital and cumulative preference dividend}}$$

4. Minimum Return on Total Net Worth after Offer required to maintain pre-Offer EPS for the year ended March 31, 2016

i. Based on restated standalone financial information:
   1. At the Floor Price - [●]%
   2. At the Cap Price - [●]%

ii. Based on restated consolidated financial information:
   1. At the Floor Price - [●]%
   2. At the Cap Price - [●]%

To maintain pre-Issue diluted EPS

i. Based on restated standalone financial information:
   1. At the Floor Price - [●]%
   2. At the Cap Price - [●]%

ii. Based on restated consolidated financial information:

1. At the Floor Price - [●]%
2. At the Cap Price - [●]%

5. Net Asset Value ("NAV") per Equity Share of face value of ₹ 10 each

NAV per Equity Share	Restated Standalone Financial Information	Restated Consolidated Financial Information
As on March 31, 2016	[●]	[●]
As on March 31, 2015	[●]	[●]
As on March 31, 2014	[●]	[●]
Weighted average	[●]	[●]
At Floor Price	[●]	[●]
At Cap Price	[●]	[●]
At Offer Price	[●]	[●]

Restated net asset value per equity share (₹) = Restated Net worth as at the end of the year / Total number of equity shares outstanding at the end of the year. The net asset value per Equity Share has been adjusted for the bonus issue and split of face value of Equity Shares.

6. Comparison with Listed Industry Peers

There are no comparable listed companies in India engaged in the same line of business as our Company, hence comparison with industry peers are not applicable.

The Offer Price will be determined by our Company and the Institutional Selling Shareholders, in consultation with the GCBRLMs and BRLM, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and, is justified in view of the above qualitative and quantitative parameters. The GCBRLMs and BRLM believe that the Offer Price of ₹ [●] is justified in view of the above parameters. Investors should read the above mentioned information along with the sections "***Risk Factors***" and "***Financial Statements***" on pages 16 and 159, respectively, to have a more informed view.

The trading price of the Equity Shares could decline due to the factors mentioned in the section titled "***Risk Factors***" on page 16, and any other factors that may arise in the future and you may lose all or part of your investments.

STATEMENT OF TAX BENEFITS

To,
The Board of Directors
Genesis Colors Limited
51-52, Udyog Vihar, Phase-IV
Gurgaon 122001
India

Dear Sir,

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

We hereby report that the enclosed statement is in connection with (i) the possible special tax benefits available to the Company under the Income Tax Act, 1961, (and indirect tax laws), as amended by the Finance Act, 2016 i.e. applicable for the Financial Year 2016-17 relevant to the assessment year 2017-18 presently in force in India, and, (ii) to the shareholders of the Company under the Income Tax Act, 1961 presently in force in India.

The Wealth-tax Act, 1957 has been abolished with effect from 1 April 2015 and as such we have not commented on the same.

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant statutory provisions. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfil.

The benefits discussed in the enclosed statement are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Offer. We do not express any opinion or provide any assurance as to whether:

i) the Company or its shareholders will continue to obtain these benefits in the future; or
ii) the conditions prescribed for availing of the benefits have been/would be met with.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

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

Yours sincerely,
for **Ajay Wadhwa and Associates**
Chartered Accountants
Firm Registration Number: 007075N

Partner
Membership No: 521427

Place: New Delhi
Date: September 24, 2016

Encl: As above

ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA

1. **1. 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 ("IT Act").

2. **2. Special tax benefits available to the Shareholders**

There are no special tax benefits available to the Company under the provisions of the Income-tax Act, 1961 ("IT Act").

We have not commented on the taxation aspect under any law for the time being in force, as applicable, of any country other than India. Each investor is advised to consult its own tax consultant for taxation in any country other than India.

SECTION IV: ABOUT THE COMPANY

INDUSTRY OVERVIEW

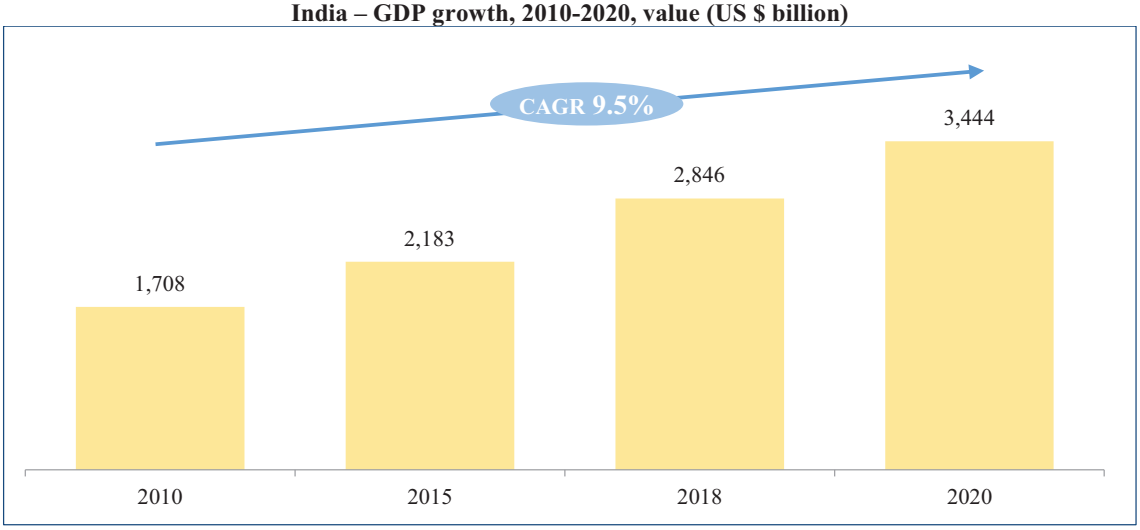
*The information contained in this section is derived from Frost & Sullivan Report dated September 15, 2016, on 'Assessment of Indian Luxury Goods Industry' ("**F&S Report**") and the section titled "**Summary of Industry**" on page 40. Neither we, nor any other person connected with the Offer has independently verified this information, which we have commissioned. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, prospective investors are advised not to unduly rely on the information in this section when making their investment decisions.*

We commissioned the F&S Report for the purpose of confirming our understanding of the industry. Prospective investors are advised not to unduly rely on the F&S Report when making their investment decision. The F&S Report contains estimates of market conditions based on samples. This information should not be viewed as a basis for investment and references to Frost & Sullivan should not be considered Frost & Sullivan's opinion as to the value of any security or the advisability of investing in us.

Overview of the Indian Economy

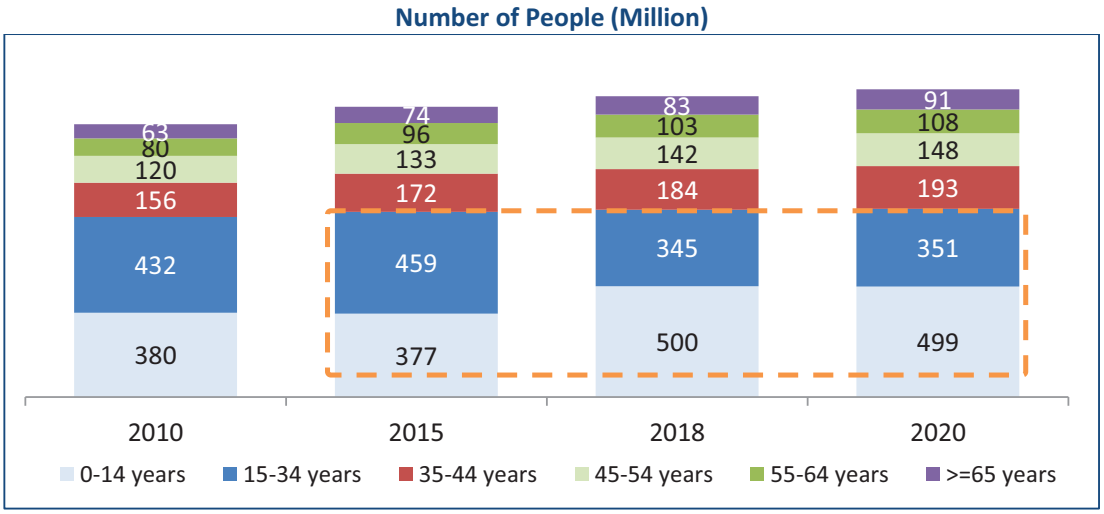
With a growth rate of 7.6% in GDP in Fiscal 2017, as forecast by the Reserve Bank of India, the Indian economy has outperformed the Chinese economy as well in terms of real GDP growth in 2015. It is expected that with the revival of industrial activity, introduction of policies favorable to industries, and growth in infrastructure investments, the actual growth may be higher than projections. The Indian economy outperformed the Chinese economy in terms of real GDP growth in 2015. The large population and the increasing number of youth in the country are fuelling the demand for various products.

India – GDP growth, 2010-2020, value (US $ billion)



(*Source: F&S Report*)

Demographically favourable position of India



Source: Health Nutrition and Population Statistics

India is the second most populous country in the world and is expected to see its population grow at the rate of 1.1% over the next five years. The urban population as a percentage of India's total population is estimated to increase from the current 32% to 35% by 2020, thereby increasing the number of people that access premium retail facilities.

The share of young people (in age group of 15-34) in the total population is going to be the key driver for demand of premium, bridge to luxury, and luxury products. Such demand is expected to continue to increase as income levels increase which indicate a large potential for growth in India. Increasing disposable income and availability of easy credit are some of the other key factors that are influencing spending.

Trend of growth in ultra-high net worth individuals ("UHNI") and ultra-high net worth households ("UHNH") in the Indian population mix

Currently, Indian metros and tier-I cities are the core markets for luxury products, with Mumbai, India's financial hub, which is home to 41,200 millionaires, and the national capital, New Delhi, which houses 20,600 high net worth individuals. Between 2000 and 2015, Mumbai and Delhi registered a growth of 357% and 335% in terms of number of millionaire, respectively, to be among the top 5 fastest growing major cities in Asia Pacific. Going forward as well, Mumbai and Delhi are expected to cement their positions further in terms of HNI growth and, by 2025, these two Indian cities are likely to be among the top three cities in Asia in terms of growth in HNI population. It is estimated that 55% of the UHNH population is present in the top four cities of India (Mumbai, Delhi, Kolkata, and Chennai), with the balance 45% residing in other smaller cities such as Surat, Chandigarh, Jaipur, and Aurangabad.

In 2016, India has witnessed a moderate 7% growth over the last year and a CAGR of 16% over the last five years in number of UHNH. It is estimated that the number of UHNH grew to 146,600 in FY16 from around 137,100 in the previous year. It is projected that the number of UHNH will increase to 294,000 by FY21.

Another favourable trend for the Indian Luxury market is the reducing average age of an Indian UHNI with nearly half of them now being less than 40 years old.

Global Trends in Luxury Goods

China is one of the key markets for luxury goods. Last year, Chinese consumers played an active role in the growth of luxury spending worldwide - they made up the largest portion of global luxury purchases (31%), followed by Americans (24%) and Europeans (18%). The year 2015 saw a strong growth of the bridge to luxury goods segment in Europe. Michael Kors led the bandwagon, introducing an entry-level option into luxury for young consumers. Men's luxury goods sales in the UK were on an upswing, with men's luxury apparels and footwear and accessories sales witnessing a high growth in the UK. The number of wealthy tourists from China, Russia, and the Middle East visiting the UK for luxury shopping is increasing every year.

The Middle Eastern personal luxury goods market, especially in the United Arab Emirates (UAE) domestic market registered a strong growth. Rolex, Cartier, Louis Vuitton, Dolce & Gabbana, and Gucci were the key players in the luxury goods market of the UAE due to their strong brand heritage and wide product portfolio, which includes luxury leather bags and timepieces. The Dubai Mall, Mall of the Emirates, The Galleria, and Yas Mall continue to be the main destinations for luxury shoppers worldwide. With the upper-middle class in the UAE also taking pride in owning branded items, it is gradually paving the way for the growth of the bridge to luxury market in the country. (*Source: F & S Report*)

Composition of the Indian Retail Sector and growth

The retail industry includes apparel (luxury and non-luxury), electronics, commodities, and accessories. It was valued at US $600 Billion and contributed 10% to the GDP and 8% of the overall workforce of India, in 2015. The organized retail sector that grew at a CAGR of 20% in FY'09-13 is expected to account for 24% of the market by 2020.

Indian Retail Industry Growth

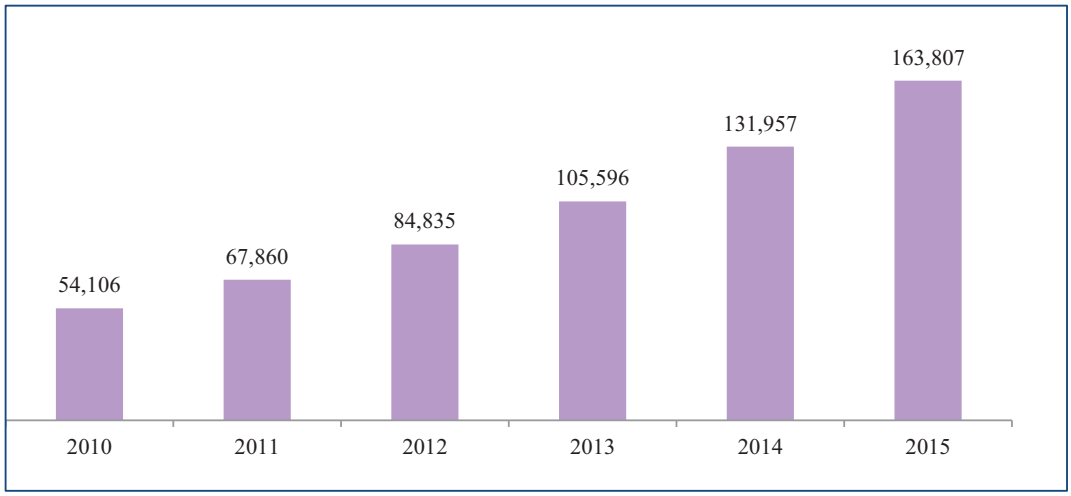
(*Source: F&S Report*)

Overview of Luxury Retail in India

India is one of the fastest emerging markets for luxury products. In 2010, the Indian luxury market was worth INR 54,106 Million and reached INR 163,807 Million by 2015, at a CAGR of about 24%. This is approximately 0.65% of the global luxury market, which was worth over INR 25,000 Billion (2015).

A combination of increasing urbanization, youth-driven demographics, and a surge in the middle-income class population will drive the demand for premium / bridge to luxury and luxury products and services. The surge in the middle-income consumers and the affluent class will continue in the coming decade. Indians in their 30s and 40s have the highest income in the country and comprise almost 70% of the people in the top income bracket.

The Indian Luxury Goods Market (₹ Million)



(Source: F&S Report)

HNI and UHNI: high spenders on luxury goods

The HNI and UHNI consumers are showing increasing interest in luxury goods.

Younger UHNIs, with high disposable incomes and ample choice of luxury options, are usually high spenders. The increase in the UHNI population will provide a boost in the luxury spending, resulting in an increase in the demand of luxury products and an increase in the luxury brand outlets in the country.

Most of the UHNI spending categories has seen an increase as jewelry, apparel, and electronics continue to be at the top, accounting for nearly 50% of total spends by such UNHI. Despite the attraction of shopping in foreign destinations, many of them prefer to shop within India, as most major foreign luxury brands are now available locally.

In terms of spending patterns, UHNIs in India prefer investing in luxury collectibles such as branded watches, jewelry, apparels, accessories, fine arts, and antiques, followed by cars and bikes. Of the total expenditure they incur, 16% is spent on apparel and 17% spent on jewellery, with 64% of them being impulsive buyers when it comes to apparel and accessories. Previously, the UHNIs were more inclined to go to overseas locations for shopping. However, with the planned entry of western luxury brands into the Indian markets, it is estimated that in 2016, as many as 59% UHNI have been seen as satisfying their apparel and accessory purchase needs in India itself.

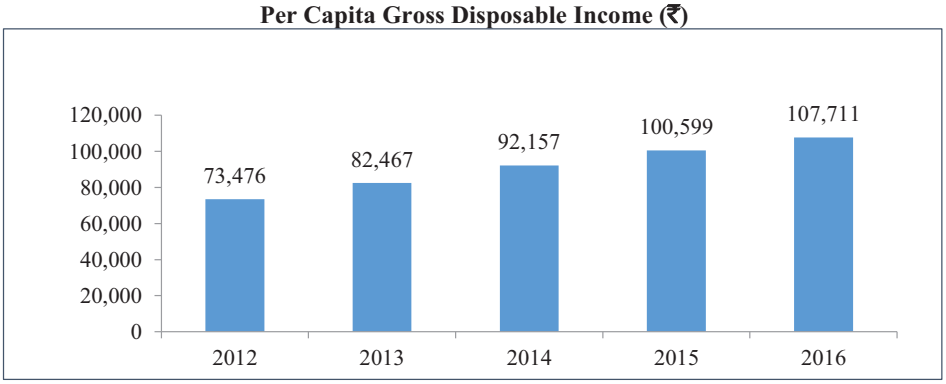
In 2015, the high-income group (annual income more than ₹ 1 Million) consumers spent over 40% of their monthly income on luxury brands, whereas the middle-income consumers spent 8-10%. HNIs are the prime target for luxury brands. The country's millionaire households grew by 17% during 2014-15. As per forecast, the number of Indian ultra-high net worth households is set to touch 348,000 by 2020.

Almost half (around 45%) of India's high net-worth households ("**HNH**") live in non-metros. A large number of consumers in smaller cities have purchasing power similar to that of their metro / large city counterparts. This bridging of gap between metro versus small city culture is primarily due to high media exposure, impact of film industry (both Hollywood and Bollywood), higher penetration of the Internet, rise in smartphone penetrations, and growing travel exposure, as small city consumers enjoy aspirations similar to their metro counterparts. Changing lifestyle trends among these consumers is helping to drive the growth of Indian luxury goods. Wealthy consumers of the smaller cities are increasingly visiting metros to shop for luxury goods.

Increasing per capita income

An increase in the overall per capita income has resulted in rise of per capita disposable income in the country, which increased at a CAGR of 10% from ₹ 73,476 in 2012 to ₹ 107,711 in 2016. As per a recent ASSOCHAM study, tier-II and tier-III cities will be the upcoming high disposable income cities with greater purchasing power parity, higher Internet penetration, and an increasingly brand-conscious young population.

Per Capita Gross Disposable Income (₹)



In addition, the entry of various international luxury brands has supported the growth of premium and luxury goods market in India. The growth has also been backed by a relatively higher proportion of the young population (15-34 years), expanding middle class and an increasing number of high net worth individuals, changing lifestyles, growing awareness, and exposure to premium and luxury goods.

Growth Drivers in Different Categories and their Corresponding Market Size (₹ Million)

Key Growth Drivers		Key categories in the Luxury Goods industry in India	Market size, 2010-2015 INR Million	CAGR %
Growing disposable incomes	Availability of latest designs in India	Apparel and clothing	37,157	23.1
Indian mind set of 'saving', opening up to 'spending'	Changing lifestyles	Writing material / stationery	1,355	14.4
Large young population	Increasing brand consciousness among youth	Leather goods	16,624	23.1
Overseas travel exposure	Indian culture supporting festivals, weddings, and celebrations	Accessories	18,472	30.6
		Footwear	18,917	23.9
Reduced gap between prices of international brands in India vs. in originating countries	Growing penetration of the Internet and smartphones	Personal / beauty care	14,121	28.7
		Watches and jewelry	48,492	24.6

(Source: F&S Report)

It has been observed that in 2015, retail shops accounted for majority of the luxury goods sales. Internet luxury retailing share having increased from 0.4% in 2010 to 2% in 2015, still remained significantly low. Since the experience of buying also forms an essential component of luxury goods, the retail shops have continued to drive sales of luxury goods. Many international luxury brands continue to invest in India.

Also, in India, the luxury brands prefer tying up with a local partner, who understands the market well enough to offer better services and improvise when needed. Genesis Colors pioneered the concept of luxury retailing in India by acquiring distribution rights for leading international luxury brands, which would be appealing to luxury consumers in India. Further, Christian Louboutin has collaborated with the Indian designer Sabyasachi Mukherjee for Amazon India Couture.

Real Estate: Restraint on Luxury Retail

Due to the challenges such as rising real estate prices that luxury players face in the metro cities, they have started looking at the mini-metro (population between 1 Million and 4 Million) cities for expansion and cities such as Pune, Chennai, Hyderabad, Surat, Indore, and Thiruvananthapuram have witnessed the advent of luxury brands

in recently. A majority of the high-end malls/stores are currently based in metros such as Delhi (40+ stores), Mumbai (30+ stores), Bengaluru (25+ stores), Chennai (10+ stores), and Hyderabad (6 stores).

Due to limited high-end retail infrastructure development in these tier-II and tier-III cities, online purchase / e-retailing enjoys higher prospects here and it is anticipated that increased internet penetration across tier-II and tier-III cities along with high disposable income shall result in growing internet transactions.

Luxury brands are available in India mainly in luxury malls, countable luxury hotels and shopping websites. There are only a handful of malls selling luxury brands in India including UB City (Bangalore), DLF Emporio (Delhi), Palladium (Mumbai), and Quest Mall (Kolkata). While suitable infrastructure is a challenge in this category, there are three to four malls coming up in the next three years, which will focus on luxury and premium goods' stores.

Currently, it is observed that there is a surge in luxury goods consumption rate in Delhi, Mumbai, and Bengaluru. In 2015, Delhi's spending was highest in luxury brands followed by Mumbai, Ahmedabad, Pune, and Bangalore. Kolkata also contributes significantly to the luxury industry.

The anticipated luxury retail spaces expected to come up in next 3 years (by 2018) are:

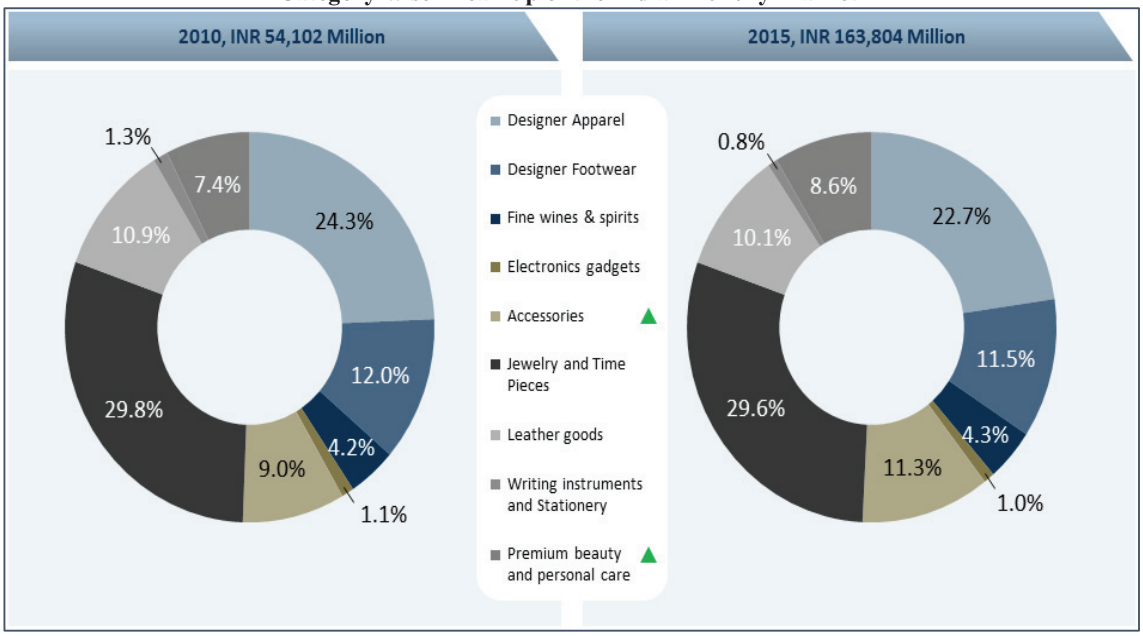
- Palladium, Chennai
- Makers, Mumbai
- Reliance, Mumbai
- Delhi one, Noida
- Emporio, Delhi

Luxury Goods being sold in India

Accessories (sun glasses, costume jewelry, cufflinks, lighters, and bags) and premium beauty and personal care have gained a share of the overall luxury goods category. While watches and jewelry, and clothing and apparel continue to remain large subcategories and are growing at a high rate of 24.6% and 23.1%, respectively, accessories (CAGR of 30.6% in 5 years) and beauty and personal care (CAGR of 28.7% in 5 years) have grown much faster over the past 5 years. This might be due to Indian consumers becoming more conscious about their appearance, and taking more care of themselves as well as traveling more in the recent times.

The category share of the luxury goods industry is as follows:

Category-wise Break-up of the Indian Luxury Market



(Source: F & S Report)

Categories of Luxury Goods

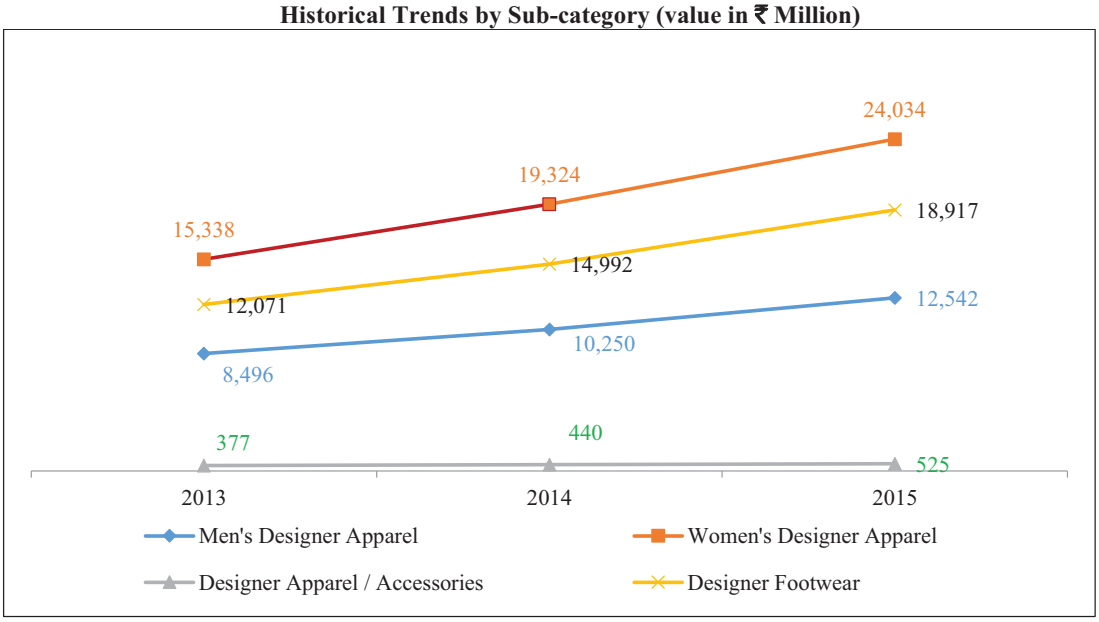
5. Apparel, Apparel Accessories, and Footwear

Designer apparel has become very popular among Indian consumers and affluent Indian urban consumers are willing to splurge and pamper themselves with designer apparel on special occasions such as weddings, functions, social gatherings, and parties. Designer sarees and Indian dresses are becoming popular party wear among Indian women, which has helped in the growth of a number of designer labels in the country. Men's designer jeans witnessed the fastest retail value growth of 34% in 2015 with sales reaching ₹ 1,900 Million. The affluent urban Indian male is more conscious about his looks and style than ever before and designer jeans is one product that he is willing to spend on as it can then be mixed and matched with tops and other accessories. Men's designer tops registered the slowest retail value growth of 16% in 2015 with sales reaching ₹ 2,400 million. The growth of designer tops has been slow due to the existence of a large range of premium men's tops brands in the country and consumers tend to purchase these premium brands, instead of investing in designer tops.

Women designer apparel and footwear are the highest-growing categories and this is likely to continue over the next few years as Indian women prefer to have myriad choice when it comes to their wardrobe and buying suitable footwear and other accessories is a must.

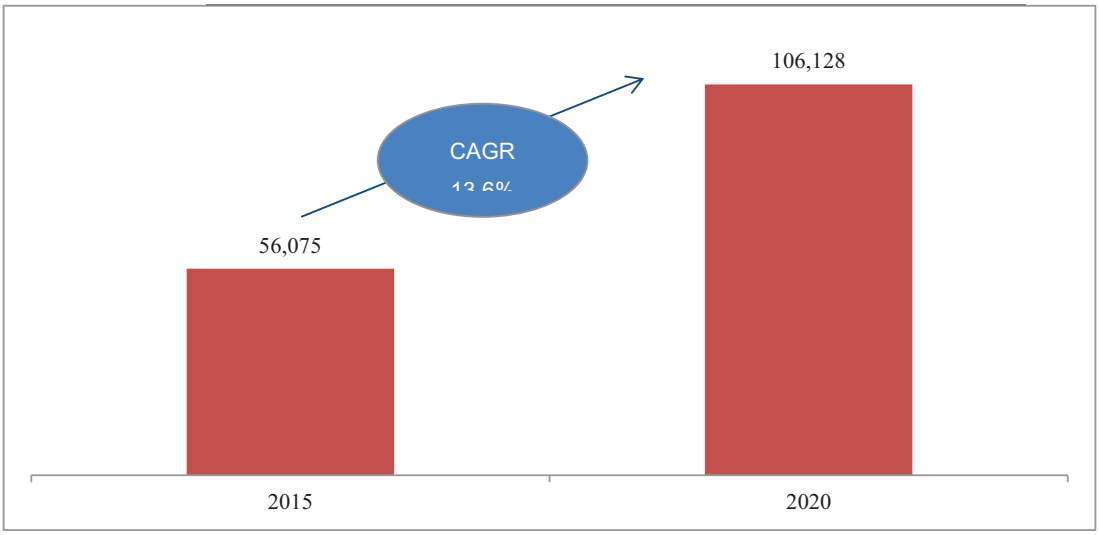
The share of women's designer apparel continued to increase compared to the share of men's designer apparel over last 5 years; it increased to 65% by 2015 from 62% in 2010. A rise in the number of women joining the workforce has led to greater financial independence for Indian women. More of them are joining the corporate world and want to better themselves. These urban Indian women are driving the growth of designer women's apparel. The overall luxury clothing contributes to 1% of total apparel (luxury and non-luxury) industry.

Historical Trends by Sub-category (value in ₹ Million)



(*Source: F&S Report*)

Luxury Apparel and Footwear Forecast (value ₹ Million)

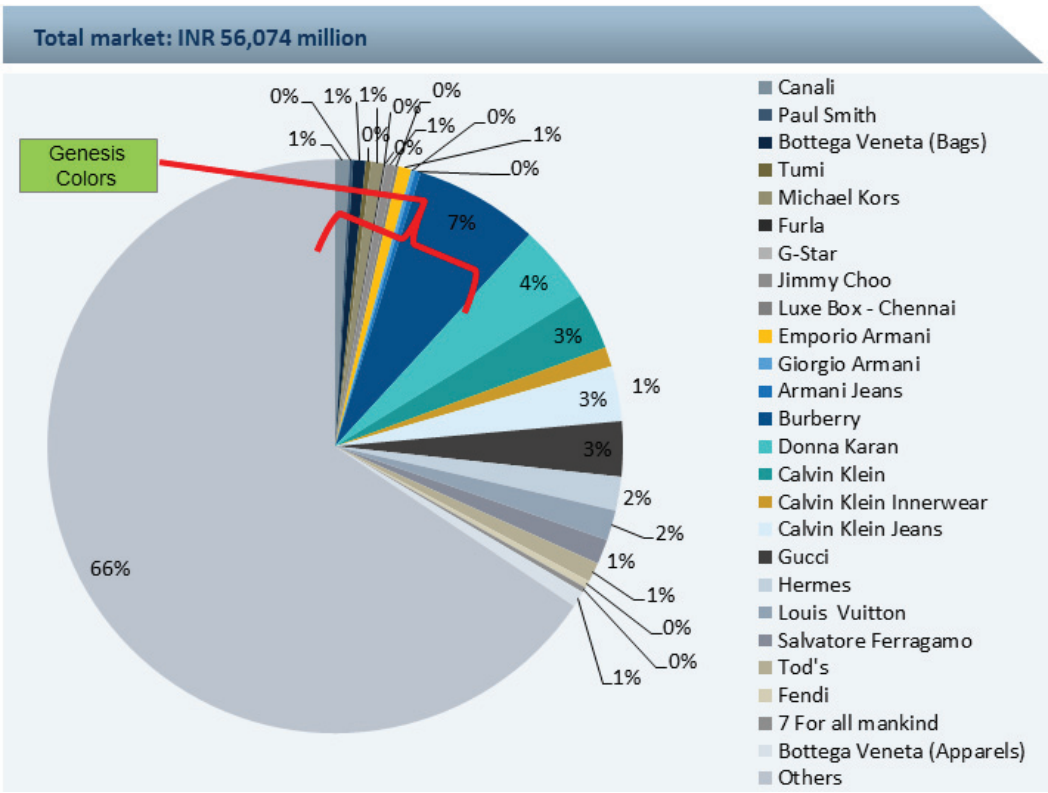


(*Source: F & S Report)*

Competitive Landscape

Burberry enjoys highest market share of 7% in this fragmented luxury apparel and footwear market. This Genesis Colors portfolio brand enjoys combined market value share of close 11.8% (year 2015) in luxury apparel and footwear category in India, the other leading brand in the category being Donna Karan.

Competitive Landscape: Luxury Apparel and Footwear



(Source: F&S Report)

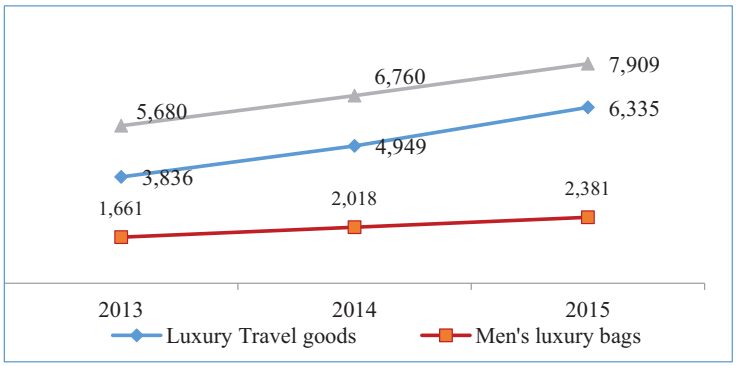
The category is fragmented with multiple international brands, clearly indicating that the market is evolving and growing as Indian consumers are looking forward to more choices in luxury apparel and footwear. The market growth is primarily driven by purchase depth (same customer buying more and more of luxury goods), fragmented market shares (indicating consumers are willing to try more brands), and new consumers entering the category leading to market width gain.

6. Luxury bags

This category primarily includes leather bags (for both men and women) and small goods like wallets. Women consumers see luxury leather bags as style statements and love to flaunt them. In India, luxury leather goods are generally sold via luggage and apparel specialist stores. These remain the key retail distribution channels as they offer the widest product ranges. The majority of these stores are located in luxury shopping centers. There is a rising interest in luxury leather goods among Indian consumers. The category grew at a CAGR of 23.1% (2010-2015).

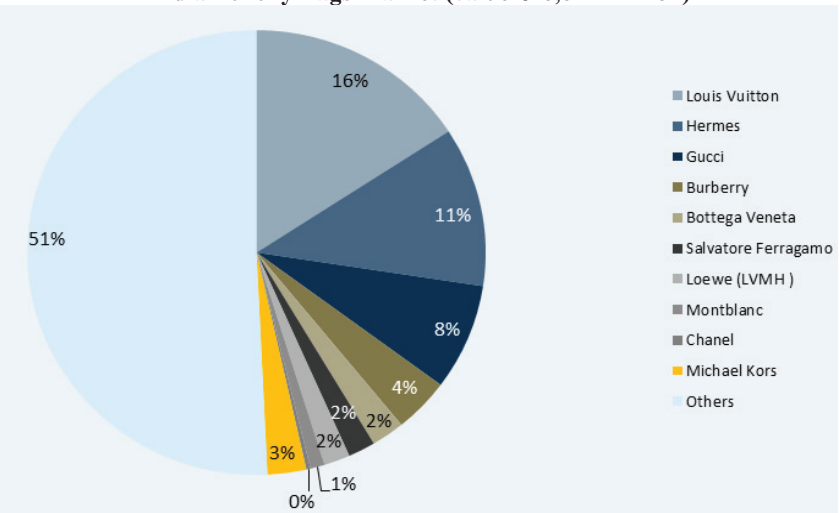
The trend of buying luxury leather goods within India itself is on the rise as availability of the latest offerings by such brands in the country is increasing.

Historical Trends (values in ₹ Million) *(Source: F & S Report)*



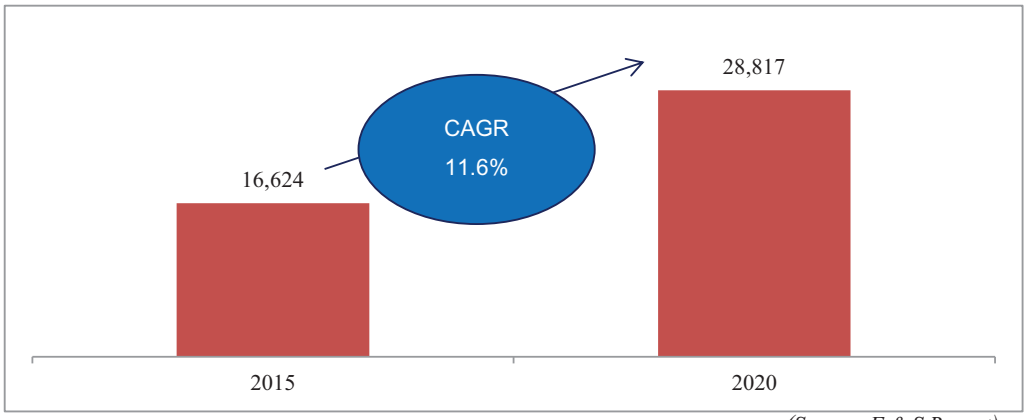
Louis Vuitton is the largest brand in luxury bags in India followed by Hermes and Gucci. Michael Kors enjoys 3% share in this fragmented market of luxury bags while Burberry has 4%.

India Luxury Bags Market (value ₹16,624 Million)



(Source: F&S Report)

Luxury Bags Forecast (value in ₹ Million)

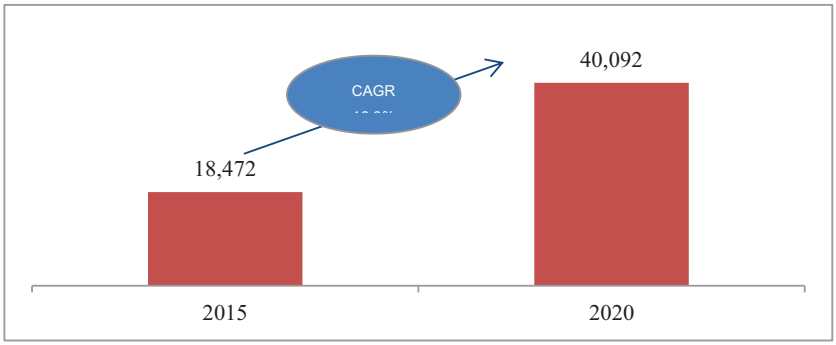


(Source: F & S Report)

This category carries a lot of potential in India and is expected to witness a growth of 11.6% over next five years.

7. *Luxury Accessories*

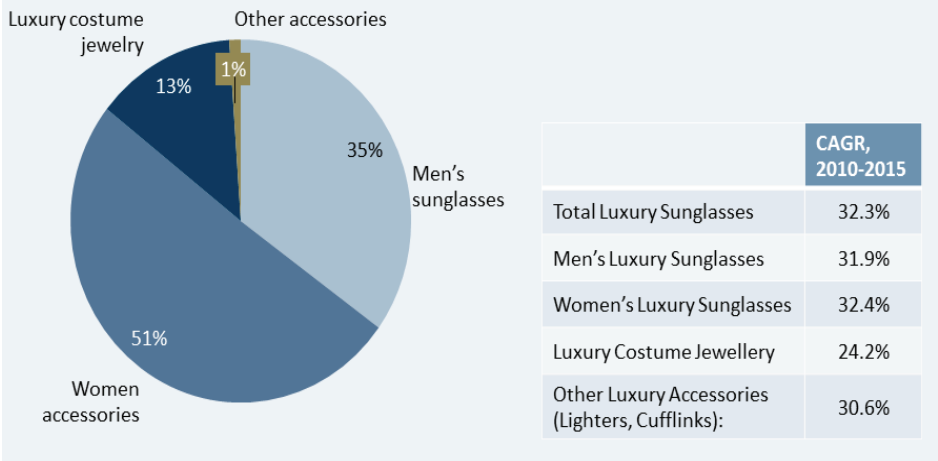
Luxury Accessories Forecast (values in ₹ Million)



(Source: F&S Report)

Luxury accessories are, by and large, purchased by entry-level consumers, as these products offer the very first 'luxury' experience to consumers as investment here is comparatively lesser than buying a luxury bag or apparel or footwear. This category has very high "show-off" value. Consumers who are entering the category of luxury goods shopping are more eager to flaunt their luxury possessions, and these products are more of category width gainers and help in expanding category usage. The accessories category has witnessed the healthiest growth, at a CAGR of 31% (higher than apparel, footwear, and leather goods) over the last 5 years, indicating that more and more Indian consumers are buying these products and are willing to explore the status, style, and quality offered by luxury products.

The category is dominated by accessories for women as they tend to buy multiple sets of accessories compared to men. Sunglasses are one of the most popular luxury accessories among both men and women. With an increasing population of domestic and overseas travelers and a large number of women stepping out for work, sunglasses have become one of the most favorite accessories. The trend of buying luxury accessories within India itself is on the rise, as availability of the latest trends and collections of luxury accessory brands in the country is increasing. Indian luxury consumers can be divided into two distinct groups — mainly the older luxury goods consumers and the younger luxury goods consumers. The former might make very informed decisions about the luxury brands and products that they purchase as they might have used such products often. The younger category is mainly the affluent urban youth who are willing to splurge on luxury products for style, fashion, and status. These consumers are willing to experiment with new brands and products.



Source: Euromonitor and Frost & Sullivan Analysis

It is evident from the above chart that women's sunglasses dominate the category. Sunglasses for both men and women enjoy 86% share.

8. Bridge to Luxury

Bridge to luxury or affordable luxury products can be defined as high-end premium products with a price tag that is a little lesser than luxury products. These products and brands indeed have high flaunt value and attract a huge consumer base from the upper-middle class and upper class population. Among these, apparel is one of the most aspired-for categories.

The overall apparel industry (luxury / bridge to luxury and non-luxury mass apparel) is valued at ₹ 2,685,890 million (2015) growing at CAGR of 9%. The ₹ 1,020,638 Million worth women's wear market contributes 38% of the total apparel market. The growth of this market is more rapid than the menswear market. With the relatively lower penetration of brands and the growing disposable income of modern women, this segment has become the focus of many Indian and international brands. Young, high-income working women as well as young housewives from high-income households are the key targets of the high-end apparel brands.

Indian Ethnic wear market

Women's Ethnic Wear

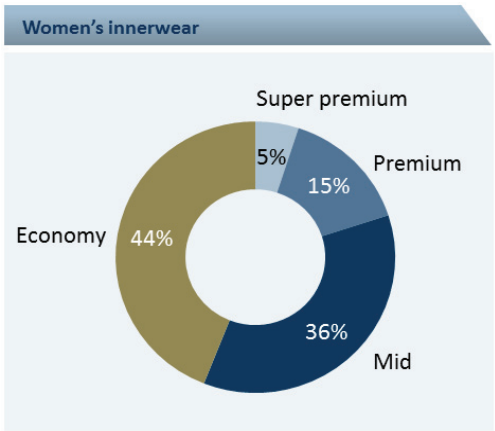
Overall, the women's ethnic wear market is growing at 8% CAGR (over next 10 years starting from 2012) and the branded market is pegged at 25% of total ethnic wear, i.e. ₹ 173,311 Million, by year 2015. Branded ethnic wear market is expected to grow at a high growth rate of 40% in the coming years.

Key brands in the premium / bridge to luxury category in the branded ethnic wear market include Satya Paul, Ritu Kumar, Anita Dongre, etc. While brands like Nalli Silk Sarees are not direct competitions to Satya Paul product range in terms of product offering *per se*, they compete at price point and are a part of total branded ethnic women's wear. Other brands in the super premium category are Tarun Tahiliani, Sabyasachi and Rohit Bal, whereas there are multiple brands in the premium category such as BIBA, W and Fab India, among others. Satya Paul, one of the leading brands in the branded ethnic wear market, is indicating growth of at a CAGR of 10% over past three years, and 12% growth in 2016 over the previous year. This growth rate is higher than the overall ethnic clothes market growth.

Women's Innerwear

Women's innerwear was worth ₹ 141,339 Million in 2015, growing at CAGR of 14% over the last five years. The super-premium category (priced at ₹ 3,000 and above) has 5% share of this market valued at ₹ 7,076 Million, whereas the premium and bridge to luxury segments (priced at ₹ 1,500-3,000) enjoys 15% share of this market and is valued at ₹ 21,200 Million.

Segmental Break-up of Women's Innerwear (₹ 141,339 Million), 2015



(Source: F&S Report)

The sub-categories in women's innerwear include brassieres, panties, camisoles, basic T-shirts, shorts / pajamas, sleepwear, and maternity wear. However, branded brassieres and panties constitute more than 90% of the category. Young women, well-placed in professional life with well-paying jobs primarily based in metros / tier-I cities are the key consumers of branded innerwear. The upper middle class / affluent class women from tier-II cities are keen to experience modern retail formats and are willing to buy aspirational innerwear brands via the same, as it offers a comfortable / free environment to choose a brand / pattern of their choice. (*Source: F&S Report*)

Bwitch, Triumph, Enamor, and Amante are the key players in the premium / bridge to luxury women's innerwear market. Average footfall in these showrooms is around 30-35 consumers everyday with an average ticket size being around ₹ 1,000-2,000. The category witnesses peak sales during the wedding seasons and January / August / September are high sales months. Footfalls during the peak season are around 50-60 consumers every day in the premium brand showrooms and the average ticket size of the purchases ranges from ₹ 3,000-4,000.

The online lingerie market is expected to grow at a very high CAGR of 42% in the next 3 years. The format offers a comfortable environment for consumers. E-commerce companies like zivame.com specialize in lingerie only and, along with brand websites, boosts the growth of online purchases.

Key Players in the Indian Luxury Goods Industry

Genesis Colors, Reliance Brands, and DLF Brands are the key players in the luxury goods industry. Genesis is one of India's leading fashion retailers in the premium and luxury segment. The company designs, manufactures, sells, and distributes fashion and luxury products in India. The company has acquired distribution rights for multiple leading international luxury brands and has exclusive distribution agreements in India for 15 international brands.

DLF Brands is the retail wing of the real estate company DLF. It is diversifying its portfolio to bring in more childcare, parenting, and accessories brands into the country. The company has two premium brands in the fashion category. Reliance Brands, a part of Reliance Retail operations (Reliance Retail is subsidiary of Reliance Industries), is to build international and Indian brand equity in the premium to luxury segment across apparel, footwear, and lifestyle business. Now, Reliance Brands is the distributor of multiple international luxury brands. The company has established exclusive partnerships with many revered international brands. It has built state-of-the-art infrastructure supporting business systems and supply chain.

OUR BUSINESS

*Certain data included in this section and the section titled "**Summary of Business**" on page 44, in relation to certain operating metrics, financial and other business information and data (such as the the number of EBOs, city-wise number of shop-in-shops and local trade stores, number of unique purchasing customers and repeat customers, among others) has been reviewed and verified by DMRN & Associates, third-party Chartered Accountants.*

In this Draft Red Herring Prospectus, references to "revenue from Owned Brands" includes, in addition to revenues from Satya Paul and Bw!tch, revenues from private-label contract manufacturing and distribution for certain third-party brands (which contributed 5.52%, 1.95% and 8.36% to our total revenue from Owned Brands in Fiscals 2014, 2015 and 2016, respectively), some of which we have ceased to manufacture/distribute either before or with effect from April 1, 2016, as applicable. Further, in this Draft Red Herring Prospectus, references to "revenue from International Brands" means revenues from the distribution and sale of such international luxury and premium brands as are part of our portfolio from time to time, in respect of which we have distribution rights in India. As of the date of this Draft Red Herring Prospectus, we have the rights to distribute 16 such international brands, as described in more detail below.

Overview

We are a leading platform for luxury and premium brands in India. (*Source: F&S Report*) We distribute in the Indian market, some of the world's marquee international luxury brands and our own brands, *Satya Paul* and *Bw!tch* (which we refer to as our "**Owned Brands**"), with products across the apparel, accessories, travel and lifestyle segments, through a network of 98 EBOs across India, as well as through large format retail outlets and other distribution channels in the case of our Owned Brands. Our portfolio of international luxury brands includes the *Armani* brands (*Giorgio Armani*, *Emporio Armani*, *Armani Jeans* and *A|X Armani Exchange*), *Bottega Veneta*, *Burberry*, *Canali*, *Coach*, *Furla*, *G-Star Raw*, *Hugo Boss*, *Jimmy Choo*, *Michael Kors*, *Paul Smith*, *Tumi* and *Villeroy & Boch* (which we refer to as the "**International Brands**"). Under our arrangements with these brands we have rights to distribute their products in India across various channels. Our Owned Brand, *Satya Paul*, offers products across the premium apparel and accessories categories for women and men and is one of the leading brands in India in the branded ethnic wear category. (*Source: F&S Report*). *Bw!tch* is one of the key brands in the fast growing branded premium/bridge to luxury lingerie category in India. (*Source: F&S Report*) We believe that with our diverse portfolio of brands, which offers a wide range of western and ethnic Indian products, we are well positioned to influence the purchasing patterns of the affluent Indian consumer.

We pioneered the concept of luxury retailing in India by acquiring distribution rights for leading international luxury brands which would be appealing to Indian luxury consumers. (*Source: F&S Report*) Our deep understanding of the taste and preferences of the Indian consumer of luxury products helps us bring to the Indian market a selection of merchandise tailored to local aesthetics from brands that we perceive to be relevant to the market, across various price points within the luxury segment. As on August 31, 2016, our International Brands were sold at 57 EBOs across seven Indian cities. At the EBOs operated by our Subsidiaries, and through our franchisee for the other EBOs, we focus on ensuring delivery of a shopping experience that is comparable to global standards, with the latest collections at competitive prices in a luxurious shopping environment. These factors, together with our ability to offer access to an affluent and loyal clientele and premium real estate, makes us a partner of choice in the Indian market for international luxury brands, on viable terms. We have entered into joint venture agreements with the brand owners of *Burberry*, *Canali* and *Villeroy & Boch*, pursuant to which, products of these brands are sold at stores operated by the respective JVs. We distribute the other International Brands through third-party franchisees appointed by us or through certain of our Subsidiaries. We have also recently, in April 2016, entered into a partnership with Tata Unistore Limited, to target the luxury consumer on the internet in India, through the online platform *Tata Cliq*, a curated marketplace for luxury brands to sell products through dedicated online storefronts.

With respect to our Owned Brands, we have grown *Satya Paul,* which was acquired by us in 2002, from a women-focused brand to one of the leading brands in India in the branded ethnic wear category, with products across the apparel and accessories categories. *Satya Paul* is positioned as "affordable luxury wear" and is recognized for its vibrant and colourful prints and designs. We have been successful in expanding the demographic profile of target customers for *Satya Paul* products by developing the accessories product portfolio under the brand and by reaching out to younger, contemporary customers through our recently launched *pret* line of indo-western fusion silhouettes, under the brand *Club SP*. *Satya Paul's* product portfolio includes printed and embroidered sarees, ready to wear apparel, bridal wear for women and accessories including scarves, bags, ties, belts, wallets and

cufflinks, for men and women. Further, we launched *Bw!tch* in 2007, when we perceived a significant market opportunity in the premium branded lingerie segment, which is a fast growing category in India (*Source: F&S Report*). Product categories under the *Bw!tch* brand include lingerie, innerwear, shapewear, nightwear, swimwear and accessories.

Satya Paul and *Bw!tch* products are conceptualized, designed and developed by our in-house team. All apparel and certain fabric based accessories under the *Satya Paul* brand and certain *Bw!tch* products are manufactured at facilities situated in Haryana (Gurgaon and Manesar), India. We distribute our Owned Brands through various sales and distribution channels in India, including franchisee operated EBOs, shop-in-shops in large format multi-brand stores, internet sales platforms, as well as, in the case of *Satya Paul*, through the corporate sales channel. As on August 31, 2016, *Satya Paul* products were sold at 38 such EBOs across 19 cities and 99 shop-in-shops across India. Additionally, *Satya Paul* products were also sold online at *www.satyapaul.com* and five other internet sales platforms, as well as internationally, in the USA, Canada and Dubai, through local distributors in these markets. *Bw!tch* products were sold at three such EBOs, 152 shop-in-shop outlets across 19 cities in India and 221 local trade stores across India, and through six internet sales platforms, as on August 31, 2016.

Our consolidated revenue from operations increased from ₹ 3,597.77 million in Fiscal 2014 to ₹ 4,321.62 million in Fiscal 2016, representing a CAGR of 9.60%. Our revenue from the International Brands business increased from ₹ 2,556.74 million in Fiscal 2014 to ₹ 3,179.94 million in Fiscal 2016, representing a CAGR of 11.52% and comprised 71.06%, 73.22% and 73.58% of our consolidated revenue from operations during Fiscals 2014, 2015 and 2016, respectively. Our revenue from Owned Brands segment increased from ₹ 1,041.03 million in Fiscal 2014 to ₹ 1,141.68 million in Fiscal 2016, representing a CAGR of 4.72% and comprised 28.94%, 26.78% and 26.42% of our consolidated revenue from operations during Fiscals 2014, 2015 and 2016, respectively. Our overall EBITDA increased from ₹ 120.27 million in Fiscal 2014 to ₹ 422.66 million in Fiscal 2016, at a CAGR of 87.83%.

Our Market Opportunity

According to the F&S Report, India is one of the fastest emerging markets for luxury products. The Indian luxury market has grown from ₹ 54,106 million in 2010 to ₹ 163,807 million in 2015, at a CAGR of approximately 24%. The biggest contributor towards market growth is the wealthy population of the country. India has over two million households earning over US$ 100,000 annually. It is expected that by the year 2020, the number of Indian ultra-high net-worth households (with wealth of US$ 30 million and above) will increase to 348,000. India ranks third in terms of absolute increase in the number of UHNI, which, between 2005 and 2015, rose from 1,368 to 6,020. In terms of UHNI, Mumbai and Delhi are ranked at 21 and 33, respectively, out of 97 cities across the world and are expected to move up to 14 and 29, respectively, by 2025. This increase in the UHNI will boost the luxury spending of this group of population, resulting in an increase in the demand of luxury products and an increase in the luxury brand outlets in India.

India is the second most populous country in the world and the population is expected to grow at the rate of 1.1% over the next five years. The number of young individuals (age group of 15-34) as a percentage of the total population is of key importance, as they are expected to drive demand, including for premium, bridge-to-luxury and luxury products. The expected increase in this percentage as well as income levels, directly implies the availability of potential future workforce and consequently, the potential for spending money. Indians in their 30s and 40s have the highest income in the country and comprise almost 70% of people in the top income bracket. An increase in gross disposable income typically results in greater purchasing power and a change in household spending patterns. Further, as consumers rise up in existing categories of consumption, they move from cheaper brands to more expensive ones or displace existing consumables with alternatives of higher value or both. All these factors will further lead to an increase in the market size of the luxury industry in India.

In terms of key categories within luxury products, while clothing and apparel continue to remain a large sub-category, growing at a high CAGR of 23.1% in the last five years, the accessories sub-category has grown at a faster during the same period, at a CAGR of 30.6%. Women ethnic wear is the largest sub-category in bridge-to-luxury and premium apparel, while lingerie is a fast growing category in this segment, which is growing at a CAGR of 14%.

Our Strengths

Partner of choice for international luxury brands

We pioneered the concept of luxury retailing in India by acquiring distribution rights for leading international luxury brands which would be appealing to Indian luxury consumers. (*Source: F&S Report*) With our robust portfolio, comprising a large bouquet of International Brands, we benefit from a firm foothold in the industry and are well positioned to leverage on its overall growth. We have long-standing relationships with brand owners of a number of International Brands, including *Armani Jeans*, *Emporio Armani*, *Giorgio Armani*, *Canali*, *Burberry*, *Paul Smith*, *Bottega Veneta* and *Jimmy Choo*, for whom we have been the exclusive distributors India for periods ranging from four to eight years. We have diversified our portfolio to include brands such as *Tumi* and *Villeroy & Boch* that offer products in the travel and lifestyle categories, in addition to brands with products in the luxury apparel and accessories categories. Of our existing portfolio of 16 International Brands, our arrangements with eight such brands have come up for renewal in the past, and the term each of those arrangements has been extended, signifying our ability to ensure continuity of relationship with international luxury brands on account of our performance standards. Moreover, our association and relationship with brands such as *Canali* has deepened and advanced over the years, as is evidenced by the fact that we have moved from being exclusive distributors in India for *Canali* to entering into a JV partnership with them. Similarly, we are currently in the process of negotiating a potential joint venture partnership with *Hugo Boss*. Further, recently in September 2016, in addition to extending the term of our existing arrangement with respect to the three *Armani* brands we have been exclusively distributing in India since 2012, Giorgio Armani S.p.A. also granted us exclusive distribution rights with respect to a new brand, i.e. *A|X Armani Exchange*, signifying our continuing and deepening association with the brand owner. A majority of the International Brands in our portfolio, including *Emporio Armani, Giorgio Armani, Bottega Veneta, Canali*, *Paul Smith* and *Jimmy Choo*, were distributed in India by other players prior to our acquisition of distribution rights for these brands. We believe that through our efforts, in particular on account of our understanding of consumer tastes and our merchandising skills, we have been successful in growing these brands in India.

Our emphasis on ensuring strict presentation, marketing and promotional standards consistent with the luxury experience and demands of these International Brands, and our ability to offer access to an affluent and loyal clientele, premium real estate along with effective inventory management are key distinguishing factors for us. Since the year 2008, when we first acquired the right to exclusively distribute *Canali* products in India, we have added an average of two international luxury brands to our portfolio each year, with a conscious effort to partner with brands that we believe are relevant for the Indian market and address demand for products across various price points within the luxury segment. We have been successful in driving sales and thereby increasing value for the International Brands, which has led us to become a partner of choice for international luxury brands looking to establish or expand their existing brand presence in India.

Deep understanding of the Indian luxury market

We acquired the *Satya Paul* brand in 2002 and have been engaged in distribution of international luxury brands in India since 2008. Given our history and experience, we have been connected with affluent Indian consumers and have developed an insight into their tastes and preferences. This understanding enables us to bring into the Indian market a selection of merchandise from the latest global collections of the International Brands, tailored to local aesthetics, in terms of product as well as pricing. This is a key differentiating factor for us, which we believe increases sales productivity for these brands. In addition, over the years, we have been collecting data (including through our exclusive franchisee that operates certain EBOs) on customer demographics, purchase patterns and feedback as part of our customer record management ("**CRM**") initiative. We process, analyze and mine this data on a continued basis, and are thereby able to gauge and track market trends, changing consumer preferences, demographics and purchase patterns of consumers as well as flexibility in terms of pricing of products. Based on this, we undertake sourcing and merchandising at our end, in addition to providing feedback to the International Brands with a view to help bring the most relevant product offerings to the Indian market, including taking into account varying preferences across different regions within India. For instance, we have noted that the Indian aspirational luxury consumers prefer products with large and visible brand logos. Also, based on our feedback, certain International Brands offer a larger collection of bags at EBOs in India as compared to shoes, unlike their typical store offerings around the world; additionally, certain brands have also introduced products specific to India, such as *Canali*, which, in keeping with its rich heritage in fine suiting, introduced the 'bandhgala' jacket. We also gain valuable insights into the Indian luxury market through actively managing our JVs in partnership with our JV partners, which are engaged in directly retailing luxury products to the end-consumers.

We believe that our ability to leverage our CRM database, which is continually updated with feedback from the EBOs, also helps drive sales across our International Brands. We analyse the CRM data and send customized and targeted emails to past purchasers, with a view to cross sell products of other complementary International Brands, bundle offers comprising products of different International Brands during festive seasons as well as manage

inventory effectively. As part of our CRM database, we maintain a record of consumers who have purchased products at EBOs of the International Brands and our Owned Brands, based on information gathered from our exclusive franchisees, JVs and Subsidiaries operating the EBOs. The number of unique consumers who have purchased products at EBOs of the International Brands and our Owned Brands, increased from 62,057 in Fiscal 2014 to 69,318 in Fiscal 2016, representing an 11.70% increase in the number of unique purchasing consumers during such period. Further, the number of repeat customers, i.e. number of customers who have purchased products at any of the EBOs of the International Brands and our Owned Brands more than once, increased from 9,467 during Fiscal 2014 to 43,941 during Fiscal 2016.

Given our market position and rich experience in the fashion focused luxury market in India, we are well-positioned to leverage on the anticipated growth of the Indian luxury market.

Access to premium real estate across India

As a distributor of the International Brands in India, we identify suitable locations for their EBOs, in addition to EBOs for our Owned Brands. Access to premium real estate on competitive terms, is a key factor impacting the success and sustainability of any brand in the market in which we operate, partially due to the lack of viable premium commercial real estate in India. All EBOs of the International Brands and our Owned Brands are located on premises leased by us, which allows us to ensure continuity of business from a particular location for the brands. We believe we have strong business relationships with premier real estate players, providing us with access to the most suitable store locations, at competitive commercial terms. As of August 31, 2016, we had leased retail space aggregating to carpet area of 108,930 sq. ft. at premier malls, luxury hotels and high-end commercial space across India.

Given our large bouquet of International Brands, we believe we are able to negotiate commercial terms as an "anchor tenant" at specialized luxury format malls, such as DLF Emporio Mall in Delhi, Palladium Mall in Mumbai, UB City Mall in Bangalore and Quest Mall in Kolkata. Of the 57 EBOs where the International Brands were sold as on August 31, 2016, 43 EBOs were located in these four malls, with at least 9 EBOs of the various International Brands at each such mall. We believe that our size and scale as an anchor tenant (owing to our wide portfolio of International Brands) provides us with significant competitive advantages, including favourable pricing and lease terms. Our ability to negotiate favourable lease terms of such nature help us effectively manage our operating costs and improve our margins.

Own established Indian premium brands

We have successfully developed and grown our brand *Satya Paul* into one of the leading brands in India in the branded ethnic wear category. (*Source: F&S Report*) Our in-house design team conceives and designs all *Satya Paul* products at our design studio situated at our Registered and Corporate Office in Gurgaon. We believe that we have been successful creating a distinct recognition for *Satya Paul* in the minds of customers through its characteristic, vibrant and colourful prints and designs. We have also evolved the *Satya Paul* brand over the years by understanding and analyzing the changing trends, responding to such changing trends and have been instrumental in creating an appeal in the market for ethnic premium products. We have also made conscious efforts to expand the demography to include younger, contemporary consumers. According to the F&S Report, the overall women's and men's ethnic wear markets are expected to grow at a CAGR of 8% and 8.5%, respectively, over the next few years up to 2020, and we believe we are well positioned to take share in the overall growth of the market.

Our brand *Bw!tch* is one of the key brands in the fast growing branded premium/bridge to luxury lingerie category in India. We focus on offering vibrant designs that appeal to the contemporary Indian woman, and have expanded product offerings under the brand to include lingerie, innerwear, shapewear, nightwear, swimwear and accessories. Our pricing is a key differentiator, as *Bw!tch* is the amongst the most affordable premium/ bridge-to-luxury lingerie brand in India. We largely distribute *Bw!tch* through distribution channels other than EBOs, which enables us to reach a wider set of customers in terms of geography (i.e. across 19 cities in India, including Tier 2 and Tier 3 cities, as of August 31, 2016, as well as through sales on internet sales platforms) and also across varying levels of purchasing power. According to the F&S Report, the overall lingerie category is growing at a 14% CAGR and online sales for lingerie are expected to grow substantially in the next three years, at a CAGR of 42%.

Our Owned Brands belong to relatively unorganized segments, which allows us to compete effectively by capitalizing on their brand value. We have a widespread pan-India distribution network, with respect to our Owned Brands, which are sold through multiple distribution channels, including franchisee-operated EBOs, shop-in-

shops, internet sales platforms, exports and other local trade channels, in addition to corporate sales for *Satya Paul* through tie-ups with various corporate houses for corporate gifting, promotions and uniforms. Owning, developing, managing and growing these Owned Brands provides us with further insights into the Indian luxury market and consumer preferences through a closer connect with the consumers and helps us build deeper relationships with our distribution network, which we are able to leverage across our business segments.

Experienced management and operating team

Our senior management and operations team has extensive experience across a broad range of disciplines in the fashion focussed industry, including design, merchandising, sales and marketing, real estate and finance. We rely on our Promoter and Managing Director, Mr. Sanjay Kapoor's vision and experience in the Indian fashion industry, with which he has been associated for over 24 years. Our Group Chief Executive Officer, Mr. Nikhil Mehra, has been associated with us since 2008, and has played a key role in driving the growth of our international luxury brands business segment through overall management of existing brands in our portfolio, acquisition of new brands and improving business efficiencies. Further, our Executive Director and Chief Financial Officer, Mr. Samit Guha, has over 19 years of experience in leading and managing finance and accounting functions in both manufacturing and service industries, and plays a critical role in overall management of our finance, IT, human resources and legal functions . Ms. Renu Prasad, Chief Operating Officer – Owned Brands has approximately20 years of experience in the apparel and fashion industry and is responsible for the overall business of our Owned Brands. The merchandising, brand building and marketing functions with respect to the International Brands are headed by Ms. Deepika Gehani, Creative and Merchandising Head of GLF, who has over 10 years of experience in designing and marketing in the fashion industry. Our management and operational team has strong creative and operational experience and has helped drive our growth.

Our Strategies

Continue to increase our portfolio of international luxury brands

We have built a robust portfolio of international luxury brands, both through first-time partnerships in India and through acquisition of distribution rights for international brands that were previously distributed by others in the Indian market. We seek to continue to grow our international brands business segment, with particular focus on increasing the size of our portfolio, in order to capitalize on the significant and growing market opportunity in this segment. For example, in January 2016, we entered into an exclusive distribution agreement with *Coach* and introduced their products to the Indian market, which we were able to do on account of our efforts over the last Fiscal to engage in dialogue with the brand owner and collaborate on their India entry strategy. The first *Coach* EBO opened in Mumbai in July 2016. We also introduced *Hugo Boss* to our portfolio of International Brands in 2016. Towards this end, we intend to leverage our existing platform to acquire exclusive rights to distribute new international luxury brands in India, with a continued focus on brands in the apparel and accessories product categories, in particular, in the handbags and shoes segments. We seek to do this through continued connect and dialogue with suitable brand owners on their India entry strategy, as well as identifying opportunistic acquisitions of brands currently present in the Indian market and being distributed by our competitors. We also seek to add to our portfolio any brands owned or managed by the same group as the brands in our existing portfolio. For instance, we have recently acquired exclusive rights to distribute *A|X Armani Exchange*, which is the fourth brand of the *Armani* group in our portfolio of International Brands. We believe we are strongly positioned as the first port of call for international luxury brands looking to enter the Indian market, or seeking to revitalize their brands in India.

Expand the reach and sales of our existing international luxury brands

We seek to expand the reach of the distribution network for the International Brands to new and suitable markets in India, where we perceive that there is a market for these brands, combined with the availability of high-end retail space. We also continue to explore new EBO locations in existing markets, both through acquiring additional space at existing malls or analyzing the feasibility of new retail locations, while maintaining our in-store experience for customers. We seek to maximize the same store sales of the International Brands by maintaining consistent store-level execution and offering customers a broad and relevant selection of products. We also intend to continue to expand awareness for the brands in our portfolio in an effort to maintain high levels of customer traffic. We seek to do this by increasing visibility for the brands at fashion shows in India, implementing innovative marketing strategies directed at increasing footfalls at the EBOs, such as in-store events involving wine tastings and exclusive product previews for select customers, as well as through digital and social media campaigns with a view to attract young affluent customers. We have also, in January 2016, rolled out our loyalty

program, 'Genesis Luxe Club', which we seek to leverage to drive repeat sales for the International Brands and *Satya Paul*.

Establish an online presence through our partnership with Tata Cliq

In April 2016, we entered into a partnership with the Tata Unistore Limited, with the intention of targeting the luxury consumer in India on the internet. The *Tata Cliq* online platform is a curated marketplace for brands to sell products through dedicated online storefronts, which we believe enables us to maintain brand identity for the International Brands. This partnership provides us the rights to exclusively manage the *Tata Cliq* luxury platform for a period of two years from the launch of the platform, both for such International Brands in our portfolio that grant their consent to be sold through the *Tata Cliq* platform as well as for other international luxury brands that, jointly targeted by Tata Unistore Limited and us, agree to make their products available for sale through the platform. In addition to being an investment light model for us, we believe this online partnership will expand our reach to a large customer base in other Tier 1 and Tier 2 cities in India, where opening luxury stores is a challenge given the lack of high-end retail real estate outside the metropolitan cities in India, and also gives us access to a large customer database from *Tata Cliq*. The *Tata Cliq* platform will also help us to expand our brand portfolio by on-boarding brands for which offline stores may not be feasible. We believe that in partnership with the *Tata Cliq* platform, we can offer a comprehensive online luxury experience to customers across India, while expanding both our product portfolio and customer reach.

Drive expansion and growth of our Owned Brands

We seek to keep growing our Owned Brands, *Satya Paul* and *Bw!tch*, by continuing to innovate and expand the product offerings under these brands, in keeping with fashion trends and consumer tastes. We have identified the accessories portfolio for men and women, including handbags, cufflinks, ties, belts and scarves as an area of increased focus for us in terms of product offerings. We also intend to continue to explore the viability of collaborations with other third-parties to keep up with fashion trends and enhance the appeal of the product offerings across a wide demographic. We seek to continue to leverage on our strong relationships with popular Indian personalities and explore collaborations with them for marketing and creative initiatives, such as our recent tie-up with Gauri Khan to co-design our select *Satya Paul* collection and brand endorsement by Malaika Arora. We have also recently launched a *pret* line of indo-western fusion silhouettes, under the *Club SP* brand, through which we seek to reach out to and meet the lifestyle demands of younger, contemporary Indian women through smart, ready to wear silhouettes. We expect to launch three EBOs for the *Club SP* line by the end of Fiscal 2017, as well as market and distribute online and though a large format retail chain.

We also seek to grow our Owned Brand *Bw!tch* by continuing to further increase the points of sale and distribution for the brand, which increased from 110 in Fiscal 2014 to 182 in Fiscal 2016, in an effort to reach a broader customer base across Tier 2 and Tier 3 cities. We also intend to focus on further increasing the appeal for *Bw!tch* branded products among affluent customers by being present through shop-in-shops at premier large format retail outlets as well as adding product categories to complement our product mix, such as premium swimwear and lounge wear.

We are also exploring launching branded products in the cosmetics and home categories, which we believe offer a large and relatively under-penetrated consumer base.

Increase operational efficiencies and consolidate the business

Improving on operational efficiencies, managing as well as reducing costs and consolidating our business are key areas of focus for us. Accordingly, we seek to identify areas where we can leverage on our existing capabilities and increase efficiencies. For instance, we are actively evaluating implementation of a simplified group structure, including through merging our Company and our Subsidiary, Genesis Luxury Fashion Private Limited ("**GLF**"), which houses the international luxury brands business segment, with a view to increase business and operational efficiencies and enhance value for our Company's shareholders. As a first step towards this end, our Company will utilize a portion of the Net Proceeds of the Fresh Issue to purchase an additional equity shareholding of GLF, pursuant to which, our Company will hold 98.42% of GLF's share capital. For details, see "***Objects of the Offer***" on page 83.

Keeping our rental costs in check is crucial for us to maintain healthy margins. Accordingly, we will continually strive to further deepen and further extend our business relationships with real estate owners, in order to be able to identify and rent premier real estate on competitive terms. Further, as we continue to expand our business, we

plan to improve our operating results by taking advantage of economies of scale in purchasing our inventory, leveraging our existing infrastructure and continually optimizing and improving our operations in areas such as inventory management. We seek to better leverage our expenses, particularly general corporate overhead and fixed costs such as non-variable occupancy costs, through increases in both same store sales and total sales.

Further, we intend to continue to assimilate relevant customer information, track footfalls, conversion rates, purchase patterns and other metrics to produce meaningful analysis that can be implemented across our platform through our CRM initiative. In addition to tracking the number of purchasing customers, we also maintain a database on customers who have visited the EBOs and provided us with some contact information, which helps us reach out to them when products they have requested for or expressed interest in become available, and assimilate logs on footfalls, in order to continually assess suitability of the EBO locations as well as demand for and acceptability of the merchandise stocked at the EBOs. Improving on the CRM data analytics and its efficient implementation is expected to enhance our inventory management systems by enabling us to order the most suitable collections, sizes and quantity of products for the purpose of distribution to and sale at the EBOs.

Our Operations

We operate our business in two broad segments – International Brands and Owned Brands.

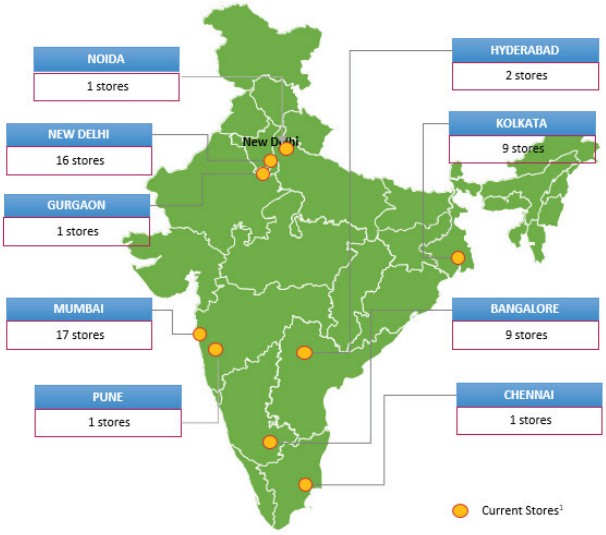
International Brands

As on the date of this Draft Red Herring Prospectus, we have rights to distribute the International Brands within India through EBOs and certain other channels. Our portfolio of International Brands includes, *Armani* brands (*Giorgio Armani*, *Emporio Armani*, *Armani Jeans* and *A|X Armani Exchange*), *Bottega Veneta*, *Burberry*, *Canali*, *Coach*, *Furla*, *G-Star Raw*, *Hugo Boss*, *Jimmy Choo*, *Michael Kors*, *Paul Smith*, *Tumi* and *Villeroy & Boch*, which offer products across the apparel, accessories, travel and lifestyle segments.

Under our agreements with the International Brands, we have the exclusive right, except in the case of *Hugo Boss*, to distribute their respective products through EBOs (operated by our exclusive franchisee, Sunrise Luxury Retail Private Limited ("**SLRPL**"), or, in the case of *Armani*, *Coach* and *Hugo Boss*, through certain of our Subsidiaries). Further, we have partnered with the brand owners of *Canali*, *Burberry* and *Villeroy & Boch* to set up joint ventures, pursuant to which our JVs, Canali India Private Limited, Burberry India Private Limited and V&B Lifestyle India Private Limited, operate the EBOs of these brands in India, respectively. Our rights under these agreements do not extend to distribution through duty free stores in India or, except a few cases, through internet sales platforms.

In Fiscals 2014, 2015 and 2016, our revenues from the International Brands were ₹ 2,556.74 million, ₹ 3,042.40 million and ₹ 3,179.94 million, respectively, which accounted for 71.06%, 73.22% and 73.58% of our consolidated revenue from operations, respectively.

<u>EBO Locations</u>: The map below represents locations of the 57 EBOs of our International Brands across India as of August 31, 2016.



(Map not to scale)

Set forth below are brief details of our arrangements with each of the International Brands (in alphabetical order).

Armani

We first commenced distribution of the brands *Armani Jeans, Emporio Armani* and *Giorgio Armani* in 2012, and have recently, in September 2016, also acquired distribution rights for the brand *A|X Armani Exchange*. In terms of the framework agreements between Emporio Armani S.p.A and us, our Subsidiary Genesis La Mode Private Limited ("**GML**") has the exclusive right to distribute products bearing the said four *Armani* brands (except certain products including swimwear, watches, eyewear, cosmetics and fragrances) through EBOs, in addition to the right to distribute through internet sales platforms that do not exclusively sell *Armani* products. The current framework agreement is valid until 2016-2017 autumn-winter sales season, upon expiry of which, a new framework agreement shall commence from the 2017 spring-summer sales season for a period of 10 sales seasons, i.e. until completion of 2021 autumn-winter sales season.

The product categories under the *A|X Armani Exchange*, *Armani Jeans, Emporio Armani* and *Giorgio Armani* brands that we currently distribute include jeans, jacket, shirts, suits, trousers, sunglasses and belts. As on August 31, 2016, there were 11 EBOs of the *Armani* brands located across India.

Bottega Veneta

We have been distributing *Bottega Veneta* products in India since 2008. Under the current distribution agreement between Bottega Veneta SA and GLF, we have the exclusive right to distribute in India (excluding travel retail), through six EBOs (operated by our franchisee, SLRPL), certain specific products (including leather goods (including handbags and shoes), jewellery, belts, miscellaneous accessories, travel merchandise, perfumes and eyewear). The term of this agreement is valid until December 31, 2017.

As on August 31, 2016, there were four *Bottega Veneta* EBOs located across India.

Burberry

We commenced distribution of *Burberry* branded products in India in 2010, through our JV, Burberry India Private Limited ("**BIPL**"), which was incorporated pursuant to a shareholders' deed dated August 17, 2009 executed between Burberry International Holdings Limited and our Company. Our Company holds 49% of the equity share capital of BIPL. In terms of the distribution agreement entered into with the brand owner, Burberry Limited, BIPL has the exclusive right to distribute *Burberry* products (excluding *Burberry* branded products manufactured by licensees that are not part of the *Burberry* group, i.e. perfumes and eyewear) in the territory of India, through EBOs operated by it, as well as through approved wholesale accounts. This distribution agreement is valid until September 30, 2021, subject to and in accordance with its terms.

The product categories under the *Burberry* brand and sub-brands that we currently distribute include trousers, shirts, dresses, jacket, sunglasses, watches and perfumes, among others. As on August 31, 2016, there were seven *Burberry* EBOs located across India.

Canali

We have been exclusively distributing *Canali* products in India since 2008. In 2011, we entered into a joint venture agreement with Canali Holding S.P.A, the exclusive licensee of Canali Ireland Limited, pursuant to which, Canali India Private Limited ("**CIPL**"), one of our JVs, was incorporated to continue to carry on the exclusive distribution of *Canali*'s products in the Indian market, including through EBOs operated by it. Our Subsidiary, GLF, holds 49% of the equity share capital of CIPL. The current distribution agreement executed among Canali Ireland Limited (the sole and exclusive owner of the *Canali* brand), Canali Holding S.P.A and CIPL, is valid for a period of 20 years from April 1, 2012, i.e. until March 31, 2032.

The product categories under the *Canali* brand that we currently distribute include men's apparels, shoes, bags, small leather goods and other accessories. As on August 31, 2016, there were five *Canali* EBOs located across India.

Coach

In terms of the distribution agreement executed among Coach Inc., GLF and our indirect Subsidiary GLF Lifestyle Brand Private Limited ("**GLFLB**"), we have been granted exclusive rights (with the exception of any existing distributors and authorized retailers of the products in India as on the date of execution of the distribution agreement) to distribute *Coach* branded products (excluding merchandise licensed by *Coach*, which includes watches, eyewear and fragrance/beauty products) in the territory of India, through EBOs or shop-in-shops at multi-brand format stores. The term of the distribution agreement is valid until December 31, 2022, and is subject to automatic renewal for an additional period of three years (i.e. until December 31, 2025), upon satisfaction of certain conditions.

The product categories under the *Coach* brand that we currently distribute include handbags, business cases, wallets, footwear, bags and other accessories. As on August 31, 2016, there was one *Coach* EBO located in Mumbai, India.

Furla

Under the terms of distribution agreement between Furla S.P.A and our Subsidiary, GLF, GLF has been appointed as the exclusive distributor of *Furla* products in the territory of India, through EBOs or shop-in-shops operated by approved franchisees, as well as through sales to certain internet sales platforms, which include Myntra and Amazon. The initial term of the distribution agreement commenced on September 1, 2014 and pursuant to renewal of the initial term (which expired on July 31, 2015), the agreement is currently valid until July 31, 2017.

The product categories under the *Furla* brand that we currently distribute include non-apparel products, shoes, leather goods and accessories, including bags, small leather goods, wallets, belts, key holders, foulards, watches, sunglasses, umbrellas and bijoux. As on August 31, 2016, there were three *Furla* EBOs located across India.

G-Star Raw

We acquired the exclusive right to distribute *G-Star Raw* branded products in India, pursuant to a distribution agreement executed between G-Star Raw C.V. and GLF. In terms of this agreement, we distribute the products through our franchisee SLRPL, which operates the EBOs and shop-in-shop stores at multi-brand format stores, as well as through certain internet sales platforms, including Myntra and Jabong. The term of the distribution agreement commenced on November 1, 2014 and is valid for a period of 10 years, i.e. until October 31, 2024.

The product categories under the *G-Star Raw* brand that we currently distribute include apparel and wearable accessories. As on August 31, 2016, there were four *G-Star Raw* EBOs located across India.

Hugo Boss

We introduced *Hugo Boss* to our portfolio of International Brands in 2016, with the execution of partnership agreements between Hugo Boss AG and our indirect Subsidiary, GML India Fashion Private Limited ("**GMLIF**"). Under such agreements, GMLIF has been granted the non-exclusive right to sell *Hugo Boss* merchandise at two specific EBOs operated by it, one located at the DLF Emporio Mall in Delhi and the other at the Palladium Mall in Mumbai. The said current term of the partnership agreements is until December 31, 2017. However, a term sheet dated December 18, 2015 has been executed between our Subsidiary, GLF, and Hugo Boss AG, in terms of which, the parties have agreed to exclusively negotiate the terms of a joint venture agreement in connection with establishment of a joint venture for a period of 20 years. In the event that such joint venture agreement is not executed by November 30, 2016, the term of the partnership agreements mentioned above shall be automatically extended until December 31, 2025.

The product categories under the *Hugo Boss* brand that we currently distribute include apparel, shoes, belts, and other accessories. As on August 31, 2016, there were two *Hugo Boss* EBOs, one each located in Mumbai and Delhi, which are operated by our indirect Subsidiary, GMLIF.

Jimmy Choo

We commenced distribution of *Jimmy Choo* products in 2009. Under our current exclusive distribution agreement executed with the brand owner and GLF, GLF has the right to exclusively distribute, through EBOs operated by its franchisees, *Jimmy Choo* branded women's shoes, bags and small leather goods, sunglasses, scarves and men's shoes and accessories in India. This agreement is valid until the Cruise collection 2019, i.e. until December 2018.

As on August 31, 2016, there were five *Jimmy Choo* EBOs located across India.

Michael Kors

We have been distributing *Michael Kors* products in India since 2013. Our current arrangement is governed by the terms of a license agreement entered into between the brand owner, Michael Kors (Switzerland) International GmbH and GLF, pursuant to which we have the exclusive right to distribute through EBOs (operated by our franchisee, SLRPL) products manufactured by the brand owners under the brands *Michael Kors*. The term of the agreement is valid until December 31, 2021, subject to automatic renewal for an additional period of three years (i.e. until December 31, 2024), upon satisfaction of certain specified performance criteria.

The product categories under the *Michael Kors* brand that we currently distribute include women's handbags, women's apparels, small leather goods, watches, fashion jewellery, perfumes, sunglasses and other accessories. As on August 31, 2016, there were four *Michael Kors* EBOs located across India.

Paul Smith

We have been granted the exclusive right to distribute in India products *Paul Smith* branded products, under a license agreement executed between Paul Smith Limited and GLF. In terms of this agreement, the products are permitted to be distributed through EBOs operated by our franchisee, SLRPL. The current term of the agreement is valid for a period of five years commencing from January 1, 2015 (permitting distribution of the autumn winter season 2019 collection but not the spring summer 2020 collection), subject to automatic renewal of the term for an additional period of three years, subject to satisfaction of certain specified conditions.

The product categories under the *Paul Smith* brand and sub-brands that we currently distribute include men's apparels, shoes, bags, small leather goods and other accessories. As on August 31, 2016, there were four *Paul Smith* EBOs located across India.

Tumi

We have been exclusively distributing *Tumi* products (excluding optical products, i.e. eyewear and related accessories) in India since 2011, pursuant to execution of the distributorship agreement between Tumi, Inc. and GLF. In terms of this agreement, we distribute the products through EBOs operated by our franchisee SLRPL. The agreement was valid for a period of five years from the date of opening of the first *Tumi* EBO in India, i.e. until March 2016 and discussions on the renewal of the agreement are ongoing.

The product categories under the *Tumi* brand that we currently distribute include luggage, casual bags, business cases, totes, duffle bags and accessories. As on August 31, 2016, there were four *Tumi* EBOs located across India.

Villeroy & Boch

We, through GLF, entered into a joint venture agreement dated January 25, 2013 with Villeroy & Boch AG, pursuant to which V&B Lifestyle India Private Limited ("**V&B India**") was established as our joint venture company, for the purpose of distribution of certain *Villeroy & Boch* products in India. GLF holds 50% of the share capital of V&B India. Under a supply and distribution agreement executed between V&B India and Villeroy & Boch AG, V&B India has been granted the exclusive right to distribute tableware products under the brand *Villeroy & Boch* (excluding tableware products branded under any other sub-brand containing the words Villeroy and/or Boch). However, sale of these products to hotels and hospitality related businesses and gifting of bathroom and wellness products is not within the scope of our exclusive distribution rights. The initial term of the said joint venture agreement and the distribution agreement is a period of 15 years from the date of execution of the agreements, respectively, subject to automatic renewal for a further period of three years, unless either party chooses that the agreement shall not be so extended.

The product categories under the *Villeroy & Boch* brand that we currently distribute include porcelain dinnerware, glassware, crystalware and cutlery. As on August 31, 2016, there were three *Villeroy & Boch* EBOs located across India.

Merchandising and Inventory Management

Under the terms of the distribution agreements executed in respect of the International Brands, we typically have certain minimum purchase and sales guarantee obligations. Consequently, effective merchandising and inventory management is crucial, as any unliquidated inventory (on account of either excess purchase of merchandise from the brands by us, or our inability to sell inventory to our franchisees or the end consumers, as applicable) is likely to directly impact our overall margins. We follow a robust supply chain management process in this respect, whereby, as a first step, the designated brand manager or merchandiser for each brand analyses the consumer purchase trends and other relevant factors through interaction with the sales personnel at the EBOs and analysis of our CRM data, to determine the nature and quantity of merchandise to be sourced from the brand for the next season (typically six months in advance of launch of the collection), which is then discussed with the representatives of the brand owners. The relevant merchandise is then ordered and shipped by the brand representatives to us in various shipments. We have engaged Mystique Logistics Private Limited ("**MLPL**") as our logistics partner, which is responsible for obtaining customs clearance, holding the inventory at warehouses operated by it and delivering such merchandise to the EBOs and other channels of distribution (i.e. internet sales platforms for certain International Brands). Our in-house sales team coordinates with the entities operating the EBOs and other distribution channels, as applicable, determines the inventory requirement at each such point of sale, and liaises with the logistics partner, MLPL, to ensure timely and damage-free delivery of the relevant merchandise at each EBO and other points of sale by MLPL.

We raise invoices against the inventory supplied to the points of sale for International Brands at the time of delivery of merchandise to them, against which payments are to be received by us within a period of 90 days. We sell our inventory to our franchisee on a sale or return basis, which means that merchandise that remains unsold at a particular point of sale for a period beyond 180 days is returned to us by the franchisee, in exchange for a full credit against current or future purchases of merchandise.

Advertising and Brand Promotion Initiatives

As distributors of the International Brands in India, we are typically required to spend a prescribed minimum amount towards advertising, marketing and brand promotion activities for such brands. We undertake advertising and marketing efforts for the International Brands through the traditional media, i.e. print media (relevant newspaper and magazine publications) and outdoor media (billboards at suitable locations). In addition, we undertake innovative brand promotion activities with an aim to build deeper engagement with the consumer and increase footfalls at the EBOs, such as organizing in store-events at the time of launch of new or refurbished EBOs and fresh season collections. We also organize in-store experiences for customers such as wine and malt tasting events, celebrity dress-ups and contests as part of our advertising, marketing and brand promotion initiatives. We have been increasingly using and will continue to use our CRM data to identify products that we believe customers who have previously purchased products at the EBOs of any of the International Brands may be interested in. This enables us to send customized and targeted emails to such customers with a view to cross sell products of other complementary International Brands, bundle offers comprising products of different International Brands during

festive seasons, as well as liquidate inventory of a specific size. Further, we regularly undertake digital and social media campaigns in order to reach out to young affluent consumers.

Owned Brands

In Fiscals 2014, 2015 and 2016, our total revenue from our Owned Brands business were ₹ 1,061.93 million, ₹ 1,112.74 million and ₹ 1,120.77 million, respectively, which accounted for 29.52%, 26.78% and 25.93% of our consolidated revenue from operations, respectively.

Satya Paul

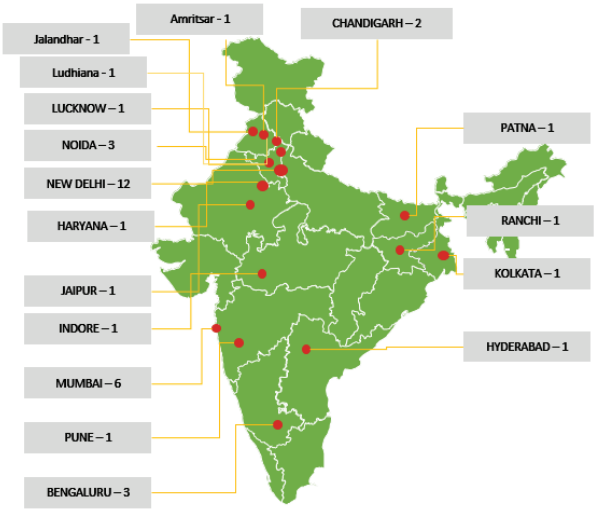
Our Owned Brand, *Satya Paul*, offers products across the premium apparel and accessories categories for women and men and is one of the leading brands in India in the branded ethnic wear category. (*Source: F&S Report*) *Satya Paul* is positioned as "affordable luxury wear" and the product portfolio under the brand includes printed and embroidered sarees, printed fabrics, ready to wear apparel such as stitched suits, kurtis, dresses, embroidered blouses and bridal wear for women and accessories including scarves, stoles, bags, ties, belts, wallets, cufflinks, for men and women.

All *Satya Paul* branded products are conceptualized, designed and developed by our in-house team and all apparel products and fabric based accessories including ties, scarves and stoles are manufactured by third party job-workers, at manufacturing facilities situated at Manesar and Gurgaon in Haryana, India. Such apparel products and ties are deemed to be manufactured by us for the purpose of payment of excise duty. Accessories (other than ties) are manufactured by third parties and branded as Satya Paul during the manufacturing process.

We distribute *Satya Paul* through various distribution and sales channels in India, including franchisee-operated EBOs, shop-in-shops in large format multi-brand stores, internet sales platforms, as well as through the corporate sales channel through arrangements with certain corporate houses for corporate gifting, promotions and uniforms.

Geographical presence and distribution channels: As on August 31, 2016, *Satya Paul* products were sold at 38 EBOs across 19 cities and 99 shop-in-shops across India, in addition to being exported to the USA, Canada and Dubai. Further, the products are sold through internet sales platforms, including a third-party operated exclusive website www.satyapaul.com, as well as Jabong, Myntra, Snapdeal and Amazon.

Satya Paul EBOs are set up in three formats – '*Satya Paul*' stores, '*Satya Paul Accessories*' stores and '*Club SP*' stores. The '*Satya Paul*' stores carry our complete range of ethnic apparel and accessories products for women and men and are typically located in premier malls and high street in metropolitan and Tier 1 cities. The '*Satya Paul Accessories*' stores carry men's accessories products and are typically located in smaller outlets in malls, as shop-in-shops within large format retail outlets, as well as at airports in India]. The recently launched *Club SP* brand stores, carry a *pret* line of indo-western fusion silhouettes. The map below represents locations of the *Satya Paul* EBOs across India, as of August 31, 2016.



Design and product innovation

All *Satya Paul* products are conceived, designed and developed at our modern design studio situated at our Registered and Corporate Office in Gurgaon. We have a creative, experienced and skilled in-house design, development and merchandising team comprising, as of August 31, 2016, 34 professionals, including four main designers and other textile designers, apparel/fashion designers, artwork designers and personnel who undertake sample testing, who are responsible for developing new products, improving existing ones and forecasting fashion trends. We have separate design teams for our textile design, graphic design and embroidery design for our silk, crepe, satin, georgette and cotton blended products. Some of these professionals are graduates from reputed fashion and design institutes in India and also have prior experience in the fashion and apparel industry.

Development of innovative designs with vibrant prints and colour combinations is our core area of focus in terms of designing. Our design team travels to various countries to understand the current fashion trends, has direct access to the sales persons at EBOs, dealers and distributors and conducts regular market surveys to understand consumer demand and feedback. We send out samples to our distributors and retailers for the coming season's collection, who in turn liaise with large format retail outlets where shop-in-shops for our Owned Brands are located, and ascertain the demand for a particular design, colour or texture of fabric. We also participate in exhibitions or fashion shows in respect of *Satya Paul*. The designing process involves drawing of sketches and creating a "storyboard" of designs to illustrate the flow of the collection, which are approved by the design head and are then used to produce proto samples, rough apparel from sample fabrics used to get a preliminary idea of the apparel. While certain basic designs are retained every year, we also introduce new types of yarn, and different textures of fabric in the making of the product, as per market preferences and tastes. Further, at times our designers also create new collections around particular themes, which become the basis for the choice of colours, fabrics and other characteristics. Our design ideas and concepts are based on consumer feedback, national and international fashion trends, as well as insights from attending industry and fashion shows/fairs.

Additionally, with a view to further innovate and enhance the appeal of the *Satya Paul* products among a more youthful and modern target consumer base, we have in recent times collaborated with popular celebrities and designers to design specific collections, such as our collaboration with Masaba Gupta (during the years 2012 to 2014) and Gauri Khan (in the year 2015, to mark *Satya Paul*'s 30th anniversary in the Indian fashion industry)].

Manufacturing of products

Manufacturing Facilities

Satya Paul branded apparel and fabric based accessories including ties, scarves and stoles and *Bw!tch* branded panties are manufactured across two facilities – one situated at Manesar ("**Manesar Unit**") and the other at Gurgaon ("**Gurgaon Unit**"), in Haryana, India. The Manesar Unit is situated on land owned by us and the plant and machinery at both the Manesar Unit and Gurgaon Unit is owned by us. These facilities are operated and managed by third-party job workers, Harmony Garments Private Limited ("**HGPL**") and Symphony Prints Private Limited ("**SPPL**"), respectively and under applicable excise laws, the products manufactured at these facilities are treated as "deemed manufacturing" by our Company. The other product categories under *Satya Paul*, consisting of bags, wallets, cufflinks and belts, are manufactured by third parties, branded at the time of manufacture and purchased by us.

Gurgaon Unit: SPPL undertakes the job work of dyeing and printing fabric at the Gurgaon Unit, which has a total built up area of approximately 48,000 sq. ft. The operational performance of the Gurgaon Unit for Fiscals 2016, 2015 and 2014, as certified by R.K. Associates, Structure Engineers & Valuers, by their certificate dated September 27, 2016, is set out below.

	For the year ended March 31,								
	2016			2015			2014		
Facility	**Installed Capacity (meters per annum)**	**Actual Production (meters per annum)**	**Capacity Utilization (%)**	**Installed Capacity (meters per annum)**	**Actual Production (meters per annum)**	**Capacity Utilization (%)**	**Installed Capacity (meters per annum)**	**Actual Production (meters per annum)**	**Capacity Utilization (%)**
Screen Printing	420,000 – 480,000*	260,575	62.04%	420,000	303,506	72.26%	420,000	324,376	77.23%
Digital Printing	144,000	140,344	97.46%	144,000	143,775	99.84%	144,000	123,123	85.50%

The installed capacity for screen printing may vary according to weather conditions.

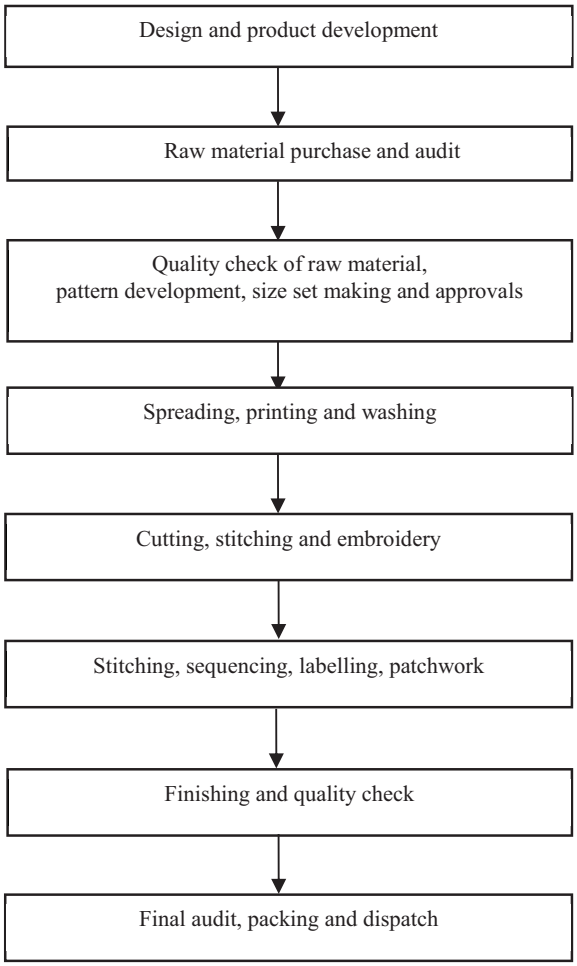
Manesar Unit: After the fabric is dyed and printed, HGPL undertakes the job work of embroidery, fixing embellishments, stitching of garments and labelling at the Manesar Unit. The operational performance of the Manesar Unit for Fiscals 2016, 2015 and 2014, as certified by R.K. Associates, Structure Engineers & Valuers, by their certificate dated September 27, 2016, is set out below.

	For the year ended March 31,								
	2016			2015			2014		
Facility	**Installed Capacity***	**Actual Production**	**Capacity Utilization (%)**	**Installed Capacity***	**Actual Production**	**Capacity Utilization (%)**	**Installed Capacity***	**Actual Production**	**Capacity Utilization (%)**
Machine embroidery	110,000 work-hours	100,888	91.72	70,000	69,349	99.07	120,000	117,353	97.79
Stitching of garments	130,000 work-hours	129,322	99.48	137,000	136,967	99.98	133,000	132,466	99.60
Fixing crystals on garments	160,000	159,348	99.59	90,000	89,671	99.63	160,000	157,991	98.74
Manufacturing and re-labelling ties	210,000	205,127	97.68	192,000	151,810	79.06	392,000	390,269	99.56
Manufacturing and re-labelling scarves/ stoles/ pocket squares	6,000	5,117	85.28	8,000	7,968	99.60	10,000	9,894	98.94
Manufacturing and re-finishing panties (*Bw!tch*)	250,000	248,791	99.52	370,000	368,612	99.62	535,000	532,944	99.62

Installed capacity and actual production for (a) machine embroidery, stitching of garments, fixing hand and crystals on garments is measured in terms of number of work-hours per annum; and (b) manufacturing and re-labelling ties, scarves/ stoles/pocket squares and manufacturing and re-finishing Bw!tch branded panties, is measured in terms of number of products per annum.

Manufacturing process

Set forth below is an overview of the manufacturing process for products manufactured at the Gurgaon Unit and Manesar Unit.



- Design and product development

The design process begins one to two months before the production season. Our designers create a story or theme for a new collection, which becomes the basis for the choice of colors, fabrics and other characteristics. Once designs are approved by our design head, proto samples are produced from sample fabrics to get a preliminary idea of the garment.

- Raw material sourcing and quality

We place orders for raw materials for the Gurgaon Unit and Manesar Unit. Once received, we check each fabric sample for quality standards using an Accepted Quality Levels ("**AQL**") 4-point system inspection and for shrinkage, strength and color fastness in-house and through independent third party laboratories. Since we procure thread, laces and trims only from suppliers that we believe are reputable and who provide us with test reports, we do not conduct similar tests on these inputs before using them for bulk production.

- Pattern development, size set making and approvals

We begin making patterns for specific styles once the choice of raw materials has been confirmed. Once the basic pattern for a style is prepared in the base size, the pattern is graded to cover all of the required sizes, or the size set. Proto samples are made in the base size with the use of a computer-aided design system to get an idea of the fit of the garment. Once the proto samples are approved, the size set samples are made using the actual fabric, and the style is ready to be produced in bulk, once these are approved.

- Spreading and printing

We send fabrics that have passed inspection to the Gurgaon Unit, where modern techniques and computer aided design systems are used to plot patterns and markers that are used to print the spread fabric according to the approved designs. These techniques and systems are intended to maximize consistency in fit and shape throughout the production cycle as well as to minimize the wastage of fabric. The cutting department then spreads and cuts the required fabric. These cuttings are sorted into bundles, consisting of various saris and running printed than, which are carefully numbered for use in the subsequent stages of production.

- Stitching, sequencing, labelling and patchwork

Once the printed fabric is cut and the required designs are imprinted, the fabric is stitched at the Manesar Unit. The stitching lines are planned with the use of time and motion studies and calibrated to produce various styles. The techniques and systems are intended to maximize efficiency as well as to minimize the duration of the stitching operations. We maintain a quality check with on-line, mid-line and end-line quality inspections.

- Finishing and quality check

After we complete our stitching operations for a style, each garment is processed to add sequence, patches or any other embellishments required by the style. Finished products are then moved to the finished goods area, where they are inspected for quality according to their style requirements.

- Final audit, packing and dispatch

Once the apparel has been steam-ironed, it is subjected to various checks, for example, to detect any needles or loose threads and to determine the consistency of a sample of garments with the original size set samples, and it is then packed. Packing is determined according to the requirements of the relevant purchase order. Finally, each packed consignment is checked for quality standards using an AQL 4-point system inspection before being dispatched to one of our distribution centres and then to the relevant point of sale.

Inventory Management

Maintaining appropriate levels of inventory is critical to our overall profitability. Our products in inventory include raw materials, work in progress, finished products manufactured by us and finished outsourced products. In order to minimize the risk of building up aged inventories, it is our policy to regularly review the obsolescence of inventories.

The production of our spring-summer and autumn-winter collections, which include our garments and accessories products such as sarees, salwar kameez, dupattas, stoles, scarves, tunics, semi-stitched suits, kurtis and embroidered bridal wear, commences from the month of October and March, respectively. We start dispatching our spring-summer and autumn-winter products to the *Satya Paul* EBOs and shop-in-shops from January and July, respectively, to cater to the demand of the consumers for the upcoming season, which is carried on until January or July, depending on the change in seasons in that particular year. The inventory level for products for both these seasons at our warehouses peaks in the month of September and we aim to dispatch all our season collection products to the various points of sale prior to the beginning of the festive season in October-November. The end of season sales are generally carried in the month of July and January. After the end of season sales, unsold items in the *Satya Paul* EBOs are cleared through inventory liquidation channels such as discount sales at warehouses, hotels or other locations. However, some of the unsold products, in particular the basic design products, are returned to our manufacturing facility for dry cleaning and re-packaging for the next season. We monitor and analyse our inventory level at the *Satya Paul* EBOs on a daily basis, based on item-wise daily sales reports to identify slow and fast-moving merchandise.

Advertising, Marketing and Brand Promotion Initiatives

Over the years, we have adopted various innovative and creative marketing and brand promotion initiatives, with a view to evolve the *Satya Paul* brand, expand the product categories under the brand, widen its appeal across the demography of consumers and keep up with the changing fashion trends and consumer preferences. We run regular advertising campaigns in the print media, including in relevant fashion magazines. Further, *Satya Paul* designs are regularly showcased at popular fashion week events in India, such as the Wills Lifestyle Fashion Week, Lakme India Fashion Week and the Couture Week. We are also endorsed by popular Indian celebrities

from time to time. We typically undertake two advertisement campaigns for *Satya Paul* a year and also undertake brand promotion and marketing initiatives through digital and social media.

Bw!tch

We launched *Bw!tch* in 2007, with a view to capitalize on the market opportunity in the premium branded lingerie segment in India. *Bw!tch* is one of the key brands in the fast growing branded premium/bridge to luxury lingerie category in India. (*Source: F&S Report*) Product categories under the *Bw!tch* brand include lingerie, innerwear, shapewear, nightwear, swimwear and accessories. *Bw!tch* is the amongst the most affordable premium lingerie brand in India.

Geographical presence and distribution channels: We distribute *Bw!tch* branded products through various distribution and sales channels in India, including franchisee-operated exclusive brand outlets ("**EBOs**"), shop-in-shops in large format multi-brand stores, other trade channels and internet sales platforms. As of August 31, 2016, *Bw!tch* products were sold at three EBOs, 152 shop-in-shop outlets, over 221 local trade stores across India, and through six internet sales platforms, including Flipkart, Jabong, Myntra, Snapdeal and Amazon.

Design, Product manufacturing and inventory management

All *Bw!tch* products are designed by our in-house design team, with a focus on offering vibrant designs that appeal to contemporary Indian woman. Product categories under the brand include lingerie, innerwear, shapewear, nightwear, swimwear and accessories. While all other *Bw!tch* products are manufactured by third parties (with a majority being imported), women's panties are manufactured at our Gurgaon Unit and Manesar Unit.

We focus on undertaking robust quality control measures to ensure that the products we source from third parties are as per our specifications and quality standards. We typically identify two vendors for each style or range of products. Assessment of vendors is done on various parameters, including available capacity, manufacturing skills, as well as their ability to source and test quality of raw material.

We analyse and plan our inventory requirements based on current stock levels, analysis of sales and feedback on products in the previous year, analysis of competition, and expansion of the distribution network, among others.

CRM Initiative and Information Technology

We have invested in information technologies designed to help us better monitor and run our business. In 2015, we implemented Axapta, an ERP program developed by Microsoft. Our ERP platform includes modules that not only automate business processes, but also provide business intelligence technologies designed to provide an integrated view of our business. We use it mainly to record information relating to sales, inventories, finance, production and purchases. The ERP system is deployed through a centralized data centre located at our Registered and Corporate Office and is linked to the EBO level systems to ensure real-time and efficient flow of information for us.

As part of the ERP module, we have, over the years, been collecting data on customer demographics, purchase patterns and feedback at the EBOs operated by our franchisees, JVs and Subsidiaries, which constitutes our CRM database. We process, analyze and mine this data on a continued basis, with a view to able to gauge and track market trends, changing consumer preferences, demographics and purchase patterns of consumers. Based on this, we undertake sourcing and merchandising at our end, in addition to providing feedback to the International Brands with a view to help bring the most relevant product offerings to the Indian market, including for different regions within India. We believe that our ability to leverage our CRM database, which is continually updated with feedback from the EBOs, also helps drive sales across our portfolio of International Brands. We analyse the CRM data and send customized and targeted emails to past purchasers, with a view to influence cross-selling products of other complementary International Brands, bundle offers comprising products of different International Brands during festive seasons as well as manage inventory effectively. As part of our CRM database, we maintain a record of customers who have purchased products at EBOs of the International Brands and our Owned Brands. In addition, through our systems which are linked to the EBOs, we assimilate database on customers who have visited the EBOs and provided some contact information, which helps us reach out to them when products they have requested for or expressed interest in can be made available. The number of such customers, who we refer to as 'external customers', increased from 71,524 in Fiscal 2014 to 113,259 in Fiscal 2016. Further, we assimilate data on footfalls at the EBOs from the entities operating the EBOs, in order to continually assess suitability of the EBO

locations as well as analyse data on conversion of footfalls into purchases to better understand the demand for and acceptability of the merchandise stocked at the EBOs.

Competition

As a distributor of international luxury and premium brands in India, we compete with other such Indian distributors, including Reliance Brands Limited and DLF Brands Limited, as well as any international brands (in the same segment as our International Brands) that directly sell their products in India.

Our Owned Brand *Satya Paul* competes with other Indian ethnic luxury and premium brands that offer products in the apparel and accessories categories for men and women, including *Ritu Kumar*, *Anita Dongre, Biba, 'W'* and *Fab India*. Other brands in the super premium segment within this category are *Tarun Tahiliani*, *Sabyasachi* and *Rohit Bal*. Further, while brands like *Nalli Silk Sarees* are not in direct competition with *Satya Paul*'s product range, they compete at price point and are a part of total branded ethnic women's wear market.

Bw!tch is in competition with other branded lingerie businesses across segments ranging from economy to super premium. Significant brands in the premium category which *Bw!tch* directly competes with include *Triumph*, *Enamor* and *Amante*. (*Source: F&S Report*)

Intellectual Property

Pursuant to the distribution agreements we have entered into with brand owners of the International Brands, we have been typically granted non-exclusive and limited rights to use the relevant trademarks of such International Brands in the conduct of our operations, in accordance with the terms and conditions of such agreements. The trademark SATYA PAUL for our Owned Brand is registered in India and '*Satya Paul*' is also registered internationally in the US and Canada. Additionally, we have also registered or applied to obtain registration with respect to certain other trademarks, including '*Satya*' '*Satya Paul Accessories*' '*Satya Paul Home*' '*Tie Bar*' '*Club SP*' and '*Signature Series*.' We have also obtained registration of trademark for our Owned Brand Bw!tch in India and have made applications to register the trademarks 'Genesis Colors' and 'Genesis Luxury' under appropriate classes. For further details of the intellectual property registered in the name of or applied for by the Company, see "***Government and Other Approvals***" on page 301.

Human Resources

As of August 31, 2016, our Company had 533 employees including two brand managers, 34 personnel engaged in product design, 13 in finance and accounts and 367 in sales and marketing, who are all permanent employees of our Company. Additionally, our Subsidiaries had an aggregate of 224 employees. We place a significant emphasis on the recruitment and retention of our personnel and provide continuous training for employees to achieve high quality skills. We motivate our employees by offering them what we believe are competitive salaries, as well as variable performance linked incentive pay. Additionally, we have appointed a number of third-party consultants to provide various services to us on a contractual basis, including with respect to marketing, communication, branding and design.

Insurance

We have obtained various insurance policies for covering the warehouses where our inventory is stocked, offices, manufacturing units and EBOs. We have burglary insurance, standard fire floater and fixed asset fire insurance for covering our fixed assets and stocks, including building, plant and machinery, office equipment, leasehold improvements, stock of raw materials, stock of finished goods against standard fire and burglary perils with additional cover for calamities like earthquake and terrorism. The inventory in transit, including readymade garments, fabrics, leather goods and accessories are covered by our marine cargo annual turnover insurance policy for various risks during transit anywhere in the country or overseas. Additionally, our JVs and indirect Subsidiaries have also maintained money insurance policy for covering the cash in safe in the EBOs operated by such JVs and indirect Subsidiaries. We believe that our existing insurance coverage is adequate for our business and operations and that our existing insurance coverage is generally in line with international and industry standards in India.

Properties

Our Company owns a plot measuring 4,050 square metres at Manesar in Haryana, India, where the Manesar Unit is situated. Our Registered and Corporate Office has been leased from Mr. Ram Chand Satija for a term of nine years, until January 2023. Further, we have leased two warehouses, one each in Mumbai and Delhi, where we stock finished product inventory of the International Brands as well as our Owned Brands, and one warehouse is located on the premises where the Manesar Unit is situated, which is owned by us.

Additionally, our Company has leased premises where the EBOs of our Owned Brands *Satya Paul* and *Bw!tch* are situated, which are operated by our franchisees. With respect to EBOs of certain International Brands, our Subsidiary, GLF, has taken on lease 28 stores at premier malls, luxury hotels and high-end commercial spaces across India, including at DLF Emporio Mall in Delhi, Palladium Mall in Mumbai, UB City Mall in Bangalore and Quest Mall in Kolkata. As of August 31, 2016, we had leased retail space aggregating to carpet area of 108,930 sq. ft. for EBOs of the International Brands and our Owned Brands.

KEY REGULATIONS AND POLICIES IN INDIA

The following description is a summary of certain sector specific laws and regulations in India, which are applicable to our Company and its business. The information detailed in this chapter, is based on the current provisions of Indian laws which are subject to amendments, changes and modifications. The information detailed in this chapter has been obtained from sources available in the public domain. The regulations set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice.

Intellectual Property Legislations

Trade Marks Act, 1999 ("Trademarks Act")

The Trademarks Act provides for the application and registration of trademarks in India and governs the statutory protection of trademarks for goods and services. The purpose of the Trade Marks Act is to grant exclusive rights to marks such as brands and labels and to provide relief in case of infringement. An application for trademark registration may be made by individuals or joint applicants by any person claiming to be the proprietor of a trade mark, and can be made on the basis of either use or intention to use a trademark in the future. The application for registration of trademark has to be made to Controller-General of Patents, Designs and Trade Marks and the registration, if and when granted, is valid for a period of 10 years and can be renewed from time to time. If not renewed after ten years, the mark lapses and the registration has to be restored. While both registered and unregistered trademarks are protected under Indian Law, the registration of trademarks offers significant advantages to the registered owner, particularly with respect to proving infringement. The Trademarks (Amendment) Act, 2010 has been enacted by the Government of India to amend the Trademarks 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. We use brand names which require registration and renewal under the Trademarks Act from time to time.

The Copyright Act, 1957 ("Copyright Act")

The Copyright Act provides for registration of copyrights, transfer of ownership and licensing of copyrights, and infringement of copyrights and remedies available in that respect. The Copyright Act grants protection to the authors of literary, artistic, dramatic, musical, photographic, cinematographic or sound recording works. It provides the author with exclusive rights of ownership and economic rights to reproduce the work in any form, issue copies of it to the public and offer it for sale and hire. While copyright registration is not a prerequisite for acquiring or enforcing a copyright, registration creates a presumption favouring ownership of the copyright by the registered owner. Copyright registration may expedite infringement proceedings and reduce delay caused due to evidentiary considerations. Once registered, the copyright protection of a work lasts for 60 years subsequent to which the work falls in the public domain and any act of reproduction of the work would not amount to infringement.

The remedies available in the event of infringement of a copyright under the Copyright Act include civil proceedings for damages, account of profits, injunction and the delivery of the infringing copies to the copyright owner. The Copyright Act also provides for criminal remedies including imprisonment of the accused, imposition of fines and seizure of infringing copies.

Designs Act, 2000 ("Designs Act")

The Designs Act, which came into force in May 2001, along with the rules made thereunder consolidate and amend the law relating to protection of designs. A design refers to the features of shape, configuration, pattern, ornamentation or composition of lines or colours applied to any article, whether in two dimensional or three dimensional or in both forms. In order to register a design, it must be new or original and must not be disclosed to the public anywhere in India or any other country by publication in tangible form or by use or in any other way prior to the filing date. A design should be significantly distinguishable from known designs or combination of known designs in order for it to be registered. A registered design is valid for a period of 10 years after which it can be renewed for another period of five years, before the expiration of the original period of 10 years. After such period the design is made available to the public by placing it in the public domain.

Labour Law Legislations

Factories Act, 1948 ("Factories Act")

The Factories Act seeks to regulate and provide for safety, health and welfare of the labour employed in factories. It applies to industries in which (i) 10 or more than 10 workers are employed on any day of the preceding 12 months and where any manufacturing process is carried out with the aid of power, or (ii) 20 or more than 20 workers are employed and where any manufacturing process being carried out without the aid of power. Each state has enacted rules in respect of prior submission of plans and their approval for the establishments, registration and licensing of factories. The Factories Act imposes obligations on the "occupier" of a factory i.e. the person who has ultimate control over the affairs of the factory in respect of safety and proper maintenance of the factory, handling, storage and transport of articles and substances, provision of adequate training and safe working condition of workers. The Factories Act also provides for imposition of fines and imprisonment of the occupier of factory in case of any contravention with the provisions of the Factories Act.

Depending on the nature of the activity undertaken by us, other applicable labour laws and regulations include the following:

- Employee's Compensation Act, 1923
- Payment of Gratuity Act, 1972
- Payment of Bonus Act, 1965
- Maternity Benefit Act, 1961
- Minimum Wages Act, 1948
- The Employees State Insurance Act, 1948
- The Employees' Provident Fund and Miscellaneous Provisions Act, 1952
- The Payment of Wages Act, 1936

Other Applicable Laws

Legal Metrology Act, 2009 ("Legal Metrology Act")

The Legal Metrology Act came into effect from April 1, 2011 replacing the Standard Weights and Measure 1976 and the Standards of Weights and Measures (Enforcement) Act 1985. It was enacted to establish and enforce standards of weights and measures and to regulate trade and commerce in weights and measures and other goods which are sold or distributed by weight, measure or number. Under the Legal Metrology Act, all the manufacturers of packaged merchandise are required to obtain a license from Controller, Legal Metrology, Government of India. Further, a company may also nominate a director who would, along with the company, be held responsible for any act resulting in violation of provisions of the Legal Metrology Act. 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.

Shops & Establishments legislations in various states

Under the provisions of local shops and establishments legislations applicable in the states in which establishments are set up, establishments are required to be registered under the respective legislations. These legislations regulate the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of *inter alia* registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures and wages for overtime work.

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 notification made by the Reserve Bank of India thereunder, and policy described by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("**DIPP**"). DIPP has issued Consolidated FDI Policy and under paragraph 5.2.15.1 of the FDI Policy, foreign direct investment ("**FDI**") up to 100% is permitted in wholesale trading (which is the business activity in which the Company is engaged) under the automatic route subject to compliance with certain specified conditions including –

(a) the wholesale trader obtaining requisite licenses/registrations/permits from the relevant government authority;

(b) except for sales made to the Government, sales made by the wholesale trader must be made to entities holding sales tax/VAT registration/service tax/excise duty registrations, entities holding trade licenses, entities holding permits/license for undertaking retail trade, or institutions holding certificate of incorporation or registration as a society or public trust for their self-consumption;
(c) wholesale trading of goods is permitted among companies of the same group. However, such wholesale trading to group companies taken together should not exceed 25% of the total turnover of the wholesale venture; and
(d) a wholesale trader can undertake single brand retail trading subject to certain conditions. An entity undertaking wholesale as well as retail business shall maintain separate books of accounts for these two arms of the business.

The FDI Policy also provides the methodology for calculation of total foreign investment (i.e. whether direct or indirect foreign investment) in an Indian company, which would apply at every stage of investment (i.e., including downstream investments) in Indian companies that are not owned and controlled by Indian resident entities.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was incorporated as "Genesis Retail Private Limited" on November 23, 1998, as a private limited company under the Companies Act, 1956, with a certificate of incorporation granted by the Registrar of Companies, National Capital Territory of Delhi and Haryana. The name of our Company was changed to "Genesis Colors Private Limited" pursuant to a special resolution of the shareholders of our Company dated August 10, 2001 and a fresh certificate of incorporation was issued by the RoC, on September 14, 2001. Pursuant to a change in the location of our registered office from New Delhi to Gurgaon, the RoC issued a fresh certificate of incorporation dated March 20, 2015. Pursuant to the conversion of our Company to a public limited company and as approved by the shareholders of our Company pursuant to a special resolution dated September 7, 2016, our name was changed to "Genesis Colors Limited" and the RoC issued a fresh certificate of incorporation upon conversion to a public limited company on September 16, 2016.

Business and management

For a description of our activities, products, technology, market segments, the growth of our Company, the standing of our Company with reference to prominent competitors in connection with our products, management, major suppliers and customers, 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 104, 92 and 274, respectively. For details of the management of our Company and its managerial competence, see "***Our Management***" on page 138.

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
July 16, 1999	The address of the registered office of our Company was changed from B-4/38, Safdarjung Enclave, New Delhi- 110029 to 1A-2, Taj Apartment, Rao Tula Ram Marg, New Delhi- 110022	Administrative convenience and economic reasons
April 25, 2005	The address of the registered office of our Company was changed from 1A-2, Taj Apartment, Rao Tula Ram Marg, New Delhi- 110022 to 2A-1, Taj Apartment, Rao Tula Ram Marg, New Delhi- 110022	Administrative convenience and economic reasons
November 15, 2005	The address of the registered office of our Company was changed from 2A-1, Taj Apartment, Rao Tula Ram Marg, New Delhi 110 022, Delhi to 3A-1, Rao Tula Ram Marg, New Delhi 110 022, Delhi.	Administrative convenience and economic reason
March 13, 2015	The address of the registered office of our Company was changed from 3A-1, Taj Apartment, Rao Tula Ram Marg, New Delhi 110 022, Delhi to 51-52, Udyog Vihar, Phase – IV, Gurgaon, 122 001, Haryana.	Administrative convenience and economic reasons

Our main objects

The main objects of our Company as contained in our Memorandum of Association are:

1. To carry on the business of retailers, manufacturers, producers, processors, importers, exporters, buyers, sellers, dealers, stockists, suppliers, wholesalers, jobbers, contractors, repairers. Designers, fabricators, assemblers, stores, warehouses, dyers, bleachers and distributors of all kinds of gray cloth fabrics and textiles prepared from nylon, polyester, acrylics, rayon, silk, linen, cotton, wool, jute, leather goods, server, ties, belts leather and any other synthetic, artificial and natural fibers including their blends and all types of readymade garments for men, women and children including sportswear, active wears, daily wears, fashion wears, weaving apparels, underwear's, and to participate in local, national and international trade fairs, sales exhibition, seminars, fashion shows or any other sales promotion activities.

2. To carry on the business of cloth, cotton and wool spinners and doubles, flex, hemp, and jute spinners, linens, woollen and cotton cloth manufacturers, producers, processors, importers, exporters, buyers, sellers, dealers, stockists, suppliers, wholesalers, jobbers, contractors, repairers, designers, fabricators, assemblers, stores,

warehouses, dyers, bleachers and distributors including wool combers, worsted spinners, yarn merchants, bleachers and dyers.

3. To weave and otherwise manufacture, buy, sell, import, export and deal in all kinds of cloth, readymade garments and apparels and other goods and fabrics, whether textile, felted, netted or looped.

4. To carry on the business of manufacturers, importers and exporters. Wholesale and retail dealers of men, women and children clothing made of any material artificial, synthetic, manmade or natural or any blends thereof, and wearing apparel and accessories of every kind, nature and description.

5. To import technology relating to the items as referred to in (1) above.

6. To carry on the business of import of all types of merchandise, machinery equipments and articles, whether in form of manufactured or otherwise or the items that may be allowed for import under various export promotion schemes prevalent from time to time and dispose of or deal with them and the import entitlements or licenses as per the rules and regulations of the import and export promotion schemes that may be in force from time to time.

7. To carry on all or any of the business of dealers and manufacturers of all kinds of carpets, durries, mats, rugs, namdas, blankets, shawls, tweeds, linens, flannels and all other articles of woolen and worsted materials and of all articles similar to the foregoing or any of them or connected herewith.

8. To deal, buy, sell, import, export, produce, process, design, improve, alter, manufacture, finish, all kinds of fabrics, hosiery items, knitwear's, handicraft items, fibers, fibrous materials, yarn, thread, wastes and by-products made from any natural, animal, manmade or synthetic yarns whatsoever and all articles made there from.

9. To provide technical consultancy, marketing, job work and other services in India and abroad in connection with the businesses referred to in sub-clause III A(1) to (9) above.

10. To carry on the business of buying, selling, distributing, marketing, trading, importing, exporting and otherwise dealing in beauty products of every description and kind including cosmetics, color cosmetics, makeup products including for eyes, face, skin, skin care products, body care products, hair care products, nail products, fragrance and other related products.

11. To carry on the business of buying, selling, distributing, marketing, trading, importing, exporting and other dealing in home products of every description and kind including bed-sheets, cushion covers, table cloths, napkins, towels, quilts, candles, serving platters, vases, decorative items, lanterns, glass ware, bar ware, crystal ware, table ware, porcelain ware, kitchen ware, home and kitchen accessories and cutlery as well as other accessories and gift items and other related products for home usage.

The main objects clause as contained in the Memorandum of Association enable our Company to undertake its existing activities.

Amendments to our Memorandum of Association

Since the incorporation of our Company the following changes have been made to our Memorandum of Association:

Date of change/ shareholders' resolution	Nature of amendment
August 12, 1999	The authorized share capital of our Company was increased from ₹ 2,000,000 divided into 200,000 Equity Shares each to ₹ 5,000,000 divided into 500,000 Equity Shares.
November 25, 2002	The authorized share capital of our Company was increased from ₹ 5,000,000 divided into 500,000 Equity Shares to ₹ 10,000,000 divided into 1,000,000 Equity Shares.
October 28, 2005	The authorized share capital of our Company was increased from ₹ 10,000,000 divided into 1,000,000 Equity Shares to ₹ 15,000,000 divided into 1,500,000 Equity Shares.

Date of change/ shareholders' resolution	Nature of amendment
April 25, 2006	The authorized share capital of our Company was increased and reclassified from ₹ 15,000,000 divided into 1,500,000 Equity Shares to ₹ 165,000,000 divided into 1,500,000 Equity Shares and 15,000,000 preference shares of ₹ 10 each.
July 25, 2007	The authorized share capital of our Company was reclassified from ₹ 165,000,000 divided into 1,500,000 Equity Shares and 15,000,000 preference shares of ₹ 10 each to ₹ 165,000,000 divided into 16,500,000 Equity Shares.
May 22, 2008	The authorized share capital of our Company was increased and reclassified from ₹ 165,000,000 divided into 16,500,000 Equity Shares to ₹ 465,005,000 divided into 16,500,000 Equity Shares and 300,005 Series-A CCPS.
September 30, 2008	Alteration of Clause III (B) of the Memorandum of Association, by adding the following new clauses as III(B)35 and III(B)36: "*35. To carry ont the business as traders, purchasers and sellers of all kinds of confectionery, chocolates, cosmetics, jewelry, shoes, bags, accessories and running of small cafes parallel to the line of its main business as may be conveniently combined."* *"36. To carry on in India or elsewhere the business of organizing and managing events, shows, public relation, product launch and to provide promotional requisites of every kind and description."*
August 31, 2009	Alteration of Clause III (C) of the Memorandum of Association, by adding the following new clauses as III(C)54 and III(C)55: "*54. To carry on the business as traders, purchasers and sellers of all kinds of confectionery, chocolates, cosmetics, jewelry, shoes, bags, accessories and running of small cafes parallel to the line of its main business as may be conveniently combined."* *"55. To carry on in India or elsewhere the business of organizing and managing events, shows, public relation, product launch and to provide promotional requisites of every kind and description."*
April 25, 2013	The authorised share capital of our Company was increased from ₹ 465,005,000 divided into 16,500,000 Equity Shares and 300,005 Series-A CCPS to ₹ 540,005,000 divided into 24,000,000 Equity Shares and 300,005 Series-A CCPS.
December 1, 2012*	Increase in equity share capital from ₹ 540,005,000 divided into 24,000,000 Equity Shares and 300,005 Series-A CCPS to ₹ 540,105,000 divided into 24,010,000 Equity Shares and 300,005 Series-A CCPS
December 2, 2014	Alteration of clause II of the Memorandum of Association, to allow change in the registered office to read as follows: "*II. The Registered office of the Company will be situated in the state of Haryana.*"
June 29, 2015	Alteration of the heading appearing in the Memorandum of Association of our Company by substituting with the following heading: "*(THE COMPANIES ACT, 1956) AND (THE COMPANIES ACT, 2013 TO THE EXTENT APPLICABLE)*"
	Alteration of clause III(A) of the main objects of the Memorandum of Association by adding the following new clauses as III(A)10 and III(A)11: "*10. To carry on the business of buying, selling, distributing, marketing, trading, importing, exporting and otherwise dealing in beauty products of every description and kind including cosmetics, color cosmetics, makeup products including for eyes, face, skin, skin care products, body care products, hair care products, nail products, fragrance and other related products* *11. To carry on the business of buying, selling, distributing, marketing, trading, importing, exporting and other dealing in home products of every description and kind including bed-sheets, cushion covers, table cloths, napkins, towels, quilts, candles, serving platters, vases, decorative items, lanterns, glass ware, bar ware, crystal ware, table ware, porcelain ware,*

Date of change/ shareholders' resolution	Nature of amendment
	kitchen ware, home and kitchen accessories and cutlery as well as other accessories and gift items and other related products for home usage."
	Substitution of the sub-heading "*OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS*" of clause III(B) of the Memorandum of Association by "*MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III (A)*" Clauses III(B)16 and III(B)17 of the Memorandum of Association were replaced by the following clauses: "*16.Subject to the provisions of Section 67 of the Companies Act, 2013 to invest other than investment in company's own shares, any money of the Company, not immediately required in any investments movable or immovable as may be thought proper and hold such investments.* *17. Subject to Section 73, 74, 75, 76, 179, 180, 185 of the Companies Act, 2013 and the Regulations made thereunder and the directions issued by Reserve Bank of India to receive money on deposit or loan and borrow or raise money in such manner as the Company shall think fit and in particular by the issue of debentures or debenture-stock (perpetual or otherwise) and to secure the payment of any money borrowed, raised or owing by mortgage, charge or lien upon all or any of the properties or assets of the Company (both present or future) including its uncalled capital and also by similar mortgage, charge or lien to secure and guarantee the performance by the Company, or such other person or Company of any of its obligations undertaken by the Company.*" The clause III(C) on "*OTHER OBJECTS*" was deleted and the sub-clauses 1 to 55 (except sub-clauses no. 47, 48 & 52) were shifted to the new clause III(B) on "*MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III(A)*" vide creation of new sub-clauses numbers 35 to 86.
September 21, 2015	The authorised share capital of our Company was altered from ₹ 540,105,000 divided into 24,010,000 Equity Shares and 300,005 Series-A CCPS by reclassifying the preference share capital of ₹ 300,005,000 divided into 0.001% 300,005 compulsorily convertible series A preference shares into Equity Shares by concurrently creating equity share capital of ₹ 300,005,000 divided into 30,000,500 Equity Shares, with the total authorised share capital of the Company remaining the same at ₹ 540,105,000.
September 7, 2016	Amendment of clause I of the Memorandum of Association to change the name of our Company from "Genesis Colors Private Limited" to "Genesis Colors Limited".

* *The increase in the authorized share capital was pursuant to a scheme of merger between the Company and GLEPL which was sanctioned by the High Court of Delhi pursuant to order dated August 7, 2013*

Total Number of shareholders of our Company

As on the date of this Draft Red Herring Prospectus, our Company has 14 Equity Shareholders. For further details on the shareholding of our Company, see "***Capital Structure***" on page 68.

Major events and milestones

The table below sets forth some of the major events in the history of our Company

Calendar Year	Details
2002	Acquired the *Satya Paul* brand
2006	Received investment from JM Financial
2007	Launched the *Bw!tch* brand

Calendar Year	Details
2008	Acquired distribution rights for the brand *Canali* in India Introduced the *Bottega Veneta* brand to our portfolio of international brands Obtained private equity investment from Sequoia Investors and Mayfield
2009	Added the *Jimmy Choo* brand to our portfolio of International Brands Obtained private equity investment from HEP Mauritius Entered into joint venture agreement with Burberry International Holdings Limited to establish Burberry India Private Limited, as a joint venture for the distribution of the *Burberry* brand in India
2011	Introduced the *Tumi* brand to our portfolio of International Brands
2012	Introduced the *Giorgio Armani*, *Armani Jeans*, *Emporio Armani* brands to our portfolio of International Brands
2013	Introduced the *Michael Kors* brand to our portfolio of International Brands Entered into joint venture agreement with Villeroy & Boch AG to establish V&B Lifestyle India Private Limited, as a joint venture for the distribution of *Villeroy & Boch* brand in India
2014	Introduced the *G-Star Raw* brand to our portfolio of International Brands Added the *Furla* brand to our portfolio of International Brands
2016	Introduced the *Coach* brand to our portfolio of International Brands Added the *Hugo Boss* brand to our portfolio of International Brands Lauched *pret* line of indo-western fusion silhouettes under the brand *Club SP*

Awards and Accreditations

Calendar Year	Details
2010	Satya Paul was selected as a 'Power Brand' for the year 2010-2011 by Planman Marcom
2013	Our Company was ranked 91st in India's Best Companies to work for by Great Place to Work Institute, India and the Economic Times

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 from the date of this DRHP, 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 August 31, 2016, have been provided in "***Capital Structure***" and "***Financial Indebtedness***" on pages 68 and 292, 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 are no defaults or rescheduling of borrowings with financial institutions, banks or conversion of loans into equity in relation to our Company.

Injunctions or Restraining Order against our Company

There are no injunctions or restraining orders against our Company.

Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets, etc.

Except as disclosed below, our Company has not acquired any business or undertaking, or entered into any scheme of merger or amalgamation.

(i) Acquisition of the business of Genesis Overseas Private Limited

Pursuant to an agreement for sale of business dated April 1, 2006 executed between our Company and Genesis Overseas Private Limited, our Company purchased, on a slump sale basis, the business carried on by Genesis Overseas Private Limited, which included creating, designing, manufacturing, distributing and selling neckties and garment accessories, together with all assets, liabilities, contracts, services, licenses and permits, brand and goodwill associated with such business. The aggregate consideration of ₹ 12,000,120 for such purchase, was paid in the form of issuance of 18,182 equity shares of face value ₹ 10 each of our Company to Genesis Overseas Private Limited, on April 1, 2006.

(ii) Scheme of arrangement of Genesis Life Style Events Private Limited with our Company

Pursuant to an order dated August 7, 2013, the High Court of Delhi sanctioned a scheme of arrangement under Sections 391 to 394 of the Companies Act, 1956, whereby Genesis Life Style Events Private Limited ("**GLEPL**"), which was a wholly-owned subsidiary of our Company at the time, was merged into our Company, with effect from December 1, 2012.

Key features of the scheme of arrangement are set out below.

(i) The entire undertaking of GLEPL including all assets, liabilities, rights and obligations, immovable and movable assets of GLEPL were transferred to and vested in our Company as a going concern.
(ii) Movable assets or other assets which are capable of transfer by delivery of possession, payment, or by endorsement and delivery, were deemed to have been transferred to our Company.
(iii) All contracts, deeds, bonds, agreements and instruments of whatsoever nature to which GLEPL was a party, were to remain in full force and effect against or in favour of our Company.
(iv) Our Company engaged all staff, workmen and other employees of GLEPL, without interruption of services and on terms and conditions not less favourable than those on which they were previously engaged by GLEPL.
(v) Since GLEPL was a wholly-owned subsidiary of our Company, no new shares were issued pursuant to this scheme of arrangement. The authorized share capital of GLEPL was combined with the authorized share capital of our Company and no further consideration was payable by our Company.
(vi) All the assets and liabilities recorded in the books of GLEPL that were deemed to have been vested in our Company pursuant to the scheme were recorded at their respective book values.
(vii) On the scheme of arrangement becoming effective, GLEPL stood dissolved without being wound up.

Apart from the scheme of arrangement as described above, our Company has not undertaken any merger, amalgamation or revaluation of assets since incorporation.

Material Agreements

Share subscription and shareholders' agreement dated May 22, 2008 as amended by amendment agreements dated September 28, 2009, July 27, 2011 and November 30, 2012, respectively (the "SSSHA") among Sequoia Capital India Growth Investment Holdings I and Sequoia Capital India Growth Investments I (together "Sequoia Investors"), Mayfield FVCI, Ltd. ("Mayfield"), ICP Holdings I ("ICP", together with Mayfield and the Sequoia Investors, the "SSSHA Investors"), our Company and Mr. Sanjay Kapoor, Mr. Jyoti Mohan Narula, Mr. Puneet Nanda and Mr. Deepak Mohan Narula

Pursuant to the SSSHA, the Sequoia Investors subscribed to 196,364 Series-A CCPS, and Mayfield subscribed to 81,818 Series-A CCPS and SVB subscribed to 21,818 Series-A CCPS. The SSSHA provides that the Series-A CCPS would convert into Equity Shares five years from the date on which the complete subscription, issue and allotment of the Series-A CCPS and Equity Shares took place, in the manner set out in the SSSHA.

Further, under the SSSHA, the Sequoia Investors, Mayfield and SVB also purchased 222,342 Equity Shares, 92,642 Equity Shares and 24,704 Equity Shares, respectively from JM Financial Trustee Company Limited and Mr. Jyoti Narula. Pursuant to the amendment agreement dated September 28, 2009, ICP was made a party to the SSSHA and certain shares held by Mr. Sanjay Kapoor and Genesis Overseas Private Limited were transferred to ICP. Subsequently, SVB transferred all Equity Shares held by it to ICP.

Under the SSSHA, the Sequoia Investors and Mayfield are entitled to nominate one director each on the Board, ICP has the option to nominate or appoint an observer on the Board, provided that the shareholding of the Sequoia Investors in our Company does not fall below 7.50% of the total outstanding issued and subscribed equity share capital of our Company, on a fully diluted basis and the shareholding of Mayfield does not fall below 3% of the total outstanding issued and subscribed equity share capital of our Company, on a fully diluted basis and Mr. Sanjay Kapoor has the right to appoint three directors on our Board pursuant to the terms of the Articles of Association.

In addition, the SSSHA Investors also have certain preferential rights under the SSSHA, including pre-emptive rights, in the event our Company issues any new securities (except for Equity Shares issued pursuant to an initial public offer or other instances as set out in SSSHA), tag-along rights, and the right of first offer in the event of a proposed transfer of share by certain existing shareholders subject to certain conditions provided in SSSHA. Further, certain reserved matters in relation to our Company, require the affirmative vote of each of the directors nominated by the Sequoia Investors and Mayfield at Board meetings and at least one authorized representative of each of the Sequoia Investors and Mayfield at shareholder meetings, as applicable.

The reserved matters, include:

- any issuance of shares (including creation and alteration of any employee stock option plan), any change in the capital structure or grant of any options over any shares by the Company;
- buy-back of shares, except as provided in the SSSHA;
- any change in the memorandum or articles of association of the Company; and
- changing the strength of the Board.

The SSSHA automatically terminates upon the consummation of an initial public offering by our Company. For further details of the shareholding of the Sequoia Investors, ICP and Mayfield, in our Company, see "***Capital Structure***" on page 68.

Share subscription, share purchase and shareholders' agreement dated September 17, 2009 as amended by agreements dated July 27, 2011, November 30, 2012 and September 28, 2016 (the "HEP Agreement") among HEP Mauritius Limited ("HEP Mauritius"), our Company and Mr. Sanjay Kapoor

Pursuant to the HEP Agreement, HEP Mauritius subscribed to 155,299 Equity Shares and purchased 54,973 Equity Shares from Mr. Sanjay Kapoor, aggregating to 12.31% of the then total outstanding issued subscribed and paid up share capital of our Company on a fully diluted basis. Under the HEP Agreement, HEP Mauritius is entitled to nominate one director on the Board of Directors, provided its shareholding is above 5% of the outstanding issued and subscribed equity share capital of our Company, on a fully diluted basis and Mr. Sanjay Kapoor has the right to appoint three directors on the Board pursuant to the terms of the Articles of Association. HEP also has certain information rights from our Company.

In addition, HEP has certain preferential rights under the HEP Agreement, including pre-emptive rights, in the event our Company issues any new securities (except for Equity Shares issued pursuant to an initial public offer or other instances as set out in the HEP Agreement) tag-along rights, and the right of first offer in the event of a proposed transfer of share by certain existing shareholders, subject to certain conditions as provided in the HEP Agreement. Further, certain reserved matters in relation to our Company, require the affirmative vote of the director nominated by HEP Mauritius at Board meetings or at least one authorized representative of HEP Mauritius at shareholder meetings, as applicable. The reserved matters, include:

- any issuance of shares (including creation and alteration of any employee stock option plan), any change in the capital structure or grant of any options over any Shares by the Company;
- buy-back of shares, except as provided in the HEP Agreement;
- any change in the memorandum or articles of association of the Company; and
- changing the composition of the Board.

The HEP Agreement automatically terminates upon the consummation of an initial public offering by our Company. For further details of the shareholding of HEP Mauritius in our Company, see "***Capital Structure***" on page 68.

Share cum warrant subscription agreement dated September 18, 2012, as amended by agreement dated January 3, 2013, among BCCL, our Company, Mr. Sanjay Kapoor, Mr. Jyoti Mohan Narula and Mr. Puneet Nanda (the "BCCL SWSA")

Pursuant to the BCCL SWSA, BCCL subscribed to one Equity Share and five warrants, which have converted into Equity Shares as on September 20, 2016, as per the terms and conditions specified in the BCCL SWSA. In accordance with the terms of the BCCL SWSA, BCCL has been granted certain preferential rights, including pre-emptive rights, in the event our Company issues any new securities, (except for Equity Shares issued pursuant to an initial public offer or other instances as set out in BCCL SWSA) tag-along rights, right of first offer in the event of a proposed transfer of share by certain existing shareholders, subject to certain conditions provided in the BCCL SWSA. BCCL also has certain information rights from our Company.

The BCCL SWSA automatically terminates upon the consummation of an initial public offering by our Company. For further details of the shareholding and details pertaining to the conversion of warrants held by BCCL, see "***Capital Structure***" on page 68.

Share purchase and shareholders' agreement dated May 3, 2013 among Mr. Sanjay Kapoor, Pranav Ansal & Son HUF, Ms. Sheetal Ansal and Ms. Kusum Ansal (the "Ansal Purchasers") and our Company (the "Ansal SPSHA")

Pursuant to the Ansal SPSHA, each of the Ansal Purchasers purchased 18,885 Equity Shares, amounting to a total of 56,655 Equity Shares, representing 3.23% of the then total outstanding issued, subscribed and paid-up equity share capital of our Company on a fully diluted basis from Mr. Sanjay Kapoor.

In accordance with the terms of the Ansal SPSHA, the Ansal Purchasers have been granted certain preferential rights, including pre-emptive rights, in the event our Company issues any new securities (except for Equity Shares issued pursuant to an initial public offer or certain other instances as set out in the Ansal SPSHA). Additionally, the Ansal Purchasers have been granted rights including tag-along rights and the right of first offer in the event of a proposed transfer of share by certain other existing shareholders, subject to certain conditions prescribed in the Ansal SPSHA. The Ansal Purchasers also have certain information rights from our Company.

The Ansal SPSHA automatically terminates upon the consummation of an initial public offering by our Company. For further details of the shareholding of the Ansal Purchasers in our Company, see "***Capital Structure***" on page 68.

Share purchase and shareholders' agreements dated October 18, 2013 among Mr. Sanjay Kapoor, Felex Enterprises Private Limited now, Seminary Tie-up Private Limited ("Seminary Tie-Up") and our Company (the "Seminary SPSHA")

Pursuant to the Seminary SPSHA, Felex Enterprises Private Limited purchased 42,172 Equity Shares from Mr. Sanjay Kapoor, representing 2.04% of the then total outstanding issued, paid up equity share capital of our Company on a fully diluted basis. Felex Enterprises Private Limited informed our Company pursuant to letter dated April 9, 2014, that it had undergone a merger, such that the resulting entity, i.e., Seminary Tie-up assumed all rights and liabilities under the Seminary SPSHA.

In accordance with the terms of the Seminary SPSHA, Seminary Tie-Up has been granted certain preferential rights, including pre-emptive rights, in the event our Company issues any new securities (except for Equity Shares issued pursuant to an initial public offer or other instances as set out in Seminary SPSHA), tag-along rights and the right of first offer in the event of a proposed transfer of share by certain existing shareholders, subject to certain conditions provided in the Seminary SPSHA. Seminary Tie-Up also has certain information rights from our Company.

The Seminary SPSHA automatically terminates upon the consummation of an initial public offering by our Company. For further details of the shareholding of Seminary Tie-up in our Company, see "***Capital Structure***" on page 68.

Investment agreement dated June 21, 2011 among the Company, Mr. Sanjay Kapoor, Mr. Jyoti Mohan Narula, GLF and L Capital GLF Limited now, Splendor Distributions Ltd ("SDL") as amended on July 27, 2011, October 8, 2012 and Investment Agreement dated October 8, 2012 among Company, Mr. Sanjay Kapoor, Mr.

Jyoti Mohan Narula, GLF and L Capital GLF Limited now, Splendor Distributions Ltd ("SDL") (collectively the "L Cap Agreements")

Pursuant to the L Cap Agreements, SDL subscribed to a total of 7,008,679 equity shares of GLF which represents 40.60% of the issued equity share capital of GLF, as on the date of this Draft Red Herring Prospectus. In accordance with the terms of the L Cap Agreements, SDL has been granted certain preferential rights, including pre-emptive rights in the event GLF issues new securities or takes other actions which would dilute SDL's shareholding in GLF. SDL has also been provided with pre-emptive rights in the event our Company wishes to raise additional capital by way of issue of preferential allotment of securities.

A portion of the proceeds of the Fresh Issue will be used by our Company to purchase the entire shareholding of GLF currently held by SDL and our Promoter, Mr. Sanjay Kapoor. For further details, see "***Objects of the Offer***" on page 83. All rights granted to SDL under the L Cap Agreements will terminate upon such utilization of the proceeds of the Fresh Issue upon completion of this Offer.

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 preceding this Draft Red Herring Prospectus.

Subsidiaries of our Company

As on the date of this Draft Red Herring Prospectus, our Company has three direct and five indirect Subsidiaries.

Direct Subsidiaries

Genesis Luxury Fashion Private Limited ("GLF")

GLF was incorporated under the Companies Act, 1956 on September 20, 2007, as a private limited company with the RoC. Its CIN is U74994HR2007PTC054951 and its registered office is located at 51 – 52, Udyog Vihar, Phase IV, Gurgaon 122 001, Haryana, India. GLF is currently engaged in wholesale trading of products of the International Brands in India. GLF is our Company's material subsidiary, as defined under the SEBI Listing Regulations. For details of the common independent director appointed to the board of GLF, see "***Our Management – Corporate Governance***" on page 144.

The authorized share capital of GLF is ₹ 180,000,000 divided into 18,000,000 equity shares of ₹ 10 each and its paid-up share capital is ₹ 170,176,090 divided into 17,017,609 equity shares of ₹ 10 each. Our Company currently holds 52.43% of the issued equity share capital of GLF. For details of our post-Offer shareholding in GLF, see "***Objects of the Offer***" on page 83.

There are no accumulated profits or losses of GLF not accounted for by our Company.

Genesis Colors Middle East FZE

Genesis Colors Middle East FZE was incorporated on October 17, 2010 with RAK Investment Authority, Ras Al Khaimah and United Arab Emirates. Its registration number is RAKIA 51 FZ4 10 10 3314 and its registered office is located in AI- Jazeera AI, Hamra Ras AI Khaimah.Genesis Colors Middle East FZE is not currently engaged in any business activity.

The total capital of Genesis Colors Middle East FZE is AED 150,000 and our Company holds 100% of such capital.

There are no accumulated profits or losses of Genesis Colors Middle East FZE not accounted for by our Company.

Effactor Events Private Limited

Effactor Events Private Limited was incorporated under the Companies Act, 1956 on May 31, 2005, as a private limited company with the RoC. Its CIN is U74140DL2005PTC136906 and its registered office is located at Flat No 3A-1, Taj Apartments, Rao Tula Ram Marg, New Delhi, 110022. Effactor Events Private Limited is not currently engaged in any business activities.

The authorized share capital of Effactor Events Private Limited is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each and its paid-up share capital is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each. Our Company holds 51% of the issued, subscribed and paid-up equity share capital of Effactor Events Private Limited.

There are no accumulated profits or losses of Effactor Events Private Limited not accounted for by our Company.

Indirect Subsidiaries

GLF Lifestyle Brands Private Limited

GLF Lifestyle Brands Private Limited was incorporated under the Companies Act, 1956 on July 8, 2011 as a private limited company with the RoC. Its CIN is U51909HR2011PTC054950 and its registered office is located at 51 – 52, Udyog Vihar, Phase IV, Gurgaon 122 001, Haryana, India. GLF Lifestyle Brands Private Limited is currently engaged in the business of marketing, selling and distributing products under the '*Coach*' brand in various cities in India.

GLF Lifestyle Brands Private Limited is an indirect subsidiary of our Company, with 100% of the issued subscribed and paid-up equity share capital of GLF Lifestyle Brands Private Limited being held by Genesis Luxury Fashion Private Limited (directly and indirectly, through its nominee, Mr. Sanjay Kapoor). The authorized share capital of GLF Lifestyle Brands Private Limited is ₹ 1,200,100,000 divided into 120,010,000, equity shares of ₹10 each and its paid-up share capital is ₹ 899,403,590 divided into 89,940,359 equity shares of ₹ 10 each.

There are no accumulated profits or losses of GLF Lifestyle Brands Private Limited not accounted for by our Company.

GML India Fashion Private Limited

GML India Fashion Private Limited was incorporated under the Companies Act, 1956 on December 14, 2012, as a private limited company with the RoC. Its CIN is U51494HR2012PTC047914 and its registered office is located at 52, Udyog Vihar, Phase IV, Gurgaon 122 001, Haryana, India. GML India Fashion Private Limited is currently engaged in the business of marketing, selling and distribution of products under the '*Hugo Boss*' brand in various cities in India.

GML India Fashion Private Limited is an indirect subsidiary of our Company, with Genesis Luxury Fashion Private Limited holding 100% (directly and indirectly, through its nominee, Mr. Sanjay Kapoor) of the issued subscribed and paid-up equity share capital of GML India Fashion Private Limited. The authorized share capital of GML India Fashion Private Limited is ₹ 60,000,000 divided into 6,000,000 equity shares of ₹ 10 each and its paid-up share capital is ₹ 49,999,990 divided into 4,999,999 equity shares of ₹ 10 each.

There are no accumulated profits or losses of GML India Fashion Private Limited not accounted for by our Company.

Genesis La Mode Private Limited

Genesis La Mode Private Limited was incorporated under the Companies Act, 1956 on March 30, 2012, as a private limited company with the RoC. Its CIN is U51109HR2012PTC065811 and its registered office is located at 51 – 52, Udyog Vihar, Phase IV, Gurgaon 122 001, Haryana, India. Genesis La Mode Private Limited is engaged in the business of marketing, selling and distribution of international luxury products under the *Armani Jeans*, *Emporio Armani*, *Giorgio Armani* and *A|X Armani Exchange* brands in various cities in India.

Genesis La Mode Private Limited is an indirect subsidiary of our Company, with GLF (directly and indirectly, through its nominee, Mr. Sanjay Kapoor), holding 100% of its issued, subscribed and paid-up equity share capital. The authorized share capital of Genesis La Mode Private Limited is ₹ 120,000,000 divided into 12,000,000 equity shares of ₹ 10 each and its paid-up share capital is ₹ 120,000,000 divided into 12,000,000 equity shares of ₹ 10 each.

There are no accumulated profits or losses of Genesis La Mode Private Limited not accounted for by our Company.

GLB Parfums & Beaute India Private Limited

GLB Parfums & Beaute India Private Limited was incorporated under the Companies Act, 1956 on December 17, 2012, as a private limited company with the RoC. Its CIN is U51391HR2012PTC047935 and its registered office is located at 52, Udyog Vihar, Phase IV, Gurgaon 122 001, Haryana, India. GLB Parfums & Beaute India Private Limited is not currently engaged in any business activity.

GLB Parfums & Beaute India Private Limited is an indirect subsidiary of our Company, with GLF Lifestyle Brands Private Limited (directly and indirectly, through its nominee, Mr. Virender Bhasin), holding 100% of its issued subscribed and paid-up equity share capital. The authorized share capital of GLB Parfums & Beaute India Private Limited is ₹ 1,000,000 divided into 100,000 equity shares of ₹10 each and its paid-up share capital is ₹ 932,000 divided into 93,200 equity shares of ₹ 10 each.

There are no accumulated profits or losses of GLB Parfums & Beaute India Private Limited not accounted for by our Company.

GLB Body Care Private Limited

GLB Body Care Private Limited was incorporated under the Companies Act, 1956 on May 4, 2012, as a private limited company with the RoC. Its CIN is U51391DL2012PTC235298 and its registered office is located at F-18, First Floor, TDI Fun Republic, Old Natraj Cinema Building, Moti Nagar, New Delhi -110 015, India. GLB Body Care Private Limited is currently not engaged in any business activity.

GLB Body Care Private Limited is an indirect subsidiary of our Company, with GLF Lifestyle Brands Private Limited (directly and indirectly, through its nominee, Mr. Sanjay Kapoor), holding 100% of its issued subscribed and paid-up equity share capital. The authorized share capital of GLB Body Care Private Limited is ₹ 60,000,000 divided into 6,000,000 equity shares of ₹ 10 each and its paid-up share capital is ₹ 15,707,370 divided into 1,570,737 equity shares of ₹ 10 each.

There are no accumulated profits or losses of GLB Body Care Private Limited not accounted for by our Company.

Our Joint Ventures

As on the date of this Draft Red Herring Prospectus, our Company has three joint ventures, which are also our Associate Companies.

Direct Joint Venture

Burberry India Private Limited

Burberry India Private Limited was incorporated on January 12, 2010 under the Companies Act 1956 pursuant to a shareholders' deed dated August 17, 2009 amongst Burberry International Holdings Limited and our Company. Its CIN is U52100DL2010FTC197874 and its registered office is located at 3A-1, Taj Apartment, Rao Tula Ram Marg, New Delhi- 110 022, India. Burberry India Private Limited is currently engaged in the business of marketing and distribution of *Burberry* branded products in India.

The authorized share capital of Burberry India Private Limited is ₹ 550,000,000 divided into 55,000,000 equity shares of ₹ 10 each and its paid-up share capital is ₹ 455,570,440 divided into 45,557,044 equity shares of ₹ 10 each. Our Company holds 49% of the issued, subscribed and paid-up equity share capital of Burberry India Private Limited, with the balance 51% being held by Burberry International Holdings Limited.

Indirect Joint Venture

Canali India Private Limited

Canali India Private Limited was incorporated on March 5, 2012 under the Companies Act, 1956 pursuant to a joint venture agreement dated August 22, 2011 amongst Canali Holding S.p.A and GLF. Its CIN is U52590DL2012FTC232412 and its registered office is located at F-18, TDI Fun Republic, Old Natraj Cinema Building, Moti Nagar, New Delhi 110 015**.** Canali India Private Limited is currently engaged in the business of marketing and selling of '*Canali*' branded products in India.

The authorized share capital of Canali India Private Limited is ₹ 250,000,000 divided into 25,000,000 equity shares of ₹ 10 each and its paid-up share capital is ₹ 250,000,000 divided into 25,000,000 equity shares of ₹ 10 each. GLF holds 49% of the issued, subscribed and paid-up equity share capital of Canali India Private Limited, with the balance 51% held by Canali Holding SpA.

V&B Lifestyle India Private Limited

V&B Lifestyle India Private Limited was incorporated on September 16, 2013 under the Companies Act, 1956 pursuant to a joint venture agreement dated January 25, 2013 amongst Villeroy & Boch AG and GLF. Its CIN is U52100HR2013PTC050412 and its registered office is located at 52, Udyog Vihar, Phase IV, Gurgaon 122 001, Haryana, India**.** V&B Lifestyle India Private Limited is currently engaged in the business of marketing and selling '*Villeroy & Boch*' branded premium tableware products.

The authorized share capital of V&B Lifestyle India Private Limited is ₹ 82,400,000 divided into 8,240,000 equity shares of ₹ 10 each and its paid-up share capital is ₹ 79,900,000 divided into 7,990,000 equity shares of ₹ 10 each. GLF holds 50% of the issued, subscribed and paid-up equity share capital of V&B Lifestyle India Private Limited, with the remaining 50% being held by Villeroy & Boch AG.

Confirmations

Listing

None of our Subsidiaries or Group Companies are listed in India or abroad.

Sale or purchases exceeding 10% in aggregate of the total sales or purchases of our Company

Other than as provided in "***Financial Statements***" on page 159, there have been no sales or purchases among our Subsidiaries and/or Associate Companies which in aggregate exceed in value 10% of the total sales or purchases of our Company as per our standalone financial information as of March 31, 2016.

Sale or purchase of shares of our Subsidiaries in the last six months

Except the allotment of 10 equity shares of GLF to Mr. Samit Guha on September 22, 2016, pursuant to exercise of options granted to him under the employee stock option scheme instituted by GLF, none of our Promoters, members of our Promoter Group, our Directors and their relatives (as defined under the Companies Act 2013) have sold or purchased equity shares of our Subsidiaries in their personal capacity during the six months preceding the date of this Draft Red Herring Prospectus.

Business Interests

None of our Subsidiaries and Associate Companies have any business interest in our Company.

Strategic and financial partnerships

As on the date of this Draft Red Herring Prospectus, our Company does not have any strategic or financial partners.

OUR MANAGEMENT

Under the Articles of Association, our Company is authorised to have up to 15 Directors. As on the date of this Draft Red Herring Prospectus, we have nine Directors on our Board, comprising two executive Directors, four non-executive Directors and three independent Directors. The Chairman of our Board, Mr. Atul Singh, is an independent Director. Further, we have one woman director 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 SEBI Listing Regulations.

Our Board

The following table sets forth details regarding our Board as on the date of this Draft Red Herring Prospectus.

Name, designation, address, occupation, nationality, term and DIN	Age (years)	Other Directorships
Mr. Atul Singh *Designation:* Chairman and Independent Director *Address:* Villa Aashna, No. 08, Green Avenue, Vasant Kunj, New Delhi 110 070, India *Occupation*: Professional *Nationality:* American *Term:* Five years with effect from September 15, 2016 *DIN:* 00060943	56	*Foreign companies* 1. Hindustan Coca-Cola Overseas Pte. Limited 2. Bharat Coca-Cola Overseas Holdings Pte. Limited 3. Swire Beverages Limited 4. Coca-Cola South Asia (India) Holdings Limited 5. Coca-Cola Far East Limited 6. Compass Limited 7. COFCO Coca-Cola Beverages Limited 8. COFCO Coca-Cola Beverages (China) Investment Limited
Mr. Sanjay Kapoor *Designation:* Managing Director *Address:* 8/1, First Floor, Shanti Niketan, New Delhi- 110 021, India *Occupation*: Business *Nationality:* Indian *Term:* Five years with effect from September 20, 2016 *DIN:* 00264602	48	*Indian private limited companies* 1. Genesis Overseas Private Limited 2. S.N.K Realtor Private Limited 3. Effactor Events Private Limited 4. Burberry India Private Limited 5. Canali India Private Limited 6. Genesis La Mode Private Limited 7. Genesis Luxury Fashion Private Limited 8. Nasan Garments Private Limited 9. GML India Fashion Private Limited 10. GLB Body Care Private Limited 11. Olive Bar and Kitchen Private Limited
Mr. Samit Guha *Designation:* Whole-time Director and Chief Financial Officer *Address:* Flat-301, Tower-23 Vipul Greens, Sohna Road, Gurgaon - 122 018, Haryana, India *Occupation*: Professional *Nationality:* Indian *Term:* Liable to retire by rotation *DIN:* 06898192	46	*Indian private limited companies* 1. GML India Fashion Private Limited 2. GLF Lifestyle Brands Private Limited 3. Genesis La Mode Private Limited 4. V&B Lifestyle India Private Limited 5. GLB Bodycare Private Limited 6. Canali India Private Limited 7. PanFried Hospitality Private Limited
Ms. Nalini Gupta *Designation:* Non-executive Director	52	*Indian private limited companies* 1. Acira Solar Private Limited 2. Genesis Luxury Fashion Private Limited

Name, designation, address, occupation, nationality, term and DIN	Age (years)	Other Directorships
Address: 216A, Hamilton Court, DLF Phase IV, Gurgaon - 122 001, Haryana, India *Occupation*: Professional *Nationality:* Indian *Term:* Liable to retire by rotation *DIN:* 00407008		*Indian public limited company* 1. RWL Healthworld Limited
Mr. Vishal Kirti Keshav Marwaha *Designation:* Nominee Director *Address:* D-2, A/8, Vasant Vihar, New Delhi -110 057, India *Occupation*: Professional *Nationality:* Indian *Term:* Liable to retire by rotation *DIN:* 00164204	52	*Indian public limited company* 1. Jubilant FoodWorks Limited *Indian private limited companies* 1. Henderson Equity Partners India Private Limited 2. Genesis Luxury Fashion Private Limited 3. IPE Global Private Limited 4. Imperia Health Private Limited *Foreign company* 1. HEP Investment (HK) Limited
Mr. Vikram Suhas Godse *Designation:* Nominee Director *Address:* 132, Shaan Apartments, Kashinath Dhuru Road, Prabhadevi, Mumbai - 400 025, Maharashtra, India *Occupation*: Professional *Nationality:* Indian *Term:* Liable to retire by rotation *DIN:* 00230548	43	*Indian private limited companies* 1. Chetak Farms & Agro Activities Private Limited 2. Kimaya Estates Private Limited 3. Amagi Media Labs Private Limited 4. LEAP India Private Limited 5. Lendingkart Technologies Private Limited 6. Simplilearn Solutions Private Limited 7. Knowlarity Communications Private Limited *Indian public limited company* 1. Centum Learning Limited *Foreign company* 1. Knowlarity Communications Holdings Pte. Limited
Mr. Bharadwaj Thiruvenkata Venkatavaraghavan *Designation:* Nominee Director *Address:* 702, 7th Orchid Tower-A, 241/242, Bellasis Road, Mumbai Central - 400 008, Maharashtra, India *Occupation*: Professional *Nationality:* Indian *Term:* Liable to retire by rotation *DIN:* 02918495	38	*Indian public limited companies* 1. Eugia Pharma Specialities Limited 2. Prataap Snacks Limited *Indian private limited companies* 1. Sequoia Capital India Advisors Private Limited 2. Pure N Sure Food Bites Private Limited 3. Suburban Diagnostics (India) Private Limited 4. Hector Beverages Private Limited 5. Indigo Paints Private Limited 6. Innovcare Lifesciences Private Limited 7. Go Fashion (India) Private Limited 8. Rakyan Beverages Private Limited 9. La Renon Healthcare Private Limited

Name, designation, address, occupation, nationality, term and DIN	Age (years)	Other Directorships
		10. Bright Lifecare Private Limited
Mr. Arun Seth *Designation:* Independent Director *Address:* A-7, Geetanjali Enclave, New Delhi 110 017, India *Occupation*: Professional *Nationality:* Indian *Term:* Five years with effect from September 15, 2016 *DIN:* 00204434	64	*Indian public limited companies* 1. Jubilant FoodWorks Limited 2. Centum Learning Limited 3. Centum Workskills India Limited 4. Samtel Avionics Limited 5. Usha Breco Limited 6. Narayana Hrudayalaya Limited 7. Servion T Global Solutions Limited 8. Intex Technologies (India) Limited *Indian private limited companies* 1. Genesis Luxury Fashion Private Limited 2. Brendish Health Care Private Limited 3. Hunger Inc Hospitality Private Limited 4. Hunger Inc Brands India Private Limited 5. Comza Informage Private Limited 6. Informage Enterprises Private Limited 7. Informage Technologies Private Limited 8. Naffa Innovations Private Limited
Mr. Tejpreet Singh Chopra *Designation:* Independent Director *Address:* C-1/140, Safdurjung Development Area, New Delhi 110 016, India *Occupation*: Professional *Nationality:* Indian *Term:* Five years with effect from September 15, 2016 *DIN:* 00317683	46	*Indian public limited company* 1. SRF Limited 2. Gujarat Pipavav Port Limited *Indian private limited companies* 1. Genesis Luxury Fashion Private Limited 2. Bharat Light and Power Private Limited 3. BLP Energy Private Limited 4. BLP Clean Energy Private Limited 5. BLP Renewable Energy Private Limited 6. BLP Wind Project (Amberi) Private Limited 7. BLP Vayu (Project 1) Private Limited 8. BLP Vayu (Project 2) Private Limited 9. BLP Wind Asset Holdings Private Limited 10. Statkraft BLP Solar Solutions Private Limited 11. Avikiaran Solar India Private 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

Except Mr. Vishal Kirti Keshav Marwaha, who has been appointed as a nominee of HEP Mauritius pursuant to the terms of the HEP Agreement, and Mr. Bharadwaj Thiruvenkata Venkatavaraghavan, nominee of Sequoia Investors and Mr. Vikram Suhas Godse, nominee of Mayfield, who have been appointed pursuant to the terms of SSSHA and Mr. Samit Guha and Ms. Nalini Gupta, who have been nominated to our Board by our Promoter, Mr. Sanjay Kapoor, pursuant to the provision of our Articles of Association, none of our other Directors have been appointed pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or others.

Brief profiles of our Directors

Mr. Atul Singh, aged 56 years, is the Chairman and an independent Director of our Company. He holds a bachelor's degree in commerce from Calcutta University and a master's degree in business administration from the Texas Christian University, USA. He is currently the chairman (Asia Pacific) of The Coca-Cola Company and has been associated with The Coca-Cola Company for over 18 years. He has also served as an independent director on the board of Bata India Limited. He has previously served as the chairman of the sports committee of FICCI and chairman of American Chamber of Commerce (AMCHAM) in India on two occasions. At present, he is also a member of the International Advisory Board of the Institute of Water Policy, Singapore.

Mr. Sanjay Kapoor, aged 48 years is the Managing Director of our Company. He holds a bachelor's degree in arts from the University of Delhi and a master's degree in business administration from University of Rochester, USA. He has been on the Board of our Company since its incorporation on November 23, 1998 and was last reappointed pursuant to a resolution of our Board dated September 20, 2016. Before incorporating our Company, he was the founder of Genesis Overseas Private Limited, engaged in the business of creating, designing, manufacturing, distributing and selling neckties and garment accessories. Accordingly, he has over 24 years of experience in the luxury fashion industry.

Mr. Samit Guha, aged 46 years is a whole time Director and the Chief Financial Officer of our Company. He holds a bachelor's degree in commerce from the University of Calcutta and is a qualified chartered accountant and cost accountant. He has more than 19 years of experience in leading the finance and accounting functions in manufacturing and service industries. He joined our Company on December 8, 2014 and joined the Board of our Company as a Director on May 28, 2015. He has previously worked with Philips India Limited. He has also served as the Senior Vice-President - Finance of Bharti Airtel Limited and Chief Financial Officer of EIH Limited.

Ms. Nalini Gupta, aged 52 years is a non-executive Director of our Company. She holds a bachelor's degree in arts and bachelor's degree of law (non-professional) from Punjab University and a master's degree in personnel management and industrial relations from Punjab University. She has previously worked with Asian Paints (India) Limited, I.R.M.C (Consultant), Mahindra Ugine Steel Company Limited, William E.Connor & Associates Ltd., India and Li & Fung (India) Private Limited (earstwhile Dodwell India). She joined the Board of our Company as a non-executive Director on August 31, 2012. Prior to this, she was associated with our Company as its chief operating officer with effect from June 30, 2001 and then as its chief executive officer from June 17, 2005 to February 1, 2010. She then also worked with our Joint Venture, Burberry India Private Limited as its country manager prior to joining our Board. Accordingly, she has more than 26 years of experience in the fashion industry.

Mr. Vishal Kirti Keshav Marwaha, aged 52 years is a nominee of HEP Mauritius on the Board of our Company. He holds a bachelor's degree in commerce from the University of Delhi. He is a qualified chartered accountant and has over 15 years of experience in the fields of investment banking and private equity. He is currently a partner at Henderson Equity Partners India Limited. He has been on the board of our Company since October 29, 2009.

Mr. Vikram Suhas Godse, aged 43 years is a nominee of Mayfield on the Board of our Company. He holds a master's degree in management studies from Narsee Monjee Institute of Management Studies, Mumbai. He has been on the Board of our Company since June 13, 2008. He is currently the managing partner of MF Advisors LLP which advises Mayfield India, Ltd, a venture capital firm, on venture capital investments in India. He also serves on the board of directors of Amagi Media Labs Private Limited, Centum Learning Limited, Lendingkart Technologies Private Limited, Knowlarity Communications Private Limited, Knowlarity Communications Holdings Pte. Limited, LEAP India Private Limited and Simplilearn Solutions Private Limited.

Mr. Bharadwaj Thiruvenkata Venkatavaraghavan, aged 38 years is a nominee of Sequoia Investors on the Board of our Company. He holds a bachelor's degree in engineering from the Birla Institute of Technology and Science, Pilani and a post-graduate diploma in management from the Indian Institute of Management, Ahmedabad. He has more than 15 years of experience in consulting and private equity industry. He has been on the board of our Company since February 28, 2012. He is currently the managing director of Sequoia Capital India Advisors Private Limited and has previously worked with McKinsey and Company Inc. as its engagement manager in India.

Mr. Arun Seth, aged 64 years, is an independent Director of our Company. He holds a bachelor's degree in engineering from the Indian Institute of Technology, Kanpur and a post-graduate diploma in management from the Indian Institute of Management, Calcutta. Mr Arun Seth currently serves as an independent director on the board of various companies including Jubilant Foodworks Limited, Narayana Hrudalaya Limited, Intex

Technologies (India) Limited and has also served as a director on the board of Tech Mahindra Limited. Additionally, he is an active member on the board of various non-governmental organizations including HelpAge India and Nasscom Foundation.

Mr. Tejpreet Singh Chopra, aged 46 years, is an independent Director of our Company. He holds a degree in bachelors of arts (honors) in economics from University of Delhi and a master's degree in business administration from Cornell University, USA. He is the president and CEO of Bharat Light and Power Private Limited. He has worked with General Electric for approximately 14 years in different capacities and served as the president and chief executive officer of GE India, Bangladesh and Sri Lanka. He has previously served as the chairperson of American Chamber of Commerce in India. He is also a fellow of Aspen Institute and was also nominated as a Young Global Leader by the World Economic Forum in 2010.

Relationship between Directors

None of our Directors are related to each other.

Terms of Appointment of our Executive Directors

Mr. Sanjay Kapoor

Mr. Sanjay Kapoor was appointed as our Managing Director pursuant to a resolution passed by our shareholders on September 29, 2006 and was last reappointed pursuant to a resolution of our Board dated September 20, 2016, for a period of five years, i.e. until September 19, 2021.

Pursuant to a resolution passed by the Board of Directors on September 20, 2016, subject to applicable law, Mr. Sanjay Kapoor is entitled to fixed compensation of ₹ 7.50 million and variable compensation of ₹ 1.00 million (to be evaluated based on EBITDA achievement by the Company), for a period of three years with effect from September 20, 2016. Additionally, Mr. Sanjay Kapoor is entitled to annual increment(s) in his remuneration up to 20% per annum, with next increment due and payable with effect from July 1, 2017. He received a gross remuneration of ₹ 8.05 million in Fiscal 2016.

Mr. Samit Guha

Mr. Samit Guha has been appointed as the whole-time Director of our Company with effect from May 28, 2015, pursuant to a resolution passed by our Board on May 28, 2015 and by our shareholders on June 29, 2015. Pursuant to a resolution passed by our Board on September 20, 2016, following are the principal terms of his remuneration:

Mr. Samit Guha is entitled to a basic salary of ₹ 5.61 million per annum. In addition to this, he is also entitled to house rent allowance of ₹ 1.60 million per annum and other perquisites, including children's education allowance, car lease, car maintenance and reimbursement for fuel expenses, driver's salary and medical reimbursement. Additionally, Mr. Samit Guha is entitled to annual increment in his remuneration up to 20% per annum, with next increment due and payable with effect from July 1, 2017. He received a gross remuneration of ₹ 8.94 million in Fiscal 2016.

Compensation paid to our non-executive and independent directors

Pursuant to the resolution passed by our Board of Directors on September 17, 2016, our independent directors and non-executive Directors, other than the nominee Directors appointed by HEP Mauritius, Mayfield and Sequoia Investors, are entitled to receive a sitting fee of ₹ 25,000 for attending each meeting of our Board and Audit Committee and Nomination and Remuneration Committee of our Board and ₹ 15,000 for attending each meeting of the Stakeholders Relationship Committee.

The non-executive Directors of our Company were not paid any sitting fees in Fiscal 2016.

Remuneration paid or payable from our Subsidiaries and Associate Companies

Except Mr. Sanjay Kapoor who, with effect from July 1, 2015, is entitled to aggregate remuneration of ₹ 13 million per annum as the Managing Director of GLF and was paid gross remuneration of ₹ 12.03 million by GLF in Fiscal 2016, no remuneration was paid or is or was payable to our Directors by any of our Subsidiaries or Associate Companies.

Loans to Directors

No loans that have been availed of by the Directors from our Company are outstanding as on the date of this Draft Red Herring 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 the Directors to hold any qualification shares.

Except our Managing Director, Mr. Sanjay Kapoor who holds 4,153,880 Equity Shares constituting 39.15% of the pre-Offer Equity Share capital of the Company, none of our other Directors hold any shares in the Company as on the date of this Draft Red Herring Prospectus.

Shareholding of Directors in Subsidiaries and Associate Companies

Name of Director	Name of Subsidiary/Associate Company	No. of Equity Shares	% of Equity Share capital
Mr. Sanjay Kapoor	GLF	929,670	5.39
Mr. Samit Guha	GLF	10	Negligible
Mr. Sanjay Kapoor	GLF Lifestyle Brands Private Limited	1*	Negligible
	GLB Body Care Private Limited	1**	Negligible
	Genesis La Mode Private Limited	1*	Negligible
	GML India Fashion Private Limited	1*	Negligible

**As a nominee of GLF*
***As a nominee of GLF Lifestyle Brands Private Limited*

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.

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, the Directors may be interested to the extent of stock options that may be granted to them from time to time under the GCL SOP 2016, if any. Mr. Samit Guha has also been granted employee stock options pursuant to the employee stock options scheme formulated by our Subsidiary, GLF, i.e., Genesis Luxury Fashion Private Limited Employee Stock Options Plan, 2015. For further details regarding the shareholding of our Directors as well as the GCL SOP 2016, see "***Capital Structure – Shareholding of our Directors and Key Managerial Personnel in our Company"*** and "***Capital Structure – Employee Stock Option Scheme***" on pages 80 and 72, respectively.

Our nominee Directors may be deemed to be interested to the extent of the shareholding in our Company of the entities nominating them. Further, our Managing Director, Mr. Sanjay Kapoor is interested to the extent of the remuneration received from GLF. For further details of remuneration paid to our Directors by the Subsidiaries, see "– ***Remuneration paid or payable from Subsidiaries and Associate Companies***" on page 142.

Interest in property

Our Directors are not interested in any property acquired by the Company within two years of the date of this Draft Red Herring Prospectus, or presently intended to be acquired by it.

Interest in promotion of the Company

Except Mr. Sanjay Kapoor, who is a Promoter of our Company, our Directors have no interest in the promotion of our Company, as on the date of this Draft Red Herring Prospectus.

Directorships of Directors in listed companies

Our Directors are not, and for the five years prior to the date of this Draft Red Herring Prospectus, have not 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 Draft Red Herring Prospectus are set forth below.

Name of Director	Date of Change	Reasons
Mr. Jyoti Mohan Narula	April 1, 2015	Cessation as Director
Mr. Virender Kumar Bhasin	April 1, 2015	Appointment as additional Director
Mr. Samit Guha	May 28, 2015	Appointment as whole time Director
Mr. Virender Kumar Bhasin	May 28, 2015	Resigned as additional Director
Mr. Pranav Ansal	September 15, 2016	Resigned as Director
Mr. Atul Singh	September 15, 2016	Appointment as independent Director
Mr. Arun Seth	September 15, 2016	Appointment as independent Director
Mr. Tejpreet Singh Chopra	September 15, 2016	Appointment as independent Director
Mr. Sanjay Kapoor	September 20, 2016	Cessation as Chairman and re-appointment as Managing Director
Mr. Atul Singh	September 20, 2016	Appointment as Chairman

Borrowing Powers

Pursuant to our Articles of Association, subject to applicable laws and pursuant to the resolution passed by the shareholders of our Company on September 7, 2016, our Board has been authorised to borrow sums of money with or without security, which, together with the monies borrowed by our Company (apart from the temporary loans obtained or to be obtained from our Company's bankers in the ordinary course of business) shall not exceed the amount of ₹ 617.50 million over and above the aggregate of the paid-up share capital and free reserves of our Company.

Corporate Governance

As on the date of this Draft Red Herring Prospectus, there are nine Directors on our Board, comprising two executive Directors, four non-executive Directors and three independent Directors, including one woman Director. The chairman of our Board, Mr. Atul Singh, is an Independent Director. Further, Mr. Arun Seth and Mr. Tejpreet Singh Chopra, two of our independent Directors, have been appointed as independent directors on the Board of our Company's material subsidiary, GLF, pursuant to a resolution passed by the shareholders of GLF on September 21, 2016. 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.

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.

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; and
(c) Stakeholders Relationship Committee.

Audit Committee

Our Audit Committee was last re-constituted by a resolution of our Board dated September 17, 2016 and is in compliance with Section 177 of the Companies Act 2013, Regulation 18 of the SEBI Listing Regulations. The Audit Committee currently comprises:

1. Mr. Arun Seth – *Chairman*
2. Mr. Atul Singh – *Member*
3. Mr. Sanjay Kapoor – *Member*

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

Scope and terms of reference: The Audit Committee performs the following functions with regard to accounts and financial management, as per the terms of reference approved by the Board on September 17, 2016:

A. The role of the Audit Committee shall include the following:

(a) oversight of our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
(b) recommendation for appointment, remuneration and terms of appointment of auditors of our Company;
(c) reviewing the financial statement with respect to its subsidiaries, in particular inestments made by unlisted subsidiary;
(d) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
(e) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
    i. matters required to be 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;
    ii. changes, if any, in accounting policies and practices and reasons for the same;
    iii. major accounting entries involving estimates based on the exercise of judgment by management;
    iv. significant adjustments made in the financial statements arising out of audit findings;
    v. compliance with listing and other legal requirements relating to financial statements;
    vi. disclosure of any related party transactions;
    vii. modified opinion(s) in the draft audit report;

(f) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
(g) 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;
(h) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
(i) approval or any subsequent modification of transactions of our Company with related parties;
(j) scrutiny of inter-corporate loans and investments;
(k) valuation of undertakings or assets of our Company, wherever it is necessary;
(l) evaluation of internal financial controls and risk management systems;
(m) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(n) 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;
(o) discussion with internal auditors of any significant findings and follow up there on;
(p) 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;
(q) 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;
(r) 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;
(s) to review the functioning of the whistle blower mechanism;
(t) overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;
(u) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
(v) carrying out any other functions required to be carried out by the Audit Committee in terms of applicable law.

B. The Audit Committee shall mandatorily review the following information:

(a) management discussion and analysis of financial condition and results of operations;
(b) statement of significant related party transactions (as defined by the audit committee), submitted by management;
(c) management letters / letters of internal control weaknesses issued by the statutory auditors;
(d) internal audit reports relating to internal control weaknesses; and
(e) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
(f) statement of deviations:
    1. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI Listing Regulations.
    2. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI Listing Regulations.
(g) the financial statements, in particular, the investment made by the subsidiaries of our Company.

Nomination and Remuneration Committee

Our Nomination and Remuneration Committee was constituted pursuant to a resolution passed by our Board on September 17, 2016. The Nomination and Remuneration Committee is in compliance with Section 178 of the Companies Act 2013 and Regulation 19 of the SEBI Listing Regulations. The Nomination and Remuneration Committee currently comprises:

1. Mr. Tejpreet Singh Chopra – *Chairman*
2. Mr. Atul Singh – *Member*
3. Mr. Vishal Kirti Keshav Marwaha – *Member*

Scope and terms of reference: The terms of reference of Nomination and Remuneration Committee are set forth below.

(a) Formulation of criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the Directors, key management personnel and other employees;
(b) Formulation of criteria for evaluation and performance of independent directors and the Board;
(c) Devising a policy on diversity of the Board;
(d) Identifying persons who are qualified to become directors or 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 directors);

(e) Ensuring that 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,
(f) Ensuring that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
(g) Ensuring that the 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;
(h) Administering and supervising any stock based employee benefit plan including employee stock option plan(s) implemented or to be implemented by the Company from time to time;
(i) Carrying out any other function required to be undertaken by the Nomination and Remuneration Committee under applicable law; and
(j) Ensuring whether to extend or continue the term of appointment of the independent directors on the basis of the report of performance evalutation of directors.

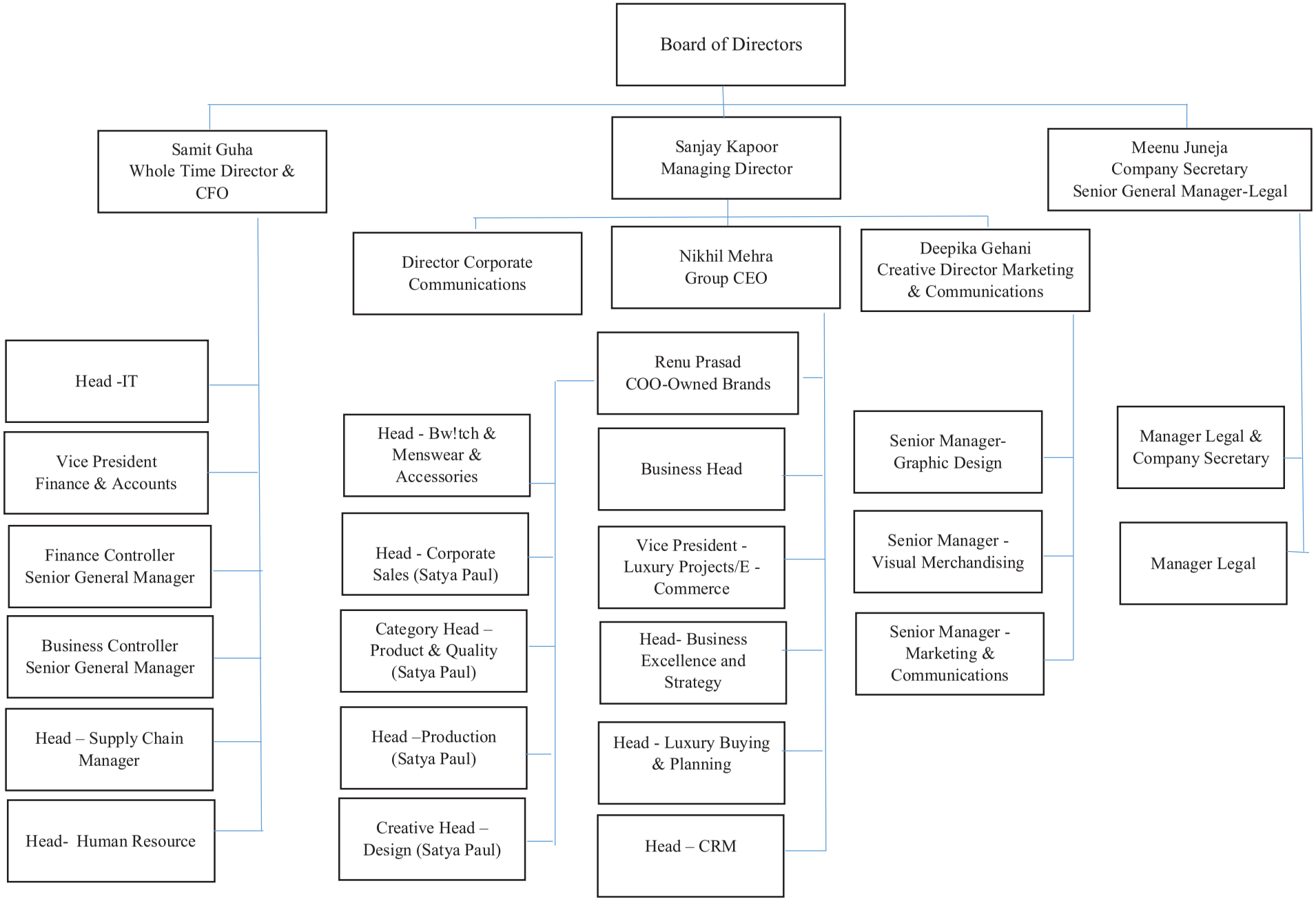
Stakeholders Relationship Committee

Our Stakeholders Relationship Committee was constituted by a resolution of our Board dated September 17, 2016, in compliance with Section 178 of the Companies Act 2013 and Regulation 20 of the SEBI Listing Regulations. The Stakeholders Relationship Committee currently comprises:

1. Ms. Nalini Gupta – *Chairperson*
2. Mr. Samit Guha – *Member*
3. Mr. Sanjay Kapoor – *Member*

Scope and terms of reference: The terms of reference of Stakeholders Relationship Committee are as follows:

(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 securities, transfer of securities, non-receipt of declared dividends, annual reports 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 function contained in the SEBI Listing Regulations as and when amended from time to time.


Board of Directors
Samit Guha
Whole Time Director &
CFO
Sanjay Kapoor
Managing Director
Meenu Juneja
Company Secretary
Senior General Manager-Legal
Director Corporate
Communications
Nikhil Mehra
Group CEO
Deepika Gehani
Creative Director Marketing
& Communications
Head -IT
Vice President
Finance & Accounts
Finance Controller
Senior General Manager
Business Controller
Senior General Manager
Head – Supply Chain
Manager
Head- Human Resource
Renu Prasad
COO-Owned Brands
Head - Bw!tch &
Menswear &
Accessories
Head - Corporate
Sales (Satya Paul)
Category Head –
Product & Quality
(Satya Paul)
Head –Production
(Satya Paul)
Creative Head –
Design (Satya Paul)
Business Head
Vice President -
Luxury Projects/E -
Commerce
Head- Business
Excellence and
Strategy
Head - Luxury Buying
& Planning
Head – CRM
Senior Manager-
Graphic Design
Senior Manager -
Visual Merchandising
Senior Manager -
Marketing &
Communications
Manager Legal &
Company Secretary
Manager Legal

Key Managerial Personnel

In addition to Mr. Sanjay Kapoor, our Managing Director and Mr. Samit Guha, our whole-time Director and Chief Financial Officer, each of whose details are provided in "– ***Brief Profiles of our Directors***" on page 141, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are set forth below.

Mr. Nikhil Mehra

Mr. Nikhil Mehra, aged 39 years is our Group Chief Executive Officer. He holds a bachelor's degree in commerce from the University of Delhi and is a qualified chartered accountant. He was appointed as the Group Chief Executive Officer with effect from June 1, 2016. Prior to this, he was the associate vice-president of our Subsidiary, GLF with effect from April 15, 2008 and then served as the chief operating officer of our Company and GLF from July 1, 2014 to June 1, 2016. He has previously also worked with Citibank India. In Fiscal 2016, he received gross remuneration of ₹ 6.31 million.

Ms. Meenu Juneja

Ms. Meenu Juneja, aged 44 years, is our senior general manager – legal and company secretary and has been associated with our Company since February 12, 2010. She was appointed as the Compliance Officer of our Company pursuant to a resolution passed by our Board on September 14, 2016. She holds a bachelor's degree in science from University of Delhi and bachelor's degree of laws from University of Delhi. Further, she holds a post-graduate diploma in business management from the Institute of Management Technology, Ghaziabad and is a fellow member of the Institute of Company Secretaries of India. She has over 20 years of experience in the field of corporate legal and secretarial compliances. She has previously worked with Tanuk Pharma (India) Limited, Vishvas Business Associates Limited and U.K Paints (India) Private Limited and Amira Foods (India) Limited. She has also served as the legal and secretarial head at Asahi India Glass Limited. In Fiscal 2016, she received gross remuneration of ₹ 4.21 million.

Ms. Renu Prasad

Ms. Renu Prasad, aged 54 years is the Chief Operating Officer for our Owned Brands. She holds a bachelor's degree in science from the University of Madras and a master's degree in management studies from the University of Bombay. She has approximately 20 years of experience in the apparel and fashion industry and has previously worked with Lintas (India) Limited, with Fabindia Overseas Private Limited as the business head of its men's division and with Gokaldas Intimatewear Private Limited as its chief operating officer. She joined our Company on May 2, 2016 and did not receive any remuneration from the Company in Fiscal 2016.

Ms. Deepika Gehani

Ms. Deepika Gehani, aged 49 years, is the creative and marketing head of GLF. She holds a bachelor's degree in commerce from University of Bombay. She has over 10 years of experience in the field of designing and marketing in the fashion industry. Prior to joining our Company, she has worked with M/s Seams Manufacturer as a fashion designer. She was previously also a founder partner in the firm M/s Senora engaged in the business of designing and manufacturing of garments and accessories. She was also a founder director on the board of Dee Design Private Limited and launched a private label 'Deepika Gehani' for designer garments. She joined GLF on July 1, 2009. In Fiscal 2016, she received gross remuneration of ₹ 5.43 million, excluding perquisite value (as defined under the Income Tax Act, 1961) of her employee stock options.

All the Key Managerial Personnel are permanent employees of our Company or our Subsidiaries, as applicable.

Relationship among Key Managerial Personnel

Besides Mr. Sanjay Kapoor and Mr. Nikhil Mehra who are cousins, 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, which is in accordance with their terms of appointment.

Shareholding of Key Managerial Personnel

Other than Mr. Sanjay Kapoor, none of our Key Managerial Personnel hold Equity Shares as on the date of this Draft Red Herring Prospectus.

For details of the shareholding of Mr. Sanjay Kapoor, see "- ***Shareholding of our Directors***" on page 143.

Service Contracts with Key Managerial Personnel

Our Key Managerial Personnel have not entered into any contractual arrangement with our Company. 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.

Loans to and deposits from Key Managerial Personnel

There is no amount outstanding as of March 31, 2016 under any loan given by our Company to the benefit of any Key Managerial Personnel.

Interest of Key Managerial Personnel

None of our Key Managerial Personnel has any interest in our Company except to the extent of their remuneration, benefits, reimbursement of expenses incurred by them in the ordinary course of business and stock options that may be granted to them from time to time under the GCL SOP 2016. Our Key Managerial Personnel 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. Further, for details of interests of our Managing Director, who is also our Promoter, see "***Our Promoters, Promoter Group and Group Companies***" on page 152.

Additionally, our Group Chief Executive Officer, Mr. Nikhil Mehra receives a fixed remuneration of ₹ 15.74 million and a variable remuneration of ₹ 1.50 million per annum from GLF as its Chief Executive Officer, with effect from July 1, 2016 and he is accordingly, interested to the extent of the remuneration received from GLF. Mr. Nikhil Mehra holds 10 equity shares of our Subsidiary, GLF and he has also been granted stock options under the employee stock option scheme instituted by GLF.

For further details regarding the stock options held by our Key Managerial Personnel see "***Capital Structure – Employee Stock Option Scheme***" on page 72.

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

Except for Mr. Samit Guha who has been nominated by our Promoter, Mr. Sanjay Kapoor, pursuant to the provision of our Articles of Association, none of our Key Managerial Personnel have been appointed 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

The changes in our Key Managerial Personnel during the three years immediately preceding the date of this Draft Red Herring Prospectus are set forth below.

Name	Date	Reason
Mr. Nikhil Mehra	July 1, 2014	Appointed as Chief Operating Officer
Mr. Anoop Campbell	March 15, 2015	Resigned as Group Chief Financial Officer
Ms. Renu Prasad	May 2, 2016	Appointed as Chief Operating Officer- Owned Brand

Name	Date	Reason
Mr. Nikhil Mehra	June 1, 2016	Change in designation from Chief Operating Officer to Group Chief Executive Officer
Mr. Samit Guha	September 14, 2016	Appointed as Chief Financial Officer

Employee stock option and stock purchase schemes

For details of the employee stock option plan of our Company, GCL SOP 2016 see "***Capital Structure- Employee Stock Option Scheme"*** on page 72.

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 Draft Red Herring 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 Mr. Sanjay Kapoor and the Sanjay Kapoor Trust. As on the date of this Draft Red Herring Prospectus, our Promoters hold, in the aggregate, 5,204,125 Equity Shares which constitutes 49.05%, of our Company's pre-Offer 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 68.

I. Details of our Promoters

Mr. Sanjay Kapoor

Mr. Sanjay Kapoor aged 48 years, is our Promoter and Managing Director.

Residential Address: 8/1, First Floor, Shanti Niketan, New Delhi - 110 021, India

Driver's license number: DL-02-19900011669

Voter identification number: NLN2041606

For more information, see "***Our Management***" on page 138.

We confirm that Mr. Sanjay Kapoor's PAN, passport number and bank account numbers will be submitted to the Stock Exchanges at the time of submission of the Draft Red Herring Prospectus with them.

Sanjay Kapoor Trust

Sanjay Kapoor Trust was formed pursuant to a trust deed dated May 13, 2013. The office of Sanjay Kapoor Trust is located at 8/1 First Floor, Shanti Niketan, New Delhi – 110021, India. Mr. Sanjay Kapoor is the settlor of the Sanjay Kapoor Trust, as well as its trustee.

The beneficiaries of the Sanjay Kapoor Trust are Mr. Sanjay Kapoor's wife, Ms. Nasib Kapoor, his daughters, Ms. Natalia Kapoor and Ms. Nyra Kapoor and future offspring(s), if any.

Financial Performance

(in ₹)

Particulars	As on March 31, 2016	As on March 31, 2015	As on March 31, 2014
Fund balance	19,108,918	19,109,548	19,109,703
Income	-	-	-
Excess of income over expenditure	(630)	(155)	(2,297)

We confirm that the PAN and bank account numbers of the Sanjay Kapoor Trust will be 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

Interest of our Promoters in the Promotion of our Company

Our Promoters are interested in our Company to the extent of their respective shareholding in our Company and any dividend or other distributions payable, if any, by our Company. For further details of our Promoters' shareholding, see "***Capital Structure***" on page 68. Additionally, Mr. Sanjay Kapoor is also interested in our Company as our Managing Director and any remuneration payable to him in such capacity. For details, see "***Our Management***" on page 138.

Interest of Promoters in the Property of our Company

Our Promoters do not have any interest in any property acquired by our Company during the two years preceding the date of filing of this 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 as members of any firm or any company and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in cash or shares or otherwise by any person for services rendered by our Promoters or by such firm or company in connection with the promotion or formation of our Company.

Payment of Benefits and Guarantees

Except as stated in "***Financial Statements***" no benefit or amount has been given or paid to our Promoters or members of our Promoter Group within the two years preceding the date of filing this Draft Red Herring Prospectus or intended to be paid or given to our Promoters or members of our Promoter Group. For more details also see "***Financial Statements –***" on page 159.

Confirmations

Our Promoters are not interested in any entity which holds any intellectual property rights that are used by our Company.

There is no litigation or legal action pending or taken by any department of the Government or statutory authority during the last five years preceding the date of the Draft Red Herring Prospectus against our Promoters, except as disclosed under "***Outstanding Litigation and Other Material Developments - Litigation involving our Promoter – Pending action by any statutory or regulatory authorities involving our Promoter***" on page 298.

Our Promoters, relatives of the Promoter, Mr. Sanjay Kapoor and members of the Promoter Group have not been declared as a 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 Draft Red Herring 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

Our Promoters are not involved with any venture which is in the same line of activity or business as us.

Disassociation by our Promoters in the preceding three years

Except for the cessation of directorship at Azure Innovations Private Limited by Mr. Sanjay Kapoor, on account of resignation, our Promoters have not disassociated themselves from any venture during the three years preceding the date of the Draft Red Herring 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 Draft Red Herring Prospectus:

S. No.	Name of member of the Promoter Group
1.	Suraj Prakash Kapoor (Mr. Sanjay Kapoor's father)
2.	Asha Kapoor (Mr. Sanjay Kapoor's mother)
3.	Nasib Kapoor (Mr. Sanjay Kapoor's spouse)
4.	Vinay Kapoor (Mr. Sanjay Kapoor's brother)
5.	Natalia Kapoor (Mr. Sanjay Kapoor's daughter)
6.	Nyra Kapoor (Mr. Sanjay Kapoor's daughter)
7.	Radil Tuli (Ms. Nasib Kapoor's sister)
8.	Seema Grover (Ms. Nasib Kapoor's sister)
9.	Genesis Overseas Private Limited
10.	S.N.K. Realtors Private Limited

11.	Virtual Xport Gateway Private Limited
12.	Nasan Garments Private Limited
13.	Azure Innovations Private Limited
14.	Fingertip Foods Private Limited
15.	Healthone Technology Private Limited

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 76 and 305, respectively.

III. Group Companies

As per the SEBI ICDR Regulations for the purpose of identification of group companies, our Company has considered companies covered under the applicable accounting standard, i.e., Accounting Standard 18 issued by the Institute of Chartered Accountants of India ("**AS 18**") as per the restated consolidated financial information as of and for the Fiscals ended March 31, 2016, 2015, 2014, 2013 and 2012, and other companies as per the Materiality Policy adopted by our Board through its resolution dated September 22, 2016, for the purpose of disclosure in connection with the Offer, a company shall be considered material and disclosed as a Group Company if it:

(i) is a member of the Promoter Group;
(ii) has entered into one or more transactions with the Company in the most recent audited Fiscal (i.e. Fiscal 2016) and the stub period which, individually or in the aggregate, exceed 10% of the total consolidated revenue of our Company for such Fiscal; and
(iii) companies which, subsequent to the date of the last audited consolidated financial statements of our Company, would require disclosure in the consolidated financial statements of the Company for subsequent periods as entities covered under AS 18 in addition to/ other than those companies covered under AS 18 in the consolidated financial statements of our Company included in this Draft Red Herring Prospectus.

As on the date of this Draft Red Herring Prospectus, our Group Companies comprise: (i) Burberry India Private Limited; (ii) Canali India Private Limited; (iii) V&B Lifestyle India Private Limited; (iv) Genesis Overseas Private Limited; and (v) Splendor Distributions Ltd.

Set out below are details of our Group Companies. For details on corporate information, business activities and our shareholding interest in Group Companies that are also our Joint Ventures, i.e. Burberry India Private Limited, Canali India Private Limited and V&B Lifestyle India Private Limited, see "***History and Certain Corporate Matters – Our Joint Ventures***" on page 136.

1. Burberry India Private Limited

Financial Information

(in ₹ million, except otherwise stated)

	Fiscal 2016	Fiscal 2015	Fiscal 2014
Equity share capital	455.57	455.57	455.57
Reserves and surplus	(370.38)	(290.36)	(253.64)
Revenue from operations	903.36	889.67	833.99
Loss for the year	(80.02)	(36.72)	(9.54)
Earnings/(loss) per share (₹) (Basic)	(1.76)	(0.81)	(0.22)
Earnings/(loss) per share (₹) (Diluted)	(1.76)	(0.81)	(0.22)
Net asset value per share (₹)	1.87	3.63	4.43

Net assets 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.

2. Canali India Private Limited

Financial Information

(in ₹ million, except otherwise stated)

	Fiscal 2016	Fiscal 2015	Fiscal 2014
Equity share capital	250	250	250
Reserves and surplus	51.62	69.08	37.88
Revenue from operations	420.35	443.11	379.22
Profit after tax	32.12	31.20	32.80
Earnings per share (₹) (Basic)	1.28	1.25	1.31
Earnings per share (₹) (Diluted)	1.28	1.25	1.31
Net asset value per share (₹)	12.06	12.76	11.52

Net assets 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.

3. V&B Lifestyle India Private Limited

Financial Information

(in ₹ million, except otherwise stated)

	Fiscal 2016	Fiscal 2015	Fiscal 2014
Equity capital	59.90	59.90	59.90
Reserves and surplus	(76.35)	(33.53)	(0.41)
Revenue from operations	107.72	83.93	0.18
Loss for the year	(42.83)	(33.12)	(0.41)
Earnings/(loss) per share (₹) (Basic)	(7.15)	(5.53)	(0.28)
Earnings/(loss) per share (₹) (Diluted)	(7.15)	(5.53)	(0.28)
Net asset value per share (₹)	(2.75)	4.40	9.93

Net assets value per share = Net worth/number of shares as at year end

Significant notes of auditors

Except as disclosed below, there are no significant notes of the auditors in relation to the aforementioned financial statements.

Fiscal 2016: "*The net worth of the company has been significantly eroded. On the basis of board approved future cash flow projections driven by various measures planned/ undertaken for improving profitability, equity infusion by Joint Ventures subsequent to the year end and based on the continued financial and operational support from the Joint Ventures, the management considers it appropriate to prepare the financial statements for the year ended 31 March 2016 on a going concern basis. Our opinion is not qualified in respect of the above matter.*"

4. Genesis Overseas Private Limited

Genesis Overseas Private Limited was incorporated on July 15, 1992 under the Companies Act, 1956. Its corporate identification number is U74899DL1992PTC049569 and its registered office is situated at 3A-1, Rao Tula Ram Marg, New Delhi, India 110022. As on the date of this Draft Red Herring Prospectus, Genesis Overseas Private Limited is not engaged in any business activity.

The authorised share capital of Genesis Overseas Private Limited is ₹ 5.00 million and its paid-up share capital is ₹ 4.50 million. The shareholding pattern of Genesis Overseas Private Limited is set forth below.

Name of Shareholder	No. of equity shares	Percentage of shareholding
Mr. Sanjay Kapoor	42,750	95%
Ms. Nasib Kapoor	2,250	5%
Total	**45,000**	**100%**

Financial Information

(in ₹ million, except otherwise stated)

	Fiscal 2016	Fiscal 2015	Fiscal 2014
Equity capital	4.50	4.50	4.50

	Fiscal 2016	Fiscal 2015	Fiscal 2014
Reserves and surplus (excluding revaluation reserves)	12.12	11.74	10.81
Sales	-	-	-
Profit/(Loss) after tax	0.37	0.93	0.89
Earnings per share (₹) (Basic)	12.25	28.16	19.92
Earnings per share (₹) (Diluted)	12.25	28.16	19.92
Net asset value per share (₹)	36.94	36.10	34.03

Net assets 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.

5. Splendor Distributions Ltd

SDL was incorporated as "L Capital GLF Ltd." as a private limited company on June 8, 2011 under the Mauritian Companies Act, 2001. The name of L Capital GLF Ltd was changed to Splendor Distributions Ltd on October 13, 2015. Its corporate identification number is C103212C1/GBL. Its registered office is situated at Suite 401, 4th Floor, Ebene Esplanade, 24 Cybercity, Ebene, Mauritius. As on the date of this Draft Red Herring Prospectus, SDL is engaged in the business of acting as an investment holding company.

The shareholding pattern of SDL is set forth below.

Name of Shareholder	Number of Equity Shares	% of Issued Equity Share Capital
L Capital Asia, L.L.C.	25,400,773.76	Approx. 99.00
Other minority shareholders	255,317.24	Aprrox. less than 1.00
Total	**25,656,091.00**	**100**

Financial Information

(in USD million, except otherwise stated)

	Financial year 2015 (January 1 – December 31)	Financial year 2014 (January 1 – December 31)	Financial year 2013 (January 1 – December 31)
Equity capital	24.8	34.3	34.3
Reserves and surplus* (excluding revaluation reserves)	8.8	(3.6)	(13.1) (accumulated losses)
Income	12.31	9.56	Nil
Profit/(Loss) after tax	6.9	9.5	(10.7)
Earnings per share ($) (Basic)	0.26	0.26	(0.29)
Earnings per share ($) (Diluted)	0.26	0.26	(0.29)
Net asset value per share ($)	1.31	0.86	0.59

**Excludes debit balance in the profit and loss account*

Significant notes of auditors

There are no significant notes of the auditors in relation to the aforementioned financial statements.

Interest of our Promoters

Except our Promoter, Mr. Sanjay Kapoor's directorship in Burberry India Private Limited, Canali India Private Limited, shareholding and directorship in Genesis Overseas Private Limited, our Promoters do not have any other interest in the Group Companies.

Details of negative net worth and loss-making Group Companies

Except V&B Lifestyle India Private Limited, none of our Group Companies have a negative net worth.

Except for Burberry India Private Limited and V&B Lifestyle India Private Limited, as detailed above, none of our Group Companies have incurred a loss in the preceding year.

Details of Group Companies under winding up

As on the date of this Draft Red Herring Prospectus, none of our Group Companies are under winding up.

Confirmations and Disclosures by our Group Companies

Interests and common pursuits of our Group Companies

As on the date of this Draft Red Herring Prospectus, none of our Group Companies has any interest in the promotion or formation of our Company.

Except our Group Companies that are also our Joint Ventures i.e. Burberry India Private Limited, Canali India Private Limited and V&B Lifestyle India Private Limited, which are also engaged in the business of distribution of international luxury brands in India, there are no common pursuits among our Group Companies and our Company.

Further, as on the date of this Draft Red Herring Prospectus:

a) None of our Group Companies have any interest in any property acquired by our Company within the two years preceding the date of filing this 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.

b) None of our Group Companies have any business interest in our Company.

c) Further, except as set forth in "***Financial Statements***" on page 159, 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 standalone financial information for Fiscal 2016. For more information on business transactions with our Group Companies and their significance on our financial performance, see "***Financial Statements***" on page 159.

Related Party Transactions

Except as provided in "***Restated Consolidated Financial Statements – Annexure XI - Related Party Transactions***" and "***Restated Standalone Financial Statements – Annexure XI – Related Party Transactions***" on pages 264 and 204, respectively, no related party transactions have been entered into between our Group Companies and our Company, as on the date of our latest restated consolidated and standalone financial information included in this Draft Red Herring Prospectus.

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 Draft Red Herring Prospectus, no winding up or revocation proceedings or actions have been initiated against any of our Group Companies.

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 Draft Red Herring 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 Draft Red Herring 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.

DIVIDEND POLICY

Our Company does not have any formal dividend policy.

Our Company has not declared dividend on its Equity Shares since incorporation. The decision to pay dividends and the amount of such dividends, if declared, depends on a number of factors, including our future earnings, financial condition, cash flows, working capital requirements, capital expenditures and any other factors that our Board and Shareholders deem to be relevant.

EXAMINATION REPORT ON RESTATED STANDALONE FINANCIAL INFORMATION

Report by the Auditor's

The Board of Directors
Genesis Colors Limited *(formerly known as Genesis Colors Private Limited)*
Plot No-51, 52, Udyog Vihar,
Phase-IV,
Gurgaon, Haryana- 122001

Dear Sirs,

1) We have examined the attached Restated Standalone Financial Information of Genesis Colors Limited *(formerly known as Genesis Colors Private Limited)* (the "**Company**") comprising Restated Standalone Summary Statement of Assets and Liabilities, Restated Standalone Summary Statement of Profit and Loss, Restated Standalone Summary Statement of Cash Flows and other financial information as explained in paragraph 2 (e) below, as at and for the financial years ended 31 March 2012, 31 March 2013, 31 March 2014, 31 March 2015 and 31 March 2016 together with the annexure and notes thereto, as approved by the Board of Directors of the Company, has been prepared by the Company in terms of the requirements of Section 26 (1) (b) of the Companies Act, 2013 ("**the Act**") read with Rule 4 to 6 of the Companies (Prospectus and Allotment of Securities Rules, 2014, to the extent applicable, relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time (the "**SEBI Regulations**"), the 'Guidance Note on 'Reports in Company's Prospectus (Revised)' issued by the Institute of Chartered Accountants of India ('ICAI') to the extent applicable ('**Guidance Note**') and in terms of our engagement agreed upon with you in accordance with our engagement letter dated 1 August 2016, in connection with the proposed issue of Equity Shares of the Company by way of fresh issue and/ or offer for sale by the existing shareholders (the '**Issue**').

   The above Restated Standalone Financial Information has been extracted by the management from the audited financial statements of the Company as at and for the financial years ended 31 March 2012, 31 March 2013, 31 March 2014, 31 March 2015 and 31 March 2016. The financial statements of the Company for the financial years ended 31 March 2012 and 31 March 2013 were audited by B S R & Associates LLP *(formerly known as B S R & Associates)*, Chartered Accountants, member entities of B S R & Affiliates, a network registered with the Institute of Chartered Accountants of India (ICAI), whose reports thereon have been furnished to us, and accordingly, reliance has been placed on the financial statements audited by them. We have audited the financial statements of the Company for the year ended 31 March 2014, 31 March 2015 and 31 March 2016.

2) In accordance with the requirements of Section 26 of the Companies Act, 2013 read with The Companies (Prospectus and Allotment of securities) Rule 2014; the SEBI Regulations; and the Guidance note, as amended from time to time and in terms of our engagement agreed with you, we report that:

   (a) We have examined the attached Restated Standalone Summary Statement of Assets and Liabilities of the Company as at 31 March 2012, 31 March 2013, 31 March 2014, 31 March 2015 and 31 March 2016 as set out in **Annexure I** to the Restated Standalone Financial Information. These are after making adjustments and regroupings as in our opinion, were appropriate and more fully described in the Significant Accounting Policies, Adjustments to the Audited Standalone Financial Statements and Notes to the Restated Standalone Financial

Information enclosed as **Annexure IV** to the Restated Standalone Financial Information. As a result of these adjustments, the amounts reported in the above-mentioned statement are not necessarily the same as those appearing in the audited financial statements of the Company for the relevant financial years.

(b) We have examined the attached Restated Standalone Summary Statement of Profit and Loss of the Company for the financial years ended 31 March 2012, 31 March 2013, 31 March 2014, 31 March 2015 and 31 March 2016 as set out in **Annexure II** to the Restated Standalone Financial Information. These are after making adjustments and regroupings as in our opinion, were appropriate and more fully described in the Significant Accounting Policies, Adjustments to the Audited Standalone Financial Statements and Notes to the Restated Standalone Financial Information enclosed as **Annexure IV** to the Restated Standalone Financial Information. As a result of these adjustments, the amounts reported in the above-mentioned statement are not necessarily the same as those appearing in the audited financial statements of the Company for the relevant financial years.

(c) We have examined the attached Restated Standalone Summary Statement of Cash Flows of the Company for financial years ended 31 March 2012, 31 March 2013, 31 March 2014, 31 March 2015 and 31 March 2016 as set out in **Annexure III** to the Restated Standalone Financial Information. These are after making adjustments and regroupings as in our opinion, were appropriate and more fully described in the Significant Accounting Policies, Adjustments to the Audited Standalone Financial Statements and Notes to the Restated Standalone Financial Information enclosed as appearing in **Annexure IV** to the Restated Standalone Financial Information. As a result of these adjustments, the amounts reported in the above-mentioned statement are not necessarily the same as those appearing in the audited financial statements of the Company for the relevant financial years.

(d) Based on the above, and based on the reliance placed on the standalone financials statements audited by M/s B S R & Associates LLP *(formerly known as B S R & Associates)*, Chartered Accountants, member entities of B S R & Affiliates, a network registered with the Institute of Chartered Accountants of India (ICAI), , for the year ending 31 March 2012 and 2013, we are of the opinion that the Restated Standalone Financial Information, extracted by the management of the Company and approved by its Board of Directors, has been made after incorporating the following:

i. adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all the reporting years based on the significant accounting policies adopted by the Company as at 31 March 2016;

ii. prior period and other material amounts have been adjusted in the Restated Standalone Financial Information in the respective financial years to which they relate;

iii. qualifications in the auditor's report which require adjustments have been given effect to in the Restated Standalone Financial Information in the respective financial years. However, those qualifications in the Auditor's Report and other remarks/ comments in the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India under sub-section (4A) of Section 227 of Companies Act 1956 / Companies (Auditor's Report) Order, 2015 / Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India, in terms of sub-section (11) of Section 143 of the 2013 Act (together referred to as 'CARO') which do not require any corrective adjustments in the financial information have been disclosed in note 4.4 of **Annexure IV** to the Restated Standalone Financial Information; and

iv. there are no extraordinary items, which need to be disclosed separately in the Restated Standalone Financial Information in the respective financial years.

(e) We have also examined the following other Restated Standalone Financial Information as set out in Annexures prepared by the management based on the Restated Standalone Financial Information and approved by the Board of Directors, relating to the Company for the financial years ended 31 March 2012, 31 March 2013, 31 March 2014, 31 March 2015 and 31 March 2016:

i. Restated Standalone Statement of Long-Term and Short-Term Borrowings (including interest rates, repayment and prepayment terms of the long term and short term borrowings) as appearing in **Annexure V** to the Restated Standalone Financial Information;

ii. Restated Standalone Statement of Non-Current Investments, as appearing in **Annexure VI** to the Restated Standalone Financial Information;

iii. Restated Standalone Statement of Long-Term and Short-Term Loans and Advances, Other Non-Current Assets and Current Assets, a as appearing in **Annexure VII** to the Restated Standalone Financial Information;

iv. Restated Standalone Statement of Trade Receivables, as appearing in **Annexure VIII** to the Restated Standalone Financial Information;

v. Restated Standalone Statement of Revenue from Operations, as appearing in **Annexure IX** to the Restated Standalone Financial Information;

vi. Restated Standalone Statement of Other Income, as appearing in **Annexure X** to the Restated Standalone Financial Information;

vii. Restated Standalone Statement of Related Party Transactions, as appearing in **Annexure XI** to the Restated Standalone Financial Information;

viii. Restated Standalone Statement of Accounting Ratios as appearing in **Annexure XII** to the Restated Standalone Financial Information;

ix. Restated Standalone Statement of Capitalisation, as at 31 March 2016, as appearing in **Annexure XIII** to the Restated Standalone Financial Information;

x. Restated Standalone Statement of Tax Shelter, as appearing in **Annexure XIV** to the Restated Standalone Financial Information;

xi. Restated Standalone Statement of Contingent Liabilities and Capital Commitments, as appearing in **Annexure XV** to the Restated Standalone Financial Information;

xii. Restated Standalone Statement of Dividends Declared as appearing in **Annexure XVI** to the Restated Standalone Financial Information; and

xiii. Other significant notes to Restated Standalone Financial Information as appearing in **Annexure IV** to the Restated Standalone Financial Information.

3) 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 or by other firms of Chartered Accountants, nor should this report be construed as an opinion on any of the financial statements referred to herein.

4) We have no responsibility to update our report for events and circumstances occurring after the date of the report.

5) We have not audited or reviewed any financial statements of the Company as of any date or for any period subsequent to 31 March 2016. Accordingly, we express no opinion on the financial position, results of the operations or cash flows of the Company as of any date or for any period subsequent to 31 March 2016.

6) In our opinion, the above Restated Standalone financial information contained in **Annexure I to Annexure XVI** accompanying this report read along with the Significant Accounting Policies, Adjustments to the Audited Standalone Financial Statements and Notes to the Restated Standalone Financial Information **(Refer Annexure IV)**, after making adjustments and regrouping as considered appropriate and as set out in para 2(d) above, have been prepared in accordance with Section 26 of the Companies Act, 2013 read with The Companies (Prospectus and Allotment of Securities) Rules, 2014, to the extent applicable, SEBI Regulations, the Guidance note issued in this regard by the ICAI, as amended from time to time, and in terms of our engagement as agreed with you.

7) Our report is intended solely for the use of management and for inclusion in the Draft Red Hearing Prospectus in connection with the proposed issue of Equity Shares of the Company by way of fresh issue and/ or offer for sale by the existing shareholders. Our report should not be used, referred to or distributed for any other purpose, except without our prior written consent.

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No: 101248W/W-100022

Pravin Tulsyan
Partner
Membership No.: 108044

Place: Gurgaon
Date: 20 September 2016

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited)*

Annexure I

Restated Standalone Summary Statement of Assets and Liabilities
(All amounts are in INR Millions, unless otherwise stated)

Particulars	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012
EQUITY AND LIABILITIES					
Shareholders' funds					
Share capital	20.96	20.77	20.77	317.54	317.54
Reserves and surplus	928.88	984.17	1,114.71	581.15	792.88
Money received against share warrants	13.33	13.33	13.33	13.33	-
	963.17	**1,018.27**	**1,148.81**	**912.02**	**1,110.42**
Non-current liabilities					
Long-term borrowings	2.33	2.67	21.07	52.43	16.99
Other long-term liabilities	43.82	38.23	26.81	31.50	32.85
Long-term provisions	15.46	15.48	15.22	15.94	13.42
	61.61	**56.38**	**63.10**	**99.87**	**63.26**
Current liabilities					
Short-term borrowings	448.55	420.61	447.88	416.64	404.63
Trade payables					
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	279.23	212.77	200.11	174.12	107.17
Other current liabilities	107.08	99.61	144.33	159.26	298.27
Short-term provisions	38.09	43.11	27.70	19.00	10.32
	872.95	**776.10**	**820.02**	**769.02**	**820.39**
TOTAL	**1,897.73**	**1,850.75**	**2,031.93**	**1,780.91**	**1,994.07**
ASSETS					
Non-current assets					
Fixed assets					
Tangible fixed assets	160.67	210.91	245.16	181.10	192.04
Intangible fixed assets	2.54	3.57	5.40	8.08	6.90
Capital work-in-progress	-	-	3.65	30.61	21.98
Non-current investments	540.72	540.72	540.72	481.11	402.19
Long-term loans and advances	110.22	95.03	110.75	97.07	241.76
Other non-current assets	0.39	-	0.45	4.98	4.75
	814.54	**850.23**	**906.13**	**802.95**	**869.62**
Current assets					
Inventories	415.83	399.10	567.57	448.82	499.30
Trade receivables	568.95	544.14	480.53	484.66	444.65
Cash and bank balances	9.52	13.47	42.62	16.54	8.03
Short-term loans and advances	47.78	43.70	35.02	27.88	172.47
Other current assets	41.11	0.11	0.06	0.06	-
	1,083.19	**1,000.52**	**1,125.80**	**977.96**	**1,124.45**
TOTAL	**1,897.73**	**1,850.75**	**2,031.93**	**1,780.91**	**1,994.07**

Note: The above statement should be read with Annexure V to XVI and the Significant Accounting Policies; Notes to the Restated Standalone Financial Information; Statement of Adjustments to Audited Standalone Financial Statements, as appearing in Annexure IV.

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited)*

Annexure II

Restated Standalone Summary Statement of Profit and Loss
(All amounts are in INR Millions, unless otherwise stated)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
Revenue from operations	1,141.68	1,112.74	1,061.93	1,052.02	866.42
Other operating revenues	32.20	24.58	23.52	15.28	22.29
Other Income	3.61	34.44	9.32	19.64	22.10
Total Revenue	**1,177.49**	**1,171.76**	**1,094.77**	**1,086.94**	**910.81**
Expenses					
Cost of materials consumed	184.77	180.22	274.32	261.56	218.19
Purchases of traded goods	243.02	110.00	223.95	192.47	205.66
Changes in inventories of finished goods and traded goods	(4.85)	166.82	(120.72)	30.45	32.49
Employee benefits expenses	266.73	255.87	216.32	193.76	162.06
Finance costs	64.12	69.47	71.72	93.10	87.73
Depreciation and amortisation	30.76	50.06	36.65	41.19	46.76
Other expenses	448.23	469.87	520.21	499.98	443.71
Total expenses	**1,232.78**	**1,302.31**	**1,222.45**	**1,312.51**	**1,196.60**
Loss before tax and exceptional items, as restated	**(55.29)**	**(130.55)**	**(127.68)**	**(225.57)**	**(285.79)**
Exceptional items	**-**	**-**	**-**	**13.82**	**(195.05)**
Loss after exceptional items, but before tax, as restated	**(55.29)**	**(130.55)**	**(127.68)**	**(211.75)**	**(480.84)**
Tax expense					
Current tax	-	-	-	-	-
Deferred tax	-	-	-	-	-
Net loss for the year, as restated	**(55.29)**	**(130.55)**	**(127.68)**	**(211.75)**	**(480.84)**

Note: The above statement should be read with Annexure V to XVI and the Significant Accounting Policies; Notes to the Restated Standalone Financial Information; Statement of Adjustments to Audited Standalone Financial Statements, as appearing in Annexure IV.

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited)*

Annexure III

Restated Standalone Summary Statement of Cash Flows
(All amounts are in INR Millions, unless otherwise stated)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
Cash flows from operating activities:					
Loss before tax, as restated	(55.29)	(130.55)	(127.68)	(211.75)	(480.84)
Adjustments :					
Depreciation and amortisation	30.75	50.06	36.64	41.18	46.75
Profit on sale of investment	-	-	-	(13.82)	(129.66)
Profit on sale of business	-	-	-	-	(120.45)
Provision for doubtful receivables	8.34	-	5.17	-	15.73
Provision for doubtful receivables written back	-	(5.75)	-	-	-
Bad debts written off	-	-	0.01	-	(6.34)
Provision for fringe benefit tax written back	-	(0.17)	-	-	-
Expense on employee stock option scheme	1.87	-	4.40	-	-
Distribution by subsidiary	(1.87)	-	-	-	-
Loss on sale of fixed assets	3.70	1.48	14.88	2.65	9.38
Interest income	(1.32)	(0.23)	(0.15)	(4.95)	(8.12)
Provision for wealth tax	-	0.20	0.21	-	-
Finance costs	64.12	69.47	71.72	93.10	87.73
Inventory written off	-	-	-	-	445.16
Provision for loss of margin on sales return, written back	(4.53)	-	-	-	-
Provisions no longer required, written back	0.00	-	-	-	-
Operating cash flows before working capital changes	**45.77**	**(15.49)**	**5.20**	**(93.59)**	**(140.66)**
Adjustments for :					
(Increase)/decrease in trade receivables	(33.15)	(57.86)	(1.05)	(40.02)	199.93
(Increase)/decrease in loans and advances	(14.79)	8.92	(17.76)	3.24	30.53
(Increase)/decrease in inventories	(16.74)	168.48	(118.76)	50.48	(75.18)
Increase/(decrease) in trade payable	66.47	12.67	25.98	66.69	(214.40)
Increase/(decrease) in provisions	(0.50)	15.84	7.97	11.20	2.65
Increase/(decrease) in other liabilities	29.38	(8.99)	1.52	7.71	6.48
Net Cash Generated from Operations	**76.44**	**123.57**	**(96.90)**	**5.71**	**(190.65)**
Income tax (paid) / refunded	(2.80)	(2.03)	(3.28)	(3.15)	(8.57)
Net cash flows generated from/(used in) operating activities (A)	**73.64**	**121.54**	**(100.18)**	**2.56**	**(199.22)**
Cash flows from investing activities:					
Acquisition of interest in subsidiaries, associates or joint ventures	-	-	(59.61)	(34.13)	(0.05)
Proceeds from disinvestment in subsidiaries, associates or joint ventures	-	-	-	-	159.30
Purchases of fixed assets (including capital advances)	(27.03)	(14.27)	(93.46)	(42.80)	(29.61)
Deposit received/(repayment) of deposit for sale of property	6.00	-	-	(200.00)	200.00
Proceeds from sale of fixed assets	1.73	1.33	2.92	0.11	0.07
Bank deposits (having original maturity of more than three months)	(2.55)	(4.90)	2.07	(0.09)	-
Redemption/maturity of bank deposits (having original maturity of more than three months)	2.44	5.06	-	-	-
Loan received	-	-	-	160.00	-
Loan given	(1.12)	-	-	(30.00)	(289.30)
Interest received	1.28	0.13	1.64	4.54	7.78
Proceeds from sale of investments	-	-	-	128.23	-
Proceeds from sale of business	-	-	-	-	250.00
Net cash flows (used in)/generated from investing activities (B)	**(19.25)**	**(12.65)**	**(146.44)**	**(14.14)**	**298.19**
Cash flows from financing activities:					
Share warrant amount received	-	-	-	13.33	-
Issue of equity shares and premium thereon	0.19	-	360.08	0.01	-
Repayment of borrowings	(66.99)	(78.44)	(315.79)	(195.33)	(53.19)
Proceeds from borrowings	50.00	35.51	226.10	282.42	-
Proceeds from/(repayment of) cash credit and working capital facilities (net)	27.94	(27.27)	75.55	12.00	(7.39)
Principal payments under finance lease	(0.66)	(0.12)	-	-	-
Finance costs paid	(68.56)	(67.98)	(74.22)	(92.82)	(84.65)
Net cash flows (used in)/generated from financing activities (C)	**(58.08)**	**(138.30)**	**271.72**	**19.61**	**(145.23)**
Net change in cash and cash equivalents (A+B+C)	**(3.69)**	**(29.41)**	**25.10**	**8.03**	**(46.26)**
Cash and cash equivalents at the beginning of the period	12.01	41.42	16.32	8.03	54.29
Cash and cash equivalents taken over on amalgamation	-	-	-	0.26	-
Cash and cash equivalents at the end of the period (see below)	**8.32**	**12.01**	**41.42**	**16.32**	**8.03**

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited)*

Annexure III

Restated Standalone Summary Statement of Cash Flows
(All amounts are in INR Millions, unless otherwise stated)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
Notes to cash flow statement					
1. Components of cash and cash equivalents:					
Cash on hand	0.29	1.48	1.23	1.67	0.73
Balances with banks in current accounts	8.03	9.21	39.72	10.73	6.52
Balances with banks in deposit accounts	-	-	-	3.04	0.59
Credit card collections in hand	-	1.32	0.47	0.88	0.19
	8.32	**12.01**	**41.42**	**16.32**	**8.03**

Notes:
1. The above Cash Flow Statement has been prepared in accordance with the 'Indirect method' as set out in the Accounting Standard - 3 on Cash Flow Statements' notified by the Companies (Accounts) Rules, 2014.
2. The above statement should be read with Annexure V to XVI and the Significant Accounting Policies; Notes to the Restated Standalone Financial Information; Statement of Adjustments to Audited Standalone Financial Statements, as appearing in Annexure IV.

Annexure IV

Significant Accounting Policies, Adjustments to the Audited Standalone Financial Statements and Notes to the Restated Standalone Financial Information

Company information and significant accounting policies

4.1 General information

Genesis Colors Limited (hereafter referred to as "the Company") was incorporated on 23 November 1998, and converted into public company with effect from 07 September 2016. The Company is engaged in the manufacturing and trading of designer sarees, women apparels, designer ties, fabric and other accessories. The registered office of the Company is located in Gurgaon, India.

The Restated Standalone Financial Information comprising of Restated Standalone Summary Statement of Assets and Liabilities; Restated Standalone Summary Statement of Profit and Loss; Restated Standalone Summary Statement of Cash Flows; and other financial information of Genesis Colors Limited (formerly known as Genesis Colors Private Limited) ("the Company"), as at and for the financial years ended 31 March 2012; 31 March 2013; 31 March 2014, 31 March 2015 and 31 March 2016, together with the annexure and notes thereto, prepared by applying necessary adjustments as considered appropriate and as set out in Annexure IV to the Restated Standalone Financial Information of the Company, in terms of requirements of Section 26 of the Companies Act, 2013 ("the Act") read with The Companies (Prospectus and Allotment of Securities Rules, 2014, to the extent applicable, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time ("SEBI Regulations") and the 'Guidance Note on 'Reports in Company‘s Prospectus (Revised)' issued by the Institute of Chartered Accountants of India ("ICAI") to the extent applicable ("Guidance Note") in connection with the proposed initial public offering ("the Issue") of equity shares of the Company.

This Restated Standalone Financial Information was approved by the Board of Directors of the Company in their meeting held on 20 September 2016.

4.2 Significant accounting policies

a. Basis of preparation of Restated Standalone Financial Information

The Restated Standalone Financial Information have been prepared and presented under the historical convention on a going concern basis, on the accrual basis of accounting and comply with the Accounting Standards specified under section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, pronouncements of the Institute of Chartered Accountants of India and other accounting principles generally accepted in India, to the extent applicable. The Restated Standalone Financial Information are presented in INR million, unless otherwise stated.

These Restated Standalone Financial Information have been prepared so as to contain information / disclosures and incorporating adjustments set out below in accordance with the SEBI Regulations:

(a) Adjustments for audit qualification requiring corrective adjustment in the Restated Standalone Financial Information, if any;

(b) Adjustments for the material amounts in respective years to which they relate, if any;

(c) Adjustments for previous years identified and adjusted in arriving at the profits of the years to which they relate irrespective of the year in which the event triggering the profit or loss occurred, if any;

(d) Adjustment to the profits or losses of the earlier years and of the year in which the change in the accounting policy has taken place is recomputed to reflect what the profits or losses of those years would have been if a uniform accounting policy was followed in each of these years, if any;

(e) The resultant impact of tax due to the aforesaid adjustments, if any.

Significant accounting policies – The accounting policies set out below have been applied consistently to the years presented in the Restated Standalone Financial Information.

b. Current and non-current classification

All assets and liabilities are classified into current and non current.

Assets:

An asset is classified as current when it satisfies any of the following criteria:

(a) It is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;

(b) It is held primarily for the purpose of being traded;

(c) It is expected to be realised within 12 months after the reporting date; or

(d) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities:

A liability is classified as current when it satisfies any of the following criteria:

(a) It is expected to be settled in the Company's normal operating cycle;

(b) It is held primarily for the purpose of being traded;

(c) It is due to be settled within 12 months after the reporting date; or

(d) The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments, do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle:

Based on the nature of operations and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle being a period within 12 months for the purposes of classification of assets and liabilities as current and non-current.

c. Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses for the year, reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the Restated Standalone Financial Information. Examples of such estimates include estimated useful life of fixed assets, provision for bad and doubtful debts, retirement benefits, provision for margin loss on sales return etc. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

d. Fixed assets

Tangible fixed assets

Tangible fixed assets are carried at cost of acquisition less accumulated depreciation. The cost of an item of tangible fixed asset comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Expenditure incurred during the period of construction, including expenses, incidental and related to construction, is carried forward and, on completion, such costs are allocated to respective fixed assets.

Leases under which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. Assets taken on finance lease are initially capitalised at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to periods during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each year.

Intangible fixed assets

Intangible fixed assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and impairment loss. Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

e. Depreciation and amortisation

Depreciation on fixed assets except leasehold improvements is provided on the straight line method based on estimated useful lives, as estimated by the management. Depreciation is charged on a pro-rata basis for assets purchased/sold during the year.

Schedule II to the Companies Act, 2013 prescribes useful life for fixed assets which in some cases, are different from the useful life considered by the management. Schedule II allows Companies to use higher/lower useful life and residual value, if such useful lives and residual values can be technically supported and justification for difference is disclosed in financial statement.

Considering the application of Schedule II, the management believes that useful life currently used, fairly reflect its estimate of the useful lives and residual value of fixed assets, though these lives in certain cases are different from the lives prescribed under Schedule II.

The management estimate of the useful lives of the fixed assets based on the technical evaluation and Schedule II is as follows:

Assets Category	**Estimated Useful life (in years)**	**Life as per Schedule II (in years)**
Tangible Assets		
Office equipment	5	5
Computer equipment (End user devices, such as, desktops, laptops, etc.)	3	3
Furniture and fixtures	5	10
Buildings	30	30
Electrical equipment's	8	8
Plant and machinery	8	8
Vehicles	5	8

Leasehold improvements are amortised, on straight line basis, over the remaining period of lease, including the renewal options as considered appropriate, or the useful life, whichever is shorter.

f. Inventories

Raw materials and finished goods are valued at the lower of cost and net realisable value.

In the case of manufactured goods, cost includes appropriate share of direct / indirect overheads and duties incurred in bringing goods to the present location and condition. Cost of raw materials and traded goods is determined on a weighted average basis.

g. Impairment

The carrying amounts of assets are reviewed at each Balance Sheet date in accordance with Accounting Standard 28 'Impairment of Assets', to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

h. Revenue recognition

(i) Sales are recognised at the point of dispatch/delivery of goods to the customers as the case may be, which coincides with the transfer of risks and rewards to the customer and are net of sales tax/VAT, returns, discounts and excise duty.

(ii) Revenue from services is recognised on rendering of services to customers.

(iii) Interest income from deposits and loans is recognised on a time proportion basis at the interest rate implicit in the transactions.

i. Foreign exchange transactions

The Company accounts for effects of differences in foreign exchange rates in accordance with Accounting Standard 11 notified by the Companies (Accounts) Rules, 2014. Transactions in foreign currency are translated at the rate of exchange prevailing at the transaction date. Exchange differences arising on settlement during the year are recognised in the Statement of Profit and Loss.

Monetary items, denominated in foreign currency, are restated at the exchange rate prevailing at the year end and the overall net gain/ loss is recognised in the Statement of Profit and Loss.

j. Investments

Investments that are readily realisable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as long-term investments. However, that part of long term investments which is expected to be realised within 12 months after the reporting date is also presented under 'current assets' as "current portion of long term investments" in consonance with the current–non-current classification scheme of Schedule III of the Act.

Long-term investments (including current portion thereof) are carried at cost less any other-than-temporary diminution in value, determined separately for each individual investment.

Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investments i.e., equity shares, preference shares, convertible debentures etc.

Any reductions in the carrying amount and any reversals of such reductions are charged or credited to the Statement of Profit and Loss.

k. Employee benefits

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus, etc., are recognised in the Statement of Profit and Loss in the period in which the employee renders the related service.

Post-employment benefits

The employee's provident fund and employee state insurance scheme is a defined contribution plan. The Company's contribution paid/payable under the scheme is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

The Company's gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

Benefits under compensated absences constitute other long-term employee benefits. The liability in respect of compensated absences is provided on the basis of an actuarial valuation done by an independent actuary at the year end. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

l. Taxation (current and deferred)

Income tax expense comprises current tax (i.e. the amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realized in the future. However, where there is unabsorbed depreciation or carry forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty, supported with convincing evidence of realization of such assets. Deferred tax assets are reviewed as at each Balance Sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

m. 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.

n. Operating leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Operating lease charges are recognised as an expense in the Statement of Profit and Loss on a straight line basis or other systematic basis more representative of time pattern of the user's benefit.

o. Provisions and contingent liabilities

A provision is recognised in the financial statements where there exists a present obligation as a result of a past event, the amount of which can be reliably estimated, and it is probable that an outflow of resources would be necessitated in order to settle the obligation. Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the enterprise, or is a present obligation that arises from past events but is not recognised because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made.

p. Borrowing costs

Borrowing costs that are attributable to the acquisition of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a period of one year or more to get ready for intended use. All other borrowing costs are charged to revenue.

q. Cash and cash equivalents

Cash and cash equivalents comprise cash balances on hand, cash balance with bank and highly liquid investments with original maturities, at the date of purchase/investment, of three months or less.

r. Earnings per share

In computing earnings per share, the Company considers net profit/ (loss) after tax. Basic earnings per share are computed by the weighted average number of equity shares outstanding during the year. Diluted earnings per share are computed using the weighted average number of equity and dilutive equivalent shares outstanding during the period, except where results would be anti-dilutive.

s. Employee stock option schemes

The excess of the market price of shares, at the date of grant of options under the Employee Stock Option Schemes of the Company, over the exercise price is regarded as employee compensation, and recognised on a straight-line basis over the period over which the employees would become unconditionally entitled to apply for the shares. The cost recognised at any date at least equals the intrinsic value of the vested portion of the option at that date. Adjustment, if any, for difference in initial estimate for number of options that are expected to ultimately vest and related actual experience was recognised in the Statement of Profit and Loss of that period. In respect of vested options expire unexercised, the cost was reversed in the Statement of Profit and Loss of that period.

Stock options granted by the subsidiary (GLF) to employees of the Company is regarded as employee compensation, and recognised on a straight-line basis over the period over which the employees would become unconditionally entitled to apply for the shares and corresponding amount is recognised as distribution by subsidiary in the Statement of Profit and Loss.

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Annexure IV

Significant Accounting Policies, Adjustments to the Audited Standalone Financial Statements and Notes to the Restated Standalone Financial Information
(All amounts are in INR Millions, unless otherwise stated)

4.3 Statement of adjustments to the audited standalone financial statements

The summary of results of restatements made in the standalone audited financial statements for the respective years, and its impact on the reported results of the Company, is as follows:

Particulars	Ref	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
Net loss as per audited statement of profit and loss		**(56.05)**	**(113.00)**	**(180.25)**	**(742.32)**	**(54.72)**
(Increase)/Decrease in loss on account of:						
Inventory written off	#1	-	-	-	445.16	(445.16)
Provision/ liabilities created/ written back	#2	(1.34)	(14.50)	43.99	28.16	11.94
Change in depreciation method and estimated useful life of fixed assets	#3	-	(10.51)	11.49	6.89	1.92
Others	#4	-	7.46	(2.91)	(0.29)	18.47
Total Adjustments		**(1.34)**	**(17.55)**	**52.57**	**479.92**	**(412.83)**
Income tax	#5	2.10	-	-	-	2.43
Deferred tax	#6	-	-	-	50.64	(15.71)
Net loss for the year, as restated		**(55.29)**	**(130.55)**	**(127.68)**	**(211.76)**	**(480.83)**

Restatement adjustments made in the audited opening balance figures in the surplus in the statement of profit and loss at 1 April 2011

Net surplus as at 1 April 2011, as per audited financial statements		**521.77**
adjustments, on account of:		
Provision/ liabilities created/ written back	#2	(68.26)
Change in depreciation method and estimated useful life of fixed assets	#3	(9.79)
Others	#4	(22.76)
Income tax	#5	(4.54)
Deferred tax	#6	(34.93)
Net surplus as at 1 April 2011, as restated		**381.49**

A) Notes on adjustments to the restated summary statements and other disclosures:

#1) Inventory written off - The audit report for the year ended 31 March 2012 was qualified on account of non-recognition of provision against certain inventories. In subsequent year, the aforementioned inventory was sold at a very minimal price, and loss was recognised as an exceptional item. The restatement adjustment is made, in order to recognise such write off in the year, in which such inventory was purchased.

#2)Provision/ liabilities created/ written back - During certain years, the Company recorded additional loss / reversed already created provisions in relation to non-recoverable debts/ advances/ receivables/ investments/ inventory. Since, these were relating to earlier years, therefore, for the purpose of restatement, such adjustments has now been reflected in respective year's related line item.

#3) Depreciation -
a) Change in accounting policy - During the year ended 31 March 2015, the Company decided to change its accounting policy for providing depreciation on fixed assets from written down value method to the straight line method to better represent the financial position. For the purposes of standalone restated financial information, this impact has now been recorded in respective years.
b) Change in estimated useful lives of fixed assets - Pursuant to the notification of Schedule II of the Companies Act, 2013 ("the Act"), by the Ministry of Corporate Affairs effective 1 April 2014, the management internally reassessed and changed, wherever necessary the useful lives to compute depreciation, to conform to the requirements of the Act. Consequently, the carrying amount as at 1 April 2014 is being depreciated over the revised remaining useful life of the asset. The carrying value of Rs. 30.9 millions related to assets with expired life as at 1 April 2014 was charged to Statement of Profit and Loss for the year ended 31 March 2015. The same has been adjusted in the years in which the life of respective asset was expired.

4.3 Statement of adjustments to the audited standalone financial statements

#4) Others - This represents adjustment in respective period to which certain items such as prior period, lease rent equalisation reversal etc. were related to.

#5) Income tax - The adjustment is aggregation of current tax impact of material adjustments made to the financial statements and recording of earlier period tax items in respective years to which it pertained and which were recorded in subsequent years in audited financial statements.

#6) Deferred tax - The Company had reversed deferred tax assets in during the year ended 31 March 2013, in absence of virtual certainty along with convincing evidence. For the purpose of restatement, such reversal is restated in the years in which deferred tax assets were originally created.

B) Regroupings

Appropriate adjustments have been made in the Restated Summary Financial Information, 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 financial statements of the Company as at and for the year ended 31 March 2016, prepared in accordance with Schedule III of the Companies Act, 2013 ("Act") and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended). Accordingly, the Company has presented the Restated Standalone Financial Information as at and for the years ended 31 March 2015, 31 March 2014, 31 March 2013 and 31 March 2012 following the presentations made as at and for the year ended 31 March 2016.

4.4 Non-adjusting items

In addition to the audit opinion on the standalone financial statements, the auditors are required to comment upon the matters included in the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India under sub-section (4A) of Section 227 of Companies Act 1956 / Companies (Auditor's Report) Order, 2015 / Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India, in terms of sub-section (11) of Section 143 of the 2013 Act (together referred to as 'CARO'). Certain statements/comments included in audit opinion on the financial statements and the CARO, which do not require any adjustments in the Restated Standalone Financial Information are reproduced below in respect of the financial statements presented.

i) Financial year 2011-12

Clause (iii)(b) of CARO
According to the information and explanations given to us, we are of the opinion that the terms and conditions of the interest free unsecured loan given by the Company to its subsidiary for settlement of consideration in regard to sale of investment in another subsidiary, as detailed in note 29 of the audited financial statements, are prima facie prejudicial to the interest of the Company, since the loan given is interest free.

Clause (iv) of CARO
In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and for sale of goods and services. The internal control procedures for purchase of inventories need to be strengthened, to make it commensurate with the size of the Company and the nature of its business. Further, on the basis of our examination and according to the information and explanations given to us, we have neither come across nor have been informed of any instances of major weaknesses in the aforesaid internal control system except for purchase of inventory.

Clause (ix)(b) of CARO
(b) According to the information and explanations given to us, dues of income tax which have not been deposited on account of dispute is listed below:

Name of the statute	Nature of the dues	Amount	Amount paid under protest	Period to which the amount relates	Forum where dispute is pending
Income Tax Act,1961	Income Tax	21.08	4.50	Financial year 2006-07	Commissioner of Income Tax (Appeals), New Delhi and Income Tax Appellate Tribunal

4.4 Non-adjusting items

Clause (x) of CARO
The Company does not have any accumulated losses at the end of the current financial year. The Company has incurred cash losses in the current financial year. However, the Company has not incurred cash losses in the immediately preceding financial year.

Clause (xxi) of CARO
We have been informed that during the year an employee of the Company had misappropriated inventory amounting to Rs. 1,614,865. As explained to us, the management has taken appropriate action and has also made a provision against the above. Based on the audit procedures performed and according to the information and explanations given to us, no other fraud on or by the Company has been noticed or reported during the year.

ii) Financial year 2012-13

Clause (iii)(b) of CARO
According to the information and explanations given to us, we are of the opinion that the terms and conditions of the interest free unsecured loan given by the Company in the previous year to its subsidiary company for settlement of consideration in regard to sale of investment in another subsidiary company, are prima facie prejudicial to the interest of the Company, since the loan given was interest free. However, the subsidiary company has been amalgamated with the Company w.e.f. 1 December 2012.

Clause (iv) of CARO
According to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, with regard to purchase of fixed assets and sale of services. The internal control procedures for the purchase and sale of certain categories of goods need to be strengthened, to make it commensurate with the size of the Company and the nature of its business. Further, on the basis of our examination and according to the information and explanations given to us, we have neither come across nor have been informed of any instances of major weaknesses in the aforesaid internal control system except for certain transactions of purchase and sale of specific categories of goods.

Clause (ix)(b) of CARO
According to the information and explanations given to us, dues of income tax which have not been deposited on account of dispute is listed below:

Name of the statute	Nature of the dues	Amount	Amount paid under protest	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	21.08	4.50	Financial year 2006-07	Commissioner of Income Tax (Appeals), and Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	14.69	Nil	Financial year 2009-10	Commissioner of Income Tax (Appeals)

4.4 Non-adjusting items

Clause (x) of CARO
The accumulated losses of the Company are less than fifty percent of its net worth at the end of the financial year. The Company has incurred cash losses during the year and in the immediately preceding year.

iii) Financial year 2013-14

Clause (ix)(a) of CARO
According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Income-tax, Sales Tax, Wealth tax, Custom duty, Employee State Insurance and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities though there has been sight delay in few cases. As explained to us, the Company did not have any dues on account of Investor Education and protection Fund and Excise Duty.

Clause (ix)(b) of CARO
According to the information and explanations given to us, dues of income tax which have not been deposited on account of dispute is listed below:

Name of the statute	Nature of the dues	Amount	Amount paid under protest	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	14.69	Nil	Financial year 2009-10	Commissioner of Income Tax (Appeals)

Clause (x) of CARO
The accumulated losses of the Company are less than fifty percent of its net worth at the end of the financial year. The Company has incurred cash losses during the year and in the immediately preceding year.

iv) Financial year 2014-15

Clause (vii)(a) of CARO
According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including income-tax, sales-tax, value added tax, customs duty, service tax, provident fund, employees' state insurance, wealth tax, cess and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities though there has been slight delay in few cases. As explained to us, the Company did not have any dues on account of excise duty.

4.4 Non-adjusting items

Clause (vii)(b) of CARO
According to the information and explanations given to us, dues of income tax which have not been deposited on account of dispute is listed below:

Name of the statute	Nature of the dues	Amount	Amount paid under protest	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	14.69	Nil	Financial year 2009-10	Commissioner of Income Tax (Appeals)

Clause (viii) of CARO
The accumulated losses of the Company are less than fifty percent of its net worth at the end of the financial year. The Company has incurred cash losses during the year and in the immediately preceding year.

v) Financial year 2015-16

Clause (vii)(b) of CARO
According to the information and explanations given to us, dues of income tax which have not been deposited on account of dispute is listed below:

Name of the statute	Nature of the dues	Amount	Amount paid under protest	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	14.69	Nil	Financial year 2009-10	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	11.36	Nil	Financial year 2010-11	Commissioner of Income Tax (Appeals)

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Annexure IV

Significant Accounting Policies, Adjustments to the Audited Standalone Financial Statements and Notes to the Restated Standalone Financial Information
(All amounts are in INR Millions, unless otherwise stated)

4.5 Restated Standalone Statement of Share capital

Particulars	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012
Authorised share capital					
Equity shares of Rs. 10 each	540.11	240.10	240.10	165.10	165.00
Compulsorily convertible preference shares of Rs. 1,000 each	-	300.01	300.01	300.01	300.01
	540.11	**540.11**	**540.11**	**465.11**	**465.01**
Issued, subscribed and paid-up capital					
Equity shares of Rs. 10 each*	20.96	20.77	20.77	17.54	17.54
Compulsorily convertible preference shares of Rs. 1,000 each	-	-	-	300.00	300.00
	20.96	**20.77**	**20.77**	**317.54**	**317.54**
Reconciliation of number of shares outstanding at the beginning and at the end of reporting period					
Equity shares					
Number of shares at the beginning of the year	2,076,705	2,076,705	1,753,609	1,753,608	1,753,608
Add: Shares issued during the year	19,484	-	323,096	1	-
Number of shares at the end of the year	**2,096,189**	**2,076,705**	**2,076,705**	**1,753,609**	**1,753,608**
Preference shares					
Number of shares at the beginning of the year	-	-	300,000	300,000	300,000
Less: converted into equity shares during the year	-	-	(300,000)	-	-
Number of shares at the end of the year	**-**	**-**	**-**	**300,000**	**300,000**

* Also Refer note 5 of Annexure XII

Terms, rights, preferences and restrictions attached to equity shares
The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. Each member present in person shall have one vote on show of hand and on a poll shall have the right to vote in proportion to his share in the paid-up capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

Failure to pay any amount called up on shares may lead to forfeiture of the shares.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

Terms, rights, preferences and restrictions attached to preference shares
The Company issued 300,000, 0.001% compulsorily convertible series A preference shares of Rs. 1,000 each before 1 April 2011, to some of its equity shareholders (the 'Investors'). These shares were issued in terms of the Share Subscription and Shareholders' Agreement (the 'Agreement') dated 22 May 2008 between the Company, its equity shareholders and the Investors. Certain salient points contained in the Agreement in respect of such shares are as follows:
- These shares shall rank senior to all classes of shares existing in the Company with respect to dividend distributions and repayment of capital upon liquidation of the Company.
- Each of the Investors shall be entitled to payment of Rs. 1,000 per annum in aggregate on their respective shares by way of dividend from the Company. These shares shall also be entitled to pro rata dividend on "as is converted to equity" basis, as and when dividend is declared by the Board of Directors.
- The conversion of preference shares into equity shares will be linked to the profits of the Company for the year ended 31 March 2009.

- During the year ended 31 March 2014, 300,000, 0.001% compulsory convertible series A preference shares of Rs 1,000 each has been converted into 140 equity shares of Rs. 10 each.

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4.5 Restated Standalone Statement of Share capital

Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:

Equity shares of Rs. 10 each fully paid

Name of the Shareholder		As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012
1. Sanjay Kapoor	No(s)	830,776	830,776	807,835	560,734	499,734
	Percentage	39.63%	40.00%	38.90%	31.98%	28.50%
2. Sequoia Capital India Growth Investments I	No(s)	345,659	339,012	339,012	360,428	360,428
	Percentage	16.49%	16.32%	16.32%	20.55%	20.55%
3. HEP Mauritius Limited	No(s)	278,717	273,357	273,357	223,841	223,841
	Percentage	13.30%	13.16%	13.16%	12.76%	12.76%
4. Sanjay Kapoor Trust	No(s)	210,049	210,049	210,049	-	-
	Percentage	10.02%	10.11%	10.11%	0.00%	0.00%
5. Mayfield FVCI Limited.	No(s)	180,460	176,990	176,990	121,104	121,104
	Percentage	8.61%	8.52%	8.52%	6.91%	6.91%
6. Jyoti Mohan Narula	No(s)	-	-	10	316,118	316,118
	Percentage	0.00%	0.00%	0.00%	18.03%	18.03%
7. Puneet Nanda	No(s)	-	-	-	92,952	153,952
	Percentage	0.00%	0.00%	0.00%	5.30%	8.78%

0.001% compulsorily convertible series A preference shares

Name of the Shareholder		As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012
1.Sequoia Capital India Growth Investment Holdings I	No(s)	-	-	-	196,364	196,364
	Percentage	0.00%	0.00%	0.00%	65.45%	65.45%
2. Mayfield FVCI Limited.	No(s)	-	-	-	81,818	81,818
	Percentage	0.00%	0.00%	0.00%	27.27%	27.27%
3. ICP Holdings I	No(s)	-	-	-	21,818	21,818
	Percentage	0.00%	0.00%	0.00%	7.27%	7.27%

Shares allotted as fully paid up by way of bonus shares :

Particulars	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012
Equity shares allotted as fully paid up bonus shares by utilisation of balance in Securities Premium Account (No. of shares)	-	-	-	-	45,455

Further, subsequent to year end, the Company has declared bonus shares in the ratio of 1 : 4 to all existing share holders which has been approved by the share holders in extra ordinary general meeting held on 14 September 2016.

Money received against share warrants:

On 3 January 2013, the Company had issued five share warrants of Rs 26.66 Millions each to Bennett, Coleman & Co. As per the terms of the warrants, Rs. 13.33 millions have been received as warrant subscription amount. Further, as per the terms of share warrants vide amended agreement dated 30 March 2016, Bennett Coleman & Co, has option to exercise this option till 31 March 2018 ("Warrant Exercise Period") or date by which the warrant would have to be converted under applicable law if securities at the Company are being listed pursuant to an Initial Public Offerings, whichever is earlier and equity shares will be issued at Rs. 6,272.28 per share. In the event, Bennett Coleman & Co., does not exercise its option to acquire shares within the Warrant Exercise Period, the subscription amount of Rs 13.33 millions shall be forfeited by the Company and the share warrants shall lapse.

On 20 September 2016 (i.e. after annual general meeting of the Company for the financial year ended 31 March 2016 which was held on 22 July 2016), Bennett, Coleman & Co. has exercised this option and consequently 128,355 equity shares of Rs. 10 each were issued by the Company at a premium of Rs. 1,028 per share (after giving effect of bonus shares). The impact of this is not considered in the above Restated Financial Information as the change is carried out post 31 March 2016.

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Significant Accounting Policies, Adjustments to the Audited Standalone Financial Statements and Notes to the Restated Standalone Financial Information
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4.6 Restated Standalone Statement of Reserves and Surplus*

Particulars	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012
Securities premium account (A)					
Balance as at beginning of the year	1,553.48	1,553.48	892.24	892.23	892.23
Add : Received during the year	-	-	661.24	0.01	-
Total (A)	**1,553.48**	**1,553.48**	**1,553.48**	**892.24**	**892.23**
Share options outstanding account					
Balance as at beginning of the year	-	-	-	-	-
Expense during the year	-	-	4.40	-	-
Less: transferred to security premium on exercise of options	-	-	(4.40)	-	-
Total (B)	**-**	**-**	**-**	**-**	**-**
Surplus/(Deficit) in the statement of profit and loss					
Balance as at beginning of the year	(569.31)	(438.76)	(311.09)	(99.34)	381.49
Add: Profit transferred from transferor pursuant to scheme of amalgamation	-	-	-	0.00	-
Add: Loss for the year	(55.29)	(130.55)	(127.68)	(211.75)	(480.84)
Total (C)	**(624.60)**	**(569.31)**	**(438.77)**	**(311.09)**	**(99.35)**
TOTAL (A+B+C)	**928.88**	**984.17**	**1,114.71**	**581.15**	**792.88**

* Also refer note 5 of Annexure XII

4.7 Restated Standalone Statement of Non-Current and Current liabilities, Long-term and Short-term provisions and Trade payables

Particulars	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012
Non-current liabilities					
Long-term provisions					
Provision for employee benefits:					
Provision for gratuity	12.62	11.95	11.14	11.33	9.06
Provision for compensated absences	2.84	3.53	4.08	4.61	4.36
Total (A)	**15.46**	**15.48**	**15.22**	**15.94**	**13.42**
Other long-term liabilities					
Security deposit received from customers	31.92	30.13	25.04	24.74	26.82
Creditor for fixed assets	-	-	-	4.35	-
Lease equilisation reserve	11.90	8.10	1.77	2.41	6.03
Total (B)	**43.82**	**38.23**	**26.81**	**31.50**	**32.85**
Current liabilities					
Trade payables					
Outstanding dues to Micro and Small enterprises*	-	-	-	-	-
Outstanding dues to creditrs other than Micro and Small Enterprises	279.23	212.77	200.11	174.12	107.17
Total (C)	**279.23**	**212.77**	**200.11**	**174.12**	**107.17**

*'The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Based on the information available with the Company, there are no overdues outstanding to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Further, the Company has not received any claim for interest from any supplier under the said Act for the period presented above.

Other current liabilities					
Current maturities of long-term borrowings (Refer Annexure V)	38.77	55.45	76.90	90.92	39.28
Current maturities of other long-term liabilities	3.22	3.39	15.44	7.77	1.04
Creditor for fixed assets	0.97	2.18	-	-	-
Advance against property	6.00	-	-	-	200.00
Interest accrued but not due	2.24	6.68	5.19	7.69	7.42
Advances from customers	12.88	8.72	24.31	11.26	18.03
Salaries, bonus and other employee benefits	36.09	17.10	15.84	25.97	10.33
Lease equilisation reserve	-	-	-	1.99	1.69
Excise duty on finished goods	-	-	-	-	5.75
Statutory dues	6.91	6.09	6.65	13.66	14.73
Total (D)	**107.08**	**99.61**	**144.33**	**159.26**	**298.27**
Short-term provisions					
Provision for employee benefits:					
Provision for gratuity	1.04	1.21	1.38	1.47	1.13
Provision for compensated absences	-	0.12	0.06	0.70	0.89
	1.04	**1.33**	**1.44**	**2.17**	**2.02**
Other provisions					
Provision for fringe benefit tax	-	-	0.17	0.17	0.17
Provision for wealth tax	-	0.20	0.21	0.21	0.81
Provision for margin loss on estimated sales returns (Refer note 4.21)	37.05	41.58	25.88	16.45	7.32
	37.05	**41.78**	**26.26**	**16.83**	**8.30**
Total (E)	**38.09**	**43.11**	**27.70**	**19.00**	**10.32**

Genesis Colors Limited ***(formerly known as Genesis Colors Private Limited)***

Annexure IV

Significant Accounting Policies, Adjustments to the Audited Standalone Financial Statements and Notes to the Restated Standalone Financial Information
(All amounts are in INR Millions, unless otherwise stated)

4.8 Restated Standalone Statement of tangible and intangible fixed assets and capital-work-in-progress

Particulars	Tangible fixed assets											Intangible fixed assets			Grand Total
	Freehold land	Building	Plant and machinery	Furniture and fixtures	Vehicles	Leasehold improvements	Computer equipment	Office equipment	Electrical equipment	Vehicles (finance lease)	Total	Trade mark	Software	Total	
Gross block															
As at 1 April 2011	**19.77**	**-**	**20.63**	**39.08**	**21.31**	**169.11**	**36.12**	**34.47**	**-**	**-**	**340.49**	**0.05**	**20.40**	**20.45**	**360.94**
Additions during the year	-	49.55	0.11	4.21	0.51	7.18	0.40	1.39	-	-	**63.35**	-	0.20	**0.20**	**63.55**
Deletions/adjustments during the year	-	-	-	-	2.26	18.71	0.04	-	-	-	**21.01**	-	-	**-**	**21.01**
Deletions under business transfer agreement	-	-	-	0.03	1.32	18.40	0.59	2.64	-	-	**22.98**	-	0.04	**0.04**	**23.02**
As at 31 March 2012	**19.77**	**49.55**	**20.74**	**43.26**	**18.24**	**139.18**	**35.89**	**33.22**	**-**	**-**	**359.85**	**0.05**	**20.56**	**20.61**	**380.46**
Accumulated depreciation															
As at 1 April 2011	**-**	**0.16**	**2.05**	**26.23**	**13.87**	**60.61**	**30.59**	**17.53**	**-**	**-**	**151.04**	**0.05**	**10.38**	**10.43**	**161.47**
For the year	-	0.19	1.03	2.02	1.23	31.63	3.92	3.44	-	-	**43.46**	-	3.30	**3.30**	**46.76**
On deletions/adjustments during the year	-	-	-	-	1.06	10.49	0.02	-	-	-	**11.57**	-	-	**-**	**11.57**
On deletions under business transfer agreements	-	-	-	0.02	0.50	13.20	0.52	0.88	-	-	**15.12**	-	0.02	**0.02**	**15.14**
As at 31 March 2012	**-**	**0.35**	**3.08**	**28.23**	**13.54**	**68.55**	**33.97**	**20.09**	**-**	**-**	**167.81**	**0.05**	**13.66**	**13.71**	**181.52**
Net Block as at 31 March 2012	**19.77**	**49.20**	**17.66**	**15.03**	**4.70**	**70.63**	**1.92**	**13.13**	**-**	**-**	**192.04**	**-**	**6.90**	**6.90**	**198.94**
Gross block															
As at 1 April 2012	**19.77**	**49.55**	**20.74**	**43.26**	**18.24**	**139.18**	**35.89**	**33.22**	**-**	**-**	**359.85**	**0.05**	**20.56**	**20.61**	**380.46**
Additions during the year	11.81	2.04	0.18	2.36	1.62	9.75	0.70	1.12	-	-	**29.58**	-	4.58	**4.58**	**34.16**
Deletions/adjustments during the year	-	-	-	-	0.43	12.16	-	0.01	-	-	**12.60**	-	-	**-**	**12.60**
As at 31 March 2013	**31.58**	**51.59**	**20.92**	**45.62**	**19.43**	**136.77**	**36.59**	**34.33**	**-**	**-**	**376.83**	**0.05**	**25.14**	**25.19**	**402.02**
Accumulated depreciation															
As at 1 April 2012	**-**	**0.35**	**3.08**	**28.23**	**13.54**	**68.55**	**33.97**	**20.09**	**-**	**-**	**167.81**	**0.05**	**13.66**	**13.71**	**181.52**
For the year	-	1.69	1.04	2.05	0.79	27.87	1.94	2.41	-	-	**37.79**	-	3.40	**3.40**	**41.19**
Deletions/adjustments during the year	-	-	-	-	0.37	9.49	-	0.01	-	-	**9.87**	-	-	**-**	**9.87**
As at 31 March 2013	**-**	**2.04**	**4.12**	**30.28**	**13.96**	**86.93**	**35.91**	**22.49**	**-**	**-**	**195.73**	**0.05**	**17.06**	**17.11**	**212.84**
Net Block as at 31 March 2013	**31.58**	**49.55**	**16.80**	**15.34**	**5.47**	**49.84**	**0.68**	**11.84**	**-**	**-**	**181.10**	**-**	**8.08**	**8.08**	**189.18**
Gross block															
As at 1 April 2013	**31.58**	**51.59**	**20.92**	**45.62**	**19.43**	**136.77**	**36.59**	**34.33**	**-**	**-**	**376.83**	**0.05**	**25.14**	**25.19**	**402.02**
Additions during the year	-	63.97	-	4.48	2.26	27.62	1.19	7.87	7.87	-	**115.26**	-	0.57	**0.57**	**115.83**
Deletions/adjustments during the year	-	-	-	-	5.20	42.03	-	0.01	-	-	**47.24**	-	-	**-**	**47.24**
As at 31 March 2014	**31.58**	**115.56**	**20.92**	**50.10**	**16.49**	**122.36**	**37.78**	**42.19**	**7.87**	**-**	**444.85**	**0.05**	**25.71**	**25.76**	**470.61**
Accumulated depreciation															
As at 1 April 2013	**-**	**2.04**	**4.12**	**30.28**	**13.96**	**86.93**	**35.91**	**22.49**	**-**	**-**	**195.73**	**0.05**	**17.06**	**17.11**	**212.84**
For the year	-	3.08	1.05	1.68	0.53	25.02	0.45	1.23	0.36	-	**33.40**	-	3.25	**3.25**	**36.65**
Deletions/adjustments during the year	-	-	-	-	4.25	25.19	-	0.00	-	-	**29.44**	-	-	**-**	**29.44**
As at 31 March 2014	**-**	**5.12**	**5.17**	**31.96**	**10.24**	**86.76**	**36.36**	**23.72**	**0.36**	**-**	**199.69**	**0.05**	**20.31**	**20.36**	**220.05**
Net Block as at 31 March 2014	**31.58**	**110.44**	**15.75**	**18.14**	**6.25**	**35.60**	**1.42**	**18.47**	**7.51**	**-**	**245.16**	**-**	**5.40**	**5.40**	**250.56**

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Annexure IV

Significant Accounting Policies, Adjustments to the Audited Standalone Financial Statements and Notes to the Restated Standalone Financial Information
(All amounts are in INR Millions, unless otherwise stated)

4.8 Restated Standalone Statement of tangible and intangible fixed assets and capital-work-in-progress

Particulars	Tangible fixed assets											Intangible fixed assets			Grand Total
	Freehold land	Building	Plant and machinery	Furniture and fixtures	Vehicles	Leasehold improvements	Computer equipment	Office equipment	Electrical equipment	Vehicles (finance lease)	Total	Trade mark	Software	Total	
Gross block															
As at 1 April 2014	**31.58**	**115.56**	**20.92**	**50.10**	**16.49**	**122.36**	**37.78**	**42.19**	**7.87**	**-**	**444.85**	**0.05**	**25.71**	**25.76**	**470.61**
Additions during the year	-	2.61	-	3.43	-	3.24	1.61	2.24	-	3.21	**16.34**	-	0.45	**0.45**	**16.79**
Deletions/adjustments during the year	-	-	-	-	3.41	1.69	-	0.19	-	-	**5.29**	-	-	**-**	**5.29**
As at 31 March 2015	**31.58**	**118.17**	**20.92**	**53.53**	**13.08**	**123.91**	**39.39**	**44.24**	**7.87**	**3.21**	**455.90**	**0.05**	**26.16**	**26.21**	**482.11**
Accumulated depreciation															
As at 1 April 2014	**-**	**5.12**	**5.17**	**31.96**	**10.24**	**86.76**	**36.36**	**23.72**	**0.36**	**-**	**199.69**	**0.05**	**20.31**	**20.36**	**220.05**
For the year	-	3.61	5.80	11.19	3.13	10.80	1.62	10.70	0.77	0.16	**47.78**	-	2.28	**2.28**	**50.06**
Deletions/adjustments during the year	-	-	-	-	1.95	0.38	-	0.15	-	-	**2.48**	-	-	**-**	**2.48**
As at 31 March 2015	**-**	**8.73**	**10.97**	**43.15**	**11.42**	**97.18**	**37.98**	**34.27**	**1.13**	**0.16**	**244.99**	**0.05**	**22.59**	**22.64**	**267.63**
Net Block as at 31 March 2015	**31.58**	**109.44**	**9.95**	**10.38**	**1.66**	**26.73**	**1.41**	**9.97**	**6.74**	**3.05**	**210.91**	**-**	**3.57**	**3.57**	**214.48**
Gross block															
As at 1 April 2015	**31.58**	**118.17**	**20.92**	**53.53**	**13.08**	**123.91**	**39.39**	**44.24**	**7.87**	**3.21**	**455.90**	**0.05**	**26.16**	**26.21**	**482.11**
Additions during the year	-	2.70	-	3.97	-	12.72	2.97	2.66	-	0.64	**25.66**	-	0.35	**0.35**	**26.01**
Deletions/adjustments during the year	1.21	-	-	-	-	20.62	-	-	-	-	**21.83**	-	-	**-**	**21.83**
Assets reclassified as held for sale	8.56	35.84	-	-	-	-	-	-	-	-	**44.40**	-	-	**-**	**44.40**
As at 31 March 2016	**21.81**	**85.03**	**20.92**	**57.50**	**13.08**	**116.01**	**42.36**	**46.90**	**7.87**	**3.85**	**415.33**	**0.05**	**26.51**	**26.56**	**441.89**
Accumulated depreciation															
As at 1 April 2015	**-**	**8.73**	**10.97**	**43.15**	**11.42**	**97.18**	**37.98**	**34.27**	**1.13**	**0.16**	**244.99**	**0.05**	**22.59**	**22.64**	**267.63**
For the year	-	4.04	5.13	4.88	0.55	7.48	1.66	3.99	1.01	0.64	**29.38**	-	1.38	**1.38**	**30.76**
Deletions/adjustments during the year	-	-	-	-	-	16.42	-	-	-	-	**16.42**	-	-	**-**	**16.42**
Assets reclassified as held for sale	-	3.29	-	-	-	-	-	-	-	-	**3.29**	-	-	**-**	**3.29**
As at 31 March 2016	**-**	**9.48**	**16.10**	**48.03**	**11.97**	**88.24**	**39.64**	**38.26**	**2.14**	**0.80**	**254.66**	**0.05**	**23.97**	**24.02**	**278.68**
Net Block as at 31 March 2016	**21.81**	**75.55**	**4.82**	**9.47**	**1.11**	**27.77**	**2.72**	**8.64**	**5.73**	**3.05**	**160.67**	**-**	**2.54**	**2.54**	**163.21**

Annexure IV

Significant Accounting Policies, Adjustments to the Audited Standalone Financial Statements and Notes to the Restated Standalone Financial Information

(All amounts are in INR Millions, unless otherwise stated)

4.9 Restated Standalone Statement of Deferred tax

Particulars	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012
Deferred tax assets on account of:					
Difference between net book value and written down value of fixed assets as per Income-tax Act, 1961	35.94	36.38	38.12	26.07	18.13
Excess of depreciation and interest charged on the leased assets in accounts over allowance for lease rentals under income-tax law	0.05	0.01	-	-	-
Carried forward losses and unabsorbed depreciation	308.55	292.99	262.68	237.17	176.86
Provision for gratuity	4.43	4.27	4.06	4.15	3.31
Provision for compensated absences	0.92	1.18	1.35	1.73	1.70
Provision for loss of margin on sales returns	12.03	13.49	8.40	5.34	2.37
Provision for doubtful receivables	15.81	13.10	14.97	13.29	13.48
Provision for lease equilisation reserve	4.90	2.99	1.03	1.42	2.51
Others	-	-	-	-	1.70
Total	**382.63**	**364.41**	**330.61**	**289.17**	**220.06**
Less:- Deferred tax assets not recognised due to absence of virtual certainty of realization in future	(382.63)	(364.41)	(330.61)	(289.17)	(220.06)
Deferred tax assets	**-**	**-**	**-**	**-**	**-**

Annexure IV

Significant Accounting Policies, Adjustments to the Audited Standalone Financial Statements and Notes to the Restated Standalone Financial Information
(All amounts are in INR Millions, unless otherwise stated)

4.10 Restated Standalone Statement of Inventories

Particulars	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012
(At the lower of cost and net realisable value)					
Raw materials	81.04	69.16	70.81	72.77	86.25
Finished goods	187.62	224.55	314.71	210.85	226.24
Traded goods	147.17	105.39	182.05	165.20	186.81
Total	**415.83**	**399.10**	**567.57**	**448.82**	**499.30**

4.11 Restated Standalone Statement of Cash and Bank balances

Particulars	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012
Cash and cash equivalents					
Cash on hand	0.29	1.48	1.23	1.67	0.73
Balances with banks					
-On current accounts	8.03	9.21	39.72	10.73	6.52
-On deposit accounts with original maturities of 3 months or less	-	-	-	3.04	0.59
Others					
-Credit card collections in hand*	-	1.32	0.47	0.88	0.19
	8.32	**12.01**	**41.42**	**16.32**	**8.03**
Other bank balances					
Bank deposit accounts due to mature within 12 months of the reporting date	1.20	1.46	1.20	0.22	-
	9.52	**13.47**	**42.62**	**16.54**	**8.03**

* Represents the amount of collection with respect to credit card swipes by customers outstanding as at the year end, credited to the Company's bank account subsequent to year end.

Detail of bank deposits					
Bank deposit with original maturity of 3 months or less included under 'Cash and cash equivalents'	-	-	-	3.04	0.59
Bank deposit due to mature within 12 months of the reporting date included under 'Other bank balances'	1.20	1.46	1.20	0.22	-
Bank deposit due to mature after 12 months of the reporting date included under 'Non current assets' (Refer Annexure VII)	0.37	-	0.42	3.46	3.59

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Significant Accounting Policies, Adjustments to the Audited Standalone Financial Statements and Notes to the Restated Standalone Financial Information
(All amounts are in INR Millions, unless otherwise stated)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
4.12 Cost of materials consumed					
Opening stock	69.16	70.81	72.77	86.25	243.95
Add : purchases	196.65	178.57	272.36	291.40	399.06
Less: cost of raw fabric sold	-	-	-	43.32	-
Less: inventory written off	-	-	-	-	338.57
Less : closing stock	81.04	69.16	70.81	72.77	86.25
Total	**184.77**	**180.22**	**274.32**	**261.56**	**218.19**
a) Details of raw materials consumed					
- Raw fabric	123.78	128.08	199.15	150.30	138.68
- Consumables	60.99	52.14	75.17	111.26	79.51
Total	**184.77**	**180.22**	**274.32**	**261.56**	**218.19**
4.13 Purchases of traded goods					
Purchase of traded goods	**243.02**	**110.00**	**223.95**	**192.47**	**205.66**
Additional disclosure relating to purchase of traded goods:					
Ties	0.18	0.14	0.68	16.53	4.79
Accessories	45.73	24.32	51.14	55.11	30.67
Women's wear					
- Lingerie	163.58	81.45	162.05	96.28	32.29
- Sarees	-	-	-	1.11	1.67
- Others	33.53	4.09	10.08	23.44	136.24
Total	**243.02**	**110.00**	**223.95**	**192.47**	**205.66**
4.14 Changes in inventories of finished goods and traded goods					
Finished goods					
Opening stock	224.55	314.71	210.85	226.24	240.97
Less: closing stock	187.62	224.55	314.71	210.85	226.24
	36.93	**90.16**	**(103.86)**	**15.39**	**14.73**
Traded goods					
Opening stock	105.39	182.05	165.20	186.81	327.35
Less:- slump sale	-	-	-	-	16.19
Less: cost of sales of traded fabric	-	-	-	6.55	-
Less: inventory written off	-	-	-	-	106.59
Less: closing stock	147.17	105.39	182.05	165.20	186.81
	(41.78)	**76.66**	**(16.85)**	**15.06**	**17.76**
Total	**(4.85)**	**166.82**	**(120.71)**	**30.45**	**32.49**
4.15 Employee benefits expense					
Salaries and wages	253.31	245.68	203.41	185.20	152.25
Contribution to provident and other funds	8.99	7.23	4.19	3.39	3.07
Expense on employee stock option scheme	1.87	-	4.40	-	-
Staff welfare expenses	2.56	2.96	4.32	5.17	6.74
Total	**266.73**	**255.87**	**216.32**	**193.76**	**162.06**
4.16 Finance Costs					
Interest expense					
- Interest on cash credit and term loans	62.30	66.01	64.05	63.29	62.36
- Interest on loans and deposits	-	0.61	4.38	26.51	25.22
- Interest on others	0.37	1.36	0.76	0.17	0.15
Other borrowing costs					
- Loan processing charges	1.45	1.49	2.53	3.13	-
Total	**64.12**	**69.47**	**71.72**	**93.10**	**87.73**

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
4.17 Other expenses					
Advertisement	26.35	35.20	41.94	35.80	34.70
Royalty	1.28	3.42	11.05	11.81	12.38
Provision for loss of margin on sales returns (net) [Refer note 4.21]	-	15.70	9.43	9.13	1.11
Commission on sales	0.15	0.32	0.48	0.92	1.46
Rent	116.52	116.84	121.94	116.99	131.56
Electricity and water charges	16.00	15.05	14.08	11.70	9.30
Recruitment and training	2.00	1.88	1.14	2.98	1.49
Fees and subscription	0.69	1.16	1.78	1.24	0.80
Insurance	0.47	1.37	2.08	2.24	2.48
Freight and octroi charges	11.63	15.87	10.09	9.43	8.55
Warehouse charges	27.02	14.47	-	-	-
Legal and professional	33.52	36.43	49.40	52.10	50.17
Printing and stationery	2.46	2.01	1.94	2.41	2.16
Rates and taxes	12.60	8.68	14.03	13.95	13.41
Repairs and maintenance - others	31.89	42.73	39.12	46.52	36.98
Security charges	1.39	2.92	3.98	4.59	4.24
Communication expenses	9.69	7.66	7.94	8.92	4.62
Travelling and conveyance	17.43	25.21	19.76	19.09	15.95
Foreign exchange loss (net)	-	0.56	-	-	-
Business promotion	6.67	9.38	12.53	7.65	3.21
Provision for doubtful receivables	8.34	-	5.17	-	3.74
Job work charges	111.96	101.34	122.17	128.06	88.05
Loss on sale of fixed assets	3.69	1.47	14.87	2.64	9.37
Miscellaneous expenses	6.48	10.20	15.29	11.81	7.98
Total	**448.23**	**469.87**	**520.21**	**499.98**	**443.71**
4.18 Exceptional items					
Profit on disinvestment in subsidiary*	-	-	-	13.82	129.66
Sale of business#	-	-	-	-	120.45
Inventory written off@	-	-	-	-	(445.16)
Total	**-**	**-**	**-**	**13.82**	**(195.05)**

* **Profit on disinvestment in subsidiary**

During the year ended 31 March 2012, the Company had sold 973,106 equity shares of Genesis Luxury Fashion Private Limited (a subsidiary company) to Genesis Lifestyle Event Private Limited (another subsidiary) at a consideration of 159.30 millions. The consideration was not received in cash and was settled through interest free loan given to Genesis Lifestyle Event Private Limited.

During the year ended 31 March 2013, Genesis Luxury Fashion Private Limited had bought back 679,135 equity shares at a consideration of 125 millions. Also refer note 4.23

\# **Sale of business** - On 1 October 2011, the Company had sold the 'Samsara Business' to GLF Lifestyle Brands Private Limited on slump sale basis, which was approved by the Board of Directors on 30 August 2011. The assets and liabilities transferred pursuant to this slump sale were as under:-

Particulars	Amount
Assets:	
Fixed assets (net of accumulated depreciation)	7.89
Trade receivables	107.83
Inventories	16.18
Security deposits	7.06
Less: Liabilities	
Creditors	3.58
Provision for employee benefits	1.38
Security deposits received from customers	4.45
Value of net assets transferred	**129.55**
Consideration received	250.00
Profit in the transaction	**120.45**

@ **Inventory written off** - During the year ended 31 March 2012, the Company had decided to liquidate the bulk fabric, that was accumulated for commercial reasons and which could not be consumed in the mainline product and brand. Accordingly, the management identified such stock of raw material and merchandise, purchased as bulk fabric and decided to liquidate the same on stock lot basis. For this purpose, Company invited bids from prospective third parties and sold the entire stock lot for a consideration of Rs. 49.88 million. Cost of such aforesaid inventory was Rs. 495.04 million and consequently, the Company incurred a onetime exceptional loss of Rs. 445.16 million. (Please also refer Note #1 of 4.3 - Statement of Adjustments to the Audited Standalone Financial Statements).

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited)*

Annexure IV

Significant Accounting Policies, Adjustments to the Audited Standalone Financial Statements and Notes to the Restated Standalone Financial Information
(All amounts are in INR Millions, unless otherwise stated)

4.19 Restated standalone statement of Gratuity

Particulars	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012
Changes in defined benefit obligations					
Liability at the beginning of the year	**13.16**	**12.51**	**12.80**	**10.19**	**8.91**
Current service cost	3.78	3.49	3.72	2.76	2.83
Interest cost	1.05	1.42	1.26	1.06	0.92
Liabilities settled on transfer of business	-	-	-	-	(0.60)
Benefits paid	(1.77)	(5.40)	(1.31)	(1.51)	(0.57)
Actuarial losses/(gains)	(2.56)	1.14	(3.95)	0.30	(1.30)
Liability at the end of the year	**13.66**	**13.16**	**12.52**	**12.80**	**10.19**
Amount recognised in the Balance Sheet					
Liability at the end of the year	13.66	13.16	12.52	12.80	10.19
Expenses recognised in the Statement of Profit and Loss					
Current service cost	3.78	3.49	3.72	2.76	2.83
Interest cost on benefit obligation	1.05	1.42	1.26	1.06	0.92
Net actuarial losses/(gains) recognised in the year	(2.56)	1.12	(3.95)	0.30	(1.31)
Net expense	**2.27**	**6.03**	**1.03**	**4.12**	**2.44**
Experience adjustments					
Defined benefit obligation	13.66	13.16	12.52	12.80	10.19
Surplus/(deficit)	(13.66)	(13.16)	(12.52)	(12.80)	(10.19)
Experience adjustment on plan liabilities	(2.56)	(0.21)	(2.52)	(0.33)	(0.89)
The following are the principal actuarial assumptions at the reporting date:					
Discount rate	8.00%	8.00%	9.30%	7.95%	8.60%
Salary escalation rate (P.a.)	8.00%	8.00%	8.00%	8.00%	8.00%
Demographic assumptions:					
1. Retirement age:	58 Years	58 Years	58 Years	58 Years	58 Years
2. Mortality rate:	IALM (2006-08) ULT table	IALM (2006-08) ULT table	IALM (2006-08) ULT table	IALM (2006-08) ULT table	LIC (1994-96) duly modified
3. Withdrawal rate:	10% per annum	10% per annum	10% per annum	10% per annum	10% per annum

4.20 Employee stock option plan

a. Description of share-based payment arrangements

As at 31 March 2016, the Company has the following share-based payment arrangement for employees.

2013 Equity Participation Program ('the 2013 plan')

During the year ended 31 March 2014, the Company had approved a share option programme. The plan entitles key management personnel and senior employees of the Company and two subsidiaries to purchase the common shares of the Company at the stipulated market price on the grant date, subject to compliance with vesting conditions. All exercised options shall be settled by physical delivery of shares. Upon vesting, the employees can acquire one common share of the Company for every option.

The terms and conditions related to the grant of the share options are as follows.

1) 42,814 options have following vesting periods:

Vesting	% of Options vested	Cumulative % of options	Vesting date for grant
1st	10%	10%	April 1, 2014
2nd	20%	30%	April 1, 2015 or 90 days before opening of Initial Public Offering (IPO) of the Company, whichever is later
3rd	30%	60%	April 1, 2016 or 90 days before opening of Initial Public Offering (IPO) of the Company, whichever is later
4th	40%	100%	April 1, 2017 or 90 days before opening of Initial Public Offering (IPO) of the Company, whichever is later

2) 3,717 options have following vesting period:

Vesting	% of Options vested	Cumulative % of options	Vesting date for grant
1st	25%	25%	April 1, 2016 or 90 days before opening of Initial Public Offering (IPO) of the Company, whichever is later
2nd	75%	100%	April 1, 2017 or 90 days before opening of Initial Public Offering (IPO) of the Company, whichever is later

3) 850 options have following vesting period:

Vesting	% of Options vested	Cumulative % of options	Vesting date for grant
1st	100%	100%	March 31, 2016

4) 7,306 options have following vesting period:

Vesting	% of Options vested	Cumulative % of options	Vesting date for grant
1st	100%	100%	March 31, 2014

5) 4,278 options have following vesting periods:

Vesting	% of Options vested	Cumulative % of options	Vesting date for grant
1st	10%	10%	June 1, 2016
2nd	20%	30%	January 1, 2017 or 90 days before opening of Initial Public Offering (IPO) of the Company, whichever is later
3rd	30%	60%	January 1, 2018 or 90 days before opening of Initial Public Offering (IPO) of the Company, whichever is later
4th	40%	100%	January 1, 2019 or 90 days before opening of Initial Public Offering (IPO) of the Company, whichever is later

4.20 Employee stock option plan

6) 1,750 options have following vesting periods:

Vesting	% of Options vested	Cumulative % of options	Vesting date for grant
1st	10%	10%	June 1, 2016
2nd	20%	30%	June 1, 2017 or 90 days before opening of Initial Public Offering (IPO) of the Company, whichever is later
3rd	30%	60%	June 1, 2018 or 90 days before opening of Initial Public Offering (IPO) of the Company, whichever is later
4th	40%	100%	June 1, 2019 or 90 days before opening of Initial Public Offering (IPO) of the Company, whichever is later

7) 1,250 options have following vesting periods:

Vesting	% of Options vested	Cumulative % of options	Vesting date for grant
1st	10%	10%	October 1, 2016
2nd	20%	30%	October 1, 2017 or 90 days before opening of Initial Public Offering (IPO) of the Company, whichever is later
3rd	30%	60%	October 1, 2018 or 90 days before opening of Initial Public Offering (IPO) of the Company, whichever is later
4th	40%	100%	October 1, 2019 or 90 days before opening of Initial Public Offering (IPO) of the Company, whichever is later

Reconciliation of outstanding share options

The number and weighted average exercise prices of share options under employee stock option plans are as follows:

Particulars	For the year ended 31 March 2016		For the year ended 31 March 2015		For the year ended 31 March 2014	
	Number of equity shares	Weighted average exercise price	Number of equity shares	Weighted average exercise price	Number of equity shares	Weighted average exercise price
Options outstanding at the beginning of the year	15,383	2,863.77	35,102	2,990.86	-	-
Granted during the year	7,278	3,090.00	-	-	54,687	2,533.00
Exercised during the year	-	-	-	-	7,306	10
Forfeited during the year	717	3,090.00	19,719	3,090.00	12,279	2,723.14
Options outstanding at the end of the year	21,944	2,931.41	15,383	2,863.77	35,102	2,990.86
Options exercisable at the end of the year	1,467	2,852.78	1,467	2,852.78	-	-

Particulars relating to exercise price and weighted average contractual life of options outstanding as at:

	March 31, 2016	March 31, 2015	March 31, 2014
Exercise price	Rs.1930 - Rs. 3,090	Rs.1930 - Rs. 3,090	Rs.10 - Rs. 3,090
Weighted average contractual life	4.66 years	4.77 years	5.72 years

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited)*

Annexure IV

Significant Accounting Policies, Adjustments to the Audited Standalone Financial Statements and Notes to the Restated Standalone Financial Information
(All amounts are in INR Millions, unless otherwise stated)

4.20 Employee stock option plan

b. Share option programme of the Subsidiary Company

One of the subsidiary company (Genesis Luxury Fashion India Private Limited) (GLF) had implemented Employee Stock Option Plan 2015 ('ESOP Plan') which provides for allotment of up to 388,432 equity shares of Rs.10 each to certain employees of the Company, subsidiary company and the step down subsidiary company. During the year ended 31 March 2016, the subsidiary Company has given 54,000 options to two employees of the Company at an exercise price of Rs 147 per option.
These options have following vesting period:

Category 2 (as per the ESOP scheme of subsidiary company)

Vesting	% of Options vested	Cumulative % of options	Vesting date for grant
1st	10%	10%	June 01, 2016
2nd	20%	30%	June 01, 2017
3rd	30%	60%	June 01, 2018
4th	40%	100%	June 01, 2019

Category 5 (as per the ESOP scheme of subsidiary company)

Vesting	% of Options vested	Cumulative % of options	Vesting date for grant
1st	50%	50%	October 01, 2016
2nd	50%	100%	October 01, 2017

The options are to be exercised within a maximum period of 3 years from the date of vesting. The options outstanding as at 31 March 2016 have an exercise price of Rs. 147 and weighted average balance life of options outstanding as at 31 March 2016 is 2.18 years.

Details of movement under the stock option plan are as under:

Particulars	For the year ended 31 March 2016	
	Number of equity shares	Weighted average exercise price
Options outstanding at the beginning of the year	-	-
Options granted during the year	54,000	147.00
Options outstanding at the end of the year	54,000	147.00
Options exercisable at the end of the year	-	-

As permitted by the guidance note on the subject issued by the Institute of Chartered Accounts of India, the Company has elected to account for stock options based on their intrinsic value (i.e. the excess of quoted market price of the underlying share over the exercise price) at the grant date rather than their fair value at that date. Had the compensation cost for employee stock options been determined on the basis of the fair value approach as described in the ICAI guidance note, the Company's net profit/(loss) after tax and basic and diluted earnings/(loss) per share would have been as per the proforma amounts shown below:

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014
Net loss for the year, as restated	(55.29)	(130.55)	(127.68)
Less: stock-based employee compensation expense determined under fair value based method (net of distribution by subsidiary)	(1.79)	-	(4.40)
Add: Compensation cost recorded under intrinsic value method (net of distribution by subsidiary)	-	-	4.40
Pro forma net loss	(53.50)	(130.55)	(118.88)
Impact on EPS (INR per share)			
- Basic	(25.74)	(62.86)	(59.38)
- Dilutive	(25.74)	(62.86)	(59.38)

4.20 Employee stock option plan

The grant date fair value of the options granted to employees was measured based on the Black-Scholes option-pricing model. Expected volatility, an input in this formula, is estimated by considering historic average share price volatility.

The inputs used in the measurement of grant-date fair values are as follows:

	GCPL Options		GLF Options
Particulars	**31 March 2016**	**31 March 2014**	**31 March 2016**
Exercise price	Rs 3,090	Rs. 10 – Rs 3,090	Rs. 147
Share price	Rs. 2,931.61	Rs. 618.21	Rs. 308
Expected volatility	10%	0%	10%
Expected life	7 years	1 year to 3 years	10 years
Expected dividend	Nil	0%	Nil
Risk-free interest rate	8.33%	9.30%	8.33%
Fair value of Options	Rs. 1,167	Nil	Rs. 242

4.21 Provision for loss of margin on sales return

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 utilized over the next one year.
The relevant disclosure as per Accounting Standard 29 'Provisions, Contingent Liabilities and Contingent Assets' are as follows:

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
Balance as at beginning of the year	41.58	25.88	16.45	7.32	6.20
Additional provisions made in the year	37.05	41.58	25.88	16.45	7.32
Reversal during the year	41.58	25.88	16.45	7.32	6.20
Balance as at end of the year	**37.05**	**41.58**	**25.88**	**16.45**	**7.32**

4.22 Segment reporting

The Company is primarily engaged in the manufacture and trading of garments, fashion accessories and organizing related fashion events. All these activities are primarily within the country with certain export revenues, where risks and rewards are not substantially different. Therefore, all the activities represent one business segment in the context of Accounting Standard 17 on "Segment Reporting", specified under section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014.

4.23 Scheme of amalgamation

A Scheme of Amalgamation of Genesis Life Style Events Private Limited a wholly owned subsidiary ("transferor company"), and the Company ("transferee company), and their respective shareholders, under Sections 391 to 394 of the Companies Act, 1956 ("the Scheme") was approved by the shareholders of the respective companies and sanctioned by the Honorable High Court of Delhi (vide its Order dated 07 August 2013).
The Scheme became effective on 23 September 2013 ("Effective Date") on submission of the order of the High Court of Delhi with Registrar of Companies at New Delhi. The appointed date from which the Scheme was operative is 1 December 2012 (the "Appointed Date").
The transferor Company was engaged in the business of promoting, sponsoring and running all sort of events, shows, public relations, launches, exhibitions, social events, trade shows, films, programmes of songs, music and dance etc.

a) Salient features of the Scheme
(i) Consequent to the scheme, the whole of the business and undertakings including the property, rights and powers of the transferor Company was transferred, without further act or deed, to the Company.
(ii) All liabilities and duties of the transferor company was transferred without further act or deed to the Company.
(iii) All proceedings pending by and against the transferor company was continued by or against the Company.
(iv) Since the transferor company was the wholly owned subsidiary of the Company, no shares were being issued to the shareholders of the transferor company on amalgamation with the Company.
(v) With effect from the appointed date and until occurrence of the effective date, the transferor company was deemed to have carried on all the business and activities and stand possessed of all the properties and assets for and on account of and in trust for the transferee Company. All the profits accruing to the transferor company and all taxes thereon or losses arising or incurred by them were, for all purposes, were treated as and deemed to be the profits or losses or taxes of the Company.

(vi) On occurrence of the effective date and with effect from the appointed date, the authorised capital of the transferor company stand merged with the authorized share capital of the Company, without any further act of the Company or its shareholders. Consequently, the authorised share capital of the Company was increased by Rs. 100,000 classified as comprising of 10,000 equity shares of Rs 10 each.

b) Accounting treatment
(i) On the scheme becoming effective, the Company had accounted for the Amalgamation in its books as per the Pooling of Interest method of accounting, prescribed under the Accounting Standard 14, issued by the Companies (Accounting Standards) Rules, 2006, to the extent applicable.
(ii) On amalgamation, the Company had recorded all assets and liabilities, including provisions, and reserves of the transferor company, pursuant to this scheme, at the respective book values thereof as appearing in the books of account of the transferor company, at the close of business of the day immediately preceding the appointed date.
(iii) Intercompany balances in terms of receivables and payables, including investment held by the Company in the transferor company, were cancelled.
(iv) In case of any differences in accounting policy between the Company and transferor company, the impact of the same till the appointed date was quantified and adjusted in the balance sheet of the Company in accordance with the Accounting Standards prescribed under Section 211(3C) or any other applicable provisions of the Act, to ensure that the financial statements of the Company reflect the financial position on the basis of consistent accounting policy.
(v) The difference, if any, between the value of assets and the value of the liabilities and reserves of the transferor company vested in the Company was adjusted to the capital reserve of the Company which shall be available for all purposes including the issue of bonus shares.
(vi) Assets and liabilities taken over pursuant to the scheme of arrangement as at the appointed date 1 December 2012 and adjustments arising pursuant to the above-mentioned accounting treatment in the financial statements of the Company as at 1 December 2012 were as follows:

Particulars	Amount (INR)
Assets taken over pursuant to scheme of arrangement	
Non current investments	159.30
Long term advances	0.08
Cash and cash equivalents	0.27
Total (A)	**159.66**
Liabilities taken over pursuant to scheme of arrangement	
Short term borrowings	159.30
Other current liabilities	0.25
Total (B)	**159.55**
Net assets taken over (C=A-B)	**0.10**
Reserves and surplus transferred pursuant to scheme of arrangement (D)	
Equity Shares (adjusted with investment) (E)	0.10
Net balance transferred / adjusted in reserves (F=C-D-E)	**Nil**

There were no significant operations in the transferor company.

4.24 Litigations against the Company

Income tax
Certain demand notices relating to direct tax matters amounting to Rs. 26.05 million have neither been acknowledged as claims nor considered as contingent liabilities by the Company. Based on internal assessment and independent advice taken from tax experts, the Company is of firm belief that the above demands is not tenable and highly unlikely to be retained by higher authorities and is accordingly not carrying any provision in its books in respect of the same.

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited)*

Annexure V

Restated Standalone Statement of Long-Term and Short-Term Borrowings
(All amounts are in INR Millions, unless otherwise stated)

Particulars	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012
Long-term borrowings					
Secured					
Term Loan					
- from banks	-	0.11	0.59	0.92	0.77
- from others	-	-	20.48	51.51	16.22
Finance lease obligation	2.33	2.56	-	-	-
	2.33	**2.67**	**21.07**	**52.43**	**16.99**
Short-term borrowings					
Cash credit and working capital facilities from banks (secured)	448.55	420.61	447.88	372.34	360.33
Loan from related party (unsecured)	-	-	-	44.30	44.30
	448.55	**420.61**	**447.88**	**416.64**	**404.63**
	450.88	**423.28**	**468.95**	**469.07**	**421.62**
Current maturities of long-term debt					
Term Loan					
- from banks	-	0.21	0.85	0.76	0.36
- from others	38.04	54.71	76.05	90.16	38.92
Finance lease obligation	0.73	0.53	-	-	-
	38.77	**55.45**	**76.90**	**90.92**	**39.28**
Total	**489.65**	**478.73**	**545.85**	**559.99**	**460.90**

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited)*

Annexure V

Restated Standalone Statement of Long-Term and Short-Term Borrowings
(All amounts are in INR Millions, unless otherwise stated)

Particulars in respect of the loans obtained by the Company (other than loans obtained from Directors/ Promoters/ Promoter Group Companies/ Group Entities/ Relatives of Directors/ Holding Company/ Subsidiary Companies/ Fellow Subsidiaries):

Sr. No.	Name of the lender	Nature of borrowing	Rate of interest	Amount outstanding as at 31 March					Repayment terms	Prepayment charges	Default charges	Security
				2016	2015	2014	2013	2012				
1	HDFC Bank	Vehicle Loan	9.25%	-	-	0.06	0.20	0.32	48 Equal Monthly Instalments	Nil for initial 6 months; 6% for 7 to 12 months; thereafter 3%.	2% per month	Hypothecation against purchased vehicle.
2	Punjab National Bank	Vehicle Loan	12.00%	-	-	0.22	0.32	0.40	49 Equal Monthly Instalments	NA	2% of the outstanding amount	Hypothecation against purchased vehicle.
3	Alphera Financial Services	Vehicle Loan	10.38%	-	-	0.31	0.52	-	36 Equal Monthly Instalments	3% for initial 12 months; thereafter 2%.	2% of the outstanding amount	Hypothecation against purchased vehicle.
4	Kotak Mahindra Bank	Vehicle Loan	12.50%	-	-	0.09	0.26	0.40	59 Equal Monthly Instalments	5.75% of Principal Amount.	3% of the outstanding amount	Hypothecation against purchased vehicle.
5	ICICI Bank	Vehicle Loan	11.25%	-	0.32	0.51	-	-	36 Equal Monthly Instalments	5.70% of Principal Amount.	Sanc- 5% noc(paid)- 5.75%	Hypothecation against purchased vehicle.
6	Alphera Financial services	Vehicle Loan	10.84%	-	-	0.24	0.40	-	36 Equal Monthly Instalments	3% for initial 12 months; thereafter 2%.	2% of the outstanding amount	Hypothecation against purchased vehicle.
7	India Bulls Financial Services Ltd.	Term loan	LFRR *less* 5.75%	-	54.71	-	-	-	14 Equal Monthly Instalments	5% for initial 6 months; thereafter nil.	NA	Personal Property of relative of Director
8	India Bulls Financial Services Ltd.	Term loan	LFRR *less* 7.00%	38.04	-	-	-	-	12 Equal Monthly Instalments	5% for initial 6 months; thereafter nil.	NA	Personal Property of relative of Director
9	Orix Leasing and Financial Services India Ltd.	Finance Lease Obligation	13.50%	2.56	3.08	-	-	-	60 Equal Monthly Instalments	future rentals to be discounted at 10%.	24% pa	Hypothecation against purchased vehicle.
10	Orix Leasing and Financial Services India Ltd.	Finance Lease Obligation	13.50%	0.50	-	-	-	-	60 Equal Monthly Instalments	future rentals to be discounted at 1.5%.	24% pa	Hypothecation against purchased vehicle.
11	SVB India Finance Pvt. Ltd.	Term loan	12.00%	-	-	-	16.22	55.14	37 equal monthly instalments	1% of Principal amount	NA	Personal Property of Director
12	India Bulls Financial Services Ltd.	Term loan	LFRR *less* 3.50%	-	-	21.13	58.66	-	24 equal monthly instalments	5% for first 6 months after that nil.	NA	Personal Property of relative of Director
13	India Bulls Financial Services Ltd.	Term loan	LFRR less 4.50%	-	-	30.97	66.79	-	24 equal monthly instalments	5% for first 6 months after that nil.	NA	Personal Property of relative of Director

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited)*

Annexure V

Restated Standalone Statement of Long-Term and Short-Term Borrowings
(All amounts are in INR Millions, unless otherwise stated)

Particulars in respect of the loans obtained by the Company (other than loans obtained from Directors/ Promoters/ Promoter Group Companies/ Group Entities/ Relatives of Directors/ Holding Company/ Subsidiary Companies/ Fellow Subsidiaries):

Sr. No.	Name of the lender	Nature of borrowing	Rate of interest	Amount outstanding as at 31 March					Repayment terms	Prepayment charges	Default charges	Security
				2016	2015	2014	2013	2012				
14	India Bulls Financial Services Ltd.	Term loan	LFRR *less* 4.50%	-	-	44.48	-	-	24 equal monthly instalments	5% for first 6 months after that nil.	NA	Personal Property of relative of Director
15	IDBI Bank	Cash credit limits	Bank Rate + 4.00%	98.36	36.04	97.98	16.32	3.44	N/A	N/A	N/A	- first pari passu charge over entire current assets and movable fixed assets (except for those located at Plot No. 28, Sector 6, Manesar Gurgaon). - equitable mortgage (on second charge basis) over land and building located at Plot No. 28, Sector 6, Manesar Gurgaon. - first pari passu charge over the land and building located at 526 Industrial Estate, Barhi, Sonepat Haryana - first charge on pari passu basis on Brand value "SATYA PAUL",the flagship brand of the Company Further, three Directors of the Company have also given their personal guarantees in respect of such loans.
16	HDFC Bank	Cash credit limits	Bank Rate + 4.25%	-	-	-	-	5.99	N/A	N/A	N/A	
17	Punjab National Bank	Cash credit limits	Bank Rate + 3.25%	350.19	384.58	349.85	356.01	350.91	N/A	N/A	N/A	

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Annexure V

Restated Standalone Statement of Long-Term and Short-Term Borrowings
(All amounts are in INR Millions, unless otherwise stated)

Particulars in relation to loans obtained from Directors/ Promoters/ Promoter Group Companies/ Group Entities/ Relatives of Directors/ Holding Company/ Subsidiary Companies/ Fellow Subsidiaries:

Sr. No.	Name of the lender	Sanctioned amount	Loan amount	Outstanding amount as at 31 March					Rate of interest	Date of agreement	Repayable on demand	Repayment terms
				2016	2015	2014	2013	2012				
1	Deepak Mohan Narula	44.30	44.30	-	-	-	44.30	44.30	12.00%	01-Jun-11	No	- Loan can be be repaid or availed anytime during the said term of loan
2	GLF Lifestyle Brands Private Limited	80.00	80.00	-	-	-	-	-	13.50%	10-Aug-11	No	- Loan can be be repaid or availed anytime during the said term of loan
3	Mr Sanjay Kapoor	15.00	15.00	-	-	-	-	-	12.00%	24-Dec-12	No	- Loan can be be repaid or availed anytime during the said term of loan -In case of sale of entire business of borrower , the loan shall be repaid immediately before occurrence of such event.
4	Mr Sanjay Kapoor	150.00	35.50	-	-	-	-	-	12.00%	01-Feb-13	No	- Loan can be be repaid or availed anytime during the said term of loan -In case of sale of entire business of borrower , the loan shall be repaid immediately before occurence of such event.
5	Canali India	40.00	-	-	-	-	-	-	10.00%		No	- Loan can be be repaid or availed anytime during the said term of loan -In case of sale of entire business of borrower , the loan shall be repaid immediately before occurence of such event.

Note: The above statement should be read with Annexure I to Annexure IV of the Restated Standalone Financial Information.

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Annexure VI

Restated Standalone Statement of Non-Current Investments
(All amounts are in INR Millions, unless otherwise stated)

Particulars	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012
Non-Current Investments					
Investment in Equity instruments (Valued at cost, unless otherwise stated)					
Investments in subsidiaries (fully paid-up) : unquoted					
- Effactor Events Private Limited	0.05	0.05	0.05	0.05	0.05
- Genesis Lifestyle Event Private Limited	-	-	-	-	0.10
- Genesis Luxury Fashion Private Limited	314.95	314.95	314.95	314.95	266.82
- Genesis Colors Middle East FZE	2.49	2.49	2.49	0.31	0.31
Investment in others (fully paid up) : unquoted					
- Genesis Colors Trading LLC	-	-	-	-	3.23
- Burberry India Private Limited (Joint Venture)*	223.23	223.23	223.23	165.80	131.68
	540.72	**540.72**	**540.72**	**481.11**	**402.19**
Details with respect to number of shares held and face value of shares held					
					(No. of shares)
- Effactor Events Private Limited (Equity shares of face value of Rs. 10 each)	5,100	5,100	5,100	5,100	5,100
- Genesis Lifestyle Event Private Limited (Equity shares of face value of Rs. 10 each)	-	-	-	-	9,900
- Genesis Luxury Fashion Private Limited (Equity shares of face value of Rs. 10 each)	9,051,925	9,051,925	9,051,925	9,051,925	8,757,954
- Genesis Colors Middle East FZE (Equity shares of face value of AED 25,000 each)	1	1	1	1	1
- Genesis Colors Trading LLC (Equity shares of face value of AED 1,000 each)	-	-	-	-	256
- Burberry India Private Limited (Equity shares of face value of Rs. 10 each)	22,322,952	22,322,952	22,322,952	16,580,613	13,168,368

*The Company has a long term investment in Burberry India Private Limited (joint venture) which is in the business of trading of garments and accessories. Considering the nature of business and emerging market in this segment, the Company believes that there is a long gestation period than anticipated. Based upon the current projections together with long term involvement with the joint venture, the Company is of the view that there is no other than temporary diminution in the value of investment in joint venture.

Note: The above statement should be read with Annexure I to Annexure IV of the Restated Standalone Financial Information.

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited)*

Annexure VII

Restated Standalone Statement of Long-Term & Short-Term Loans and Advances, Other Non-Current and Current Assets
(All amounts are in INR Millions, unless otherwise stated)

Particulars	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012
Long-term loans and advances *(Unsecured and considered good, unless otherwise stated)*					
To related parties					
- long-term loans to subsidiary companies	1.98	0.74	0.67	0.54	159.77
Others					
- capital advances	0.47	-	-	-	0.41
- security deposits	64.21	52.89	68.13	62.25	50.11
- deposit with vendor	24.64	24.64	27.09	24.37	23.87
- advance income tax [net of provision]	17.21	14.41	12.60	9.53	6.37
- customs duty recoverable/ VAT recoverable	1.71	2.35	2.26	0.38	1.23
Total (A)	**110.22**	**95.03**	**110.75**	**97.07**	**241.76**
Other non-current assets					
Bank deposits due to mature after 12 months of the reporting date	0.37	-	0.42	3.46	3.59
Interest accrued but not due on fixed deposits	0.02	-	0.03	1.52	1.16
Total (B)	**0.39**	**-**	**0.45**	**4.98**	**4.75**
Short-term loans and advances *(Unsecured and considered good, unless otherwise stated)*					
To related parties					
- short-term loans to subsidiary companies	-	-	-	-	133.10
Others					
- advance to suppliers	43.34	27.62	32.21	18.94	26.89
- security deposits	-	13.33	-	-	-
- service tax credit receivable	-	0.82	0.46	6.39	8.91
- prepaid expenses	3.92	1.37	2.29	2.47	2.64
- others	0.52	0.56	0.06	0.08	0.93
Total (C)	**47.78**	**43.70**	**35.02**	**27.88**	**172.47**
Other current assets					
Interest accrued but not due on fixed deposits	-	0.11	0.06	0.06	-
Fixed assets reclassified as held for sale	41.11	-	-	-	-
Total (D)	**41.11**	**0.11**	**0.06**	**0.06**	**-**

Note: The above statement should be read with Annexure I to Annexure IV of the Restated Standalone Financial Information.

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited)*

Annexure VIII

Restated Standalone Statement of Trade Receivables
(All amounts are in INR Millions, unless otherwise stated)

Particulars	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012
Trade receivables outstanding for a period exceeding six months from the date they became due for payment					
Unsecured					
- Considered good	72.31	43.14	9.23	8.93	32.69
- Considered doubtful	48.72	40.38	46.13	40.97	40.97
	121.03	83.52	55.36	49.90	73.66
Less: Provision for doubtful debts	(48.72)	(40.38)	(46.13)	(40.97)	(40.97)
Total (A)	**72.31**	**43.14**	**9.23**	**8.93**	**32.69**
Other Trade receivables					
Unsecured, considered good	496.64	501.00	471.30	475.73	411.96
Total (B)	**496.64**	**501.00**	**471.30**	**475.73**	**411.96**
TOTAL (A+B)	**568.95**	**544.14**	**480.53**	**484.66**	**444.65**

Note: The above statement should be read with Annexure I to Annexure IV of the Restated Standalone Financial Information.

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited)*

Annexure IX

Restated Standalone Statement of Revenue from Operations
(All amounts are in INR Millions, unless otherwise stated)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
Sale of products	1,141.93	1,112.74	1,061.93	1,091.15	891.25
Less: excise duty	0.25	-	-	39.13	24.83
Sale of products (net)	**1,141.68**	**1,112.74**	**1,061.93**	**1,052.02**	**866.42**
Other operating revenue	32.20	24.58	23.52	15.28	22.29
	1,173.88	**1,137.32**	**1,085.45**	**1,067.30**	**888.71**
Sale of products					
Sale of Products manufactured by the Company					
Ties	107.34	103.54	177.50	177.49	72.47
Accessories	-	-	1.87	3.11	7.37
Women's wear					
- Lingerie	21.28	73.43	87.26	15.00	14.32
- Sarees	264.98	287.67	257.75	325.23	284.42
- Other garments	275.59	281.57	232.53	172.13	141.59
	669.19	**746.21**	**756.91**	**692.96**	**520.17**
Sale of Products traded by the Company					
Ties	43.40	21.72	11.80	94.46	111.24
Accessories	98.00	117.80	94.35	127.80	108.14
Women's wear					
- Lingerie	236.86	191.15	176.99	129.56	64.68
- Sarees	0.67	1.94	1.28	11.08	22.95
- Other garments	93.81	33.92	20.60	35.29	64.07
	472.74	**366.53**	**305.02**	**398.19**	**371.08**
Total	**1,141.93**	**1,112.74**	**1,061.93**	**1,091.15**	**891.25**
Other operating income					
Consultancy fee	27.03	24.58	23.32	14.41	21.00
Exchange fluctuation gain, net	0.64	-	0.20	0.87	1.29
Provision for loss of margin on sales return written back (net) [Refer note 4.21]	4.53	-	-	-	-
	32.20	**24.58**	**23.52**	**15.28**	**22.29**

Note: The above statement should be read with Annexure I to Annexure IV of the Restated Standalone Financial Information.

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited)*

Annexure X

Restated Standalone Statement of Other Income
(All amounts are in INR Millions, unless otherwise stated)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012	Related / Not related to business
Other income	**3.61**	**34.44**	**9.32**	**19.64**	**22.10**	
Sources of other income:						
Recurring						
Interest on loans and deposits	1.11	0.08	0.07	4.41	7.62	Related
Interest on fixed deposits with banks	0.21	0.15	0.08	0.53	0.50	Related
Commission	0.09	0.17	0.14	0.51	1.56	Related
Total	**1.41**	**0.40**	**0.29**	**5.45**	**9.68**	
Non-recurring:						
Sub-lease income	-	-	8.80	11.73	10.45	Not related
Provision for doubtful receivables written back	-	5.75	-	-	-	Related
Export incentive	0.24	0.14	0.13	0.38	1.00	Related
Miscellaneous income	0.10	3.15	0.10	2.08	0.97	Related
Distribution by subsidiary (Refer note 4.20 of annexure IV)	1.86	-	-	-	-	Related
Sale of lease rights	(0.00)	25.00	-	-	-	
Total	**2.20**	**34.04**	**9.03**	**14.19**	**12.42**	

Note:

1) The above statement should be read with Annexure I to Annexure IV of the Restated Standalone Financial Information.

2) The classification of income as recurring/ non-recurring and related/ non-related to business activity is based on the current operations and business activity of the Company as determined by the management.

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited)*

Annexure XI

Restated Standalone Statement of Related Party Transactions
(All amounts are in INR Millions, unless otherwise stated)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
Subsidiaries	Genesis Luxury Fashion Private Limited	Genesis Luxury Fashion Private Limited	Genesis Luxury Fashion Private Limited	Genesis Luxury Fashion Private Limited	Genesis Luxury Fashion Private Limited
	Effactor Events Private Limited	Effactor Events Private Limited	Effactor Events Private Limited	Effactor Events Private Limited	Effactor Events Private Limited
	Genesis Colors Middle East FZE	Genesis Colors Middle East FZE	Genesis Colors Middle East FZE	Genesis Colors Middle East FZE	Genesis Colors Middle East FZE
	GLF Lifestyle Brands Private Limited	GLF Lifestyle Brands Private Limited	GLF Lifestyle Brands Private Limited	GLF Lifestyle Brands Private Limited	GLF Lifestyle Brands Private Limited
	Genesis La Mode Private Limited @	Genesis La Mode Private Limited @	Genesis La Mode Private Limited @	Genesis La Mode Private Limited @	
	GLB Bodycare Private Limited	GLB Bodycare Private Limited	GLB Bodycare Private Limited	GLB Bodycare Private Limited	
				Genesis Lifestyle Events Private Limited (Amalgamated w.e.f. 1-Dec-12)	Genesis Life Style Events Private Limited
Associates				Genesis Colors Trading (L.L.C) [upto 5-Dec-12]	Genesis Colors Trading (L.L.C)
Joint venture of Genesis Luxury Fashion Private Limited (JV of subsidiary)	Canali India Private Limited	Canali India Private Limited	Canali India Private Limited	Canali India Private Limited (w.e.f. 5-Mar-12)	
	V&B Lifestyle India Private Limited	V&B Lifestyle India Private Limited	V&B Lifestyle India Private Limited (w.e.f. 16-Sep-13)		
Joint venture	Burberry India Private Limited	Burberry India Private Limited	Burberry India Private Limited	Burberry India Private Limited	Burberry India Private Limited

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited)*

Annexure XI

Restated Standalone Statement of Related Party Transactions
(All amounts are in INR Millions, unless otherwise stated)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
Key management personnel (KMP)*	Sanjay Kapoor (Managing Director)	Sanjay Kapoor (Managing Director)	Sanjay Kapoor (Managing Director)	Sanjay Kapoor (Managing Director)	Sanjay Kapoor (Managing Director)
	Samit Guha (Whole time Director)				
		Jyoti Mohan Narula (Director)	Jyoti Mohan Narula (Director)	Jyoti Mohan Narula (Director)	Jyoti Mohan Narula (Director)
					Puneet Nanda (Director)
					Nalini Gupta (Additional Director)
Relative of KMP			Deepak Mohan Narula	Deepak Mohan Narula	Deepak Mohan Narula
Enterprises in which KMP have substantial interest	Genesis Overseas Private Limited	Genesis Overseas Private Limited	Genesis Overseas Private Limited	Genesis Overseas Private Limited	Genesis Overseas Private Limited

Transactions with Related Parties:

Sale of finished goods					
Genesis Colors Middle East FZE	-	-	15.00	27.27	-
GLF Lifestyle Brands Private Limited	-	-	5.92	19.57	35.22
Interest income					
Genesis Colors Middle East FZE	0.12	0.08	0.07	0.06	0.07
Genesis Colors Trading (L.L.C)	-	-	-	0.75	-
Genesis Luxury Fashion Private Limited	-	-	-	3.60	7.25
Effactor Events Private Limited	-	-	-	-	0.30
Interest paid					
Genesis Luxury Fashion Private Limited	-	-	-	17.62	18.20
Canali India Private Limited	-	-	0.39	1.90	-
Deepak Mohan Narula	-	-	1.02	5.32	-

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited)*

Annexure XI

Restated Standalone Statement of Related Party Transactions
(All amounts are in INR Millions, unless otherwise stated)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
Sanjay Kapoor	-	-	1.96	0.49	-
GLF Lifestyle Brands Private Limited	-	-	-	-	1.34
Deepak Mohan Narula	-	-	-	-	4.36
Commission received					
Genesis Colors Middle East FZE	-	-	-	-	1.13
Rent paid					
Genesis Overseas Private Limited	0.03	0.36	0.36	0.36	0.56
GLF Lifestyle Brands Private Limited	-	-	8.80	11.73	-
Purchase of goods					
GLF Lifestyle Brands Private Limited	-	1.17	-	-	-
Reimbursement of expenses from					
Genesis Luxury Fashion Private Limited	19.54	24.76	23.56	18.15	3.04
Burberry India Private Limited	3.91	18.91	17.66	13.01	2.68
V&B Lifestyle India Private Limited	-	4.61	-	-	-
Canali India Private Limited	-	9.76	12.10	8.45	-
Genesis La Mode Private Limited	-	4.35	3.65	1.60	-
GLF Lifestyle Brands Private Limited	-	-	2.56	1.89	-
GLB Bodycare Private Limited	-	-	-	0.51	-
Reimbursement of expenses to					
Genesis Luxury Fashion Private Limited	-	0.73	-	-	-
GLF Lifestyle Brands Private Limited	-	-	-	0.30	-
Service income					
Burberry India Private Limited	27.03	49.58	22.34	12.81	18.46
Genesis Colors Trading (L.L.C)	-	-	-	-	0.73

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited)*

Annexure XI

Restated Standalone Statement of Related Party Transactions
(All amounts are in INR Millions, unless otherwise stated)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
Remuneration paid to Key Management Personnel					
Sanjay Kapoor	8.05	6.50	4.40	-	-
Samit Guha[#]	10.60	-	-	-	-
Jyoti Mohan Narula (Director)	-	-	-	9.64	6.54
Puneet Nanda (Director)	-	-	-	-	-
Nalini Gupta (Additional Director)	-	-	-	-	-
Investment made					
Genesis Life Style Events Private Limited	-	-	-	0.00	0.05
Burberry India Private Limited	-	-	57.42	34.12	-
Genesis Colors Middle East FZE	-	-	2.19	-	-
Sale of investment					
Genesis Colors Trading (L.L.C)	-	-	-	3.23	-
Genesis Lifestyle Event Private Limited	-	-	-	-	29.65
Buyback of shares by					
Genesis Luxury Fashion Private Limited	-	-	-	125.00	-
Deposit received/(refunded) for sale of property					
Genesis Luxury Fashion Private Limited	-	-	-	(200.00)	200.00
Loan received					
Sanjay Kapoor	-	-	135.50	50.50	-
Canali India Private Limited	-	-	40.00	80.00	-
Deepak Mohan Narula	-	-	-	-	44.30
GLF Lifestyle Brands Private Limited	-	-	-	-	80.00
Sale of Samsara Business					
GLF Lifestyle Brands Private Limited	-	-	-	-	250.00

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited)*

Annexure XI

Restated Standalone Statement of Related Party Transactions
(All amounts are in INR Millions, unless otherwise stated)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
Loans repaid					
Canali India Private Limited	-	-	40.00	80.00	-
Deepak Mohan Narula	-	-	44.30	-	-
Sanjay Kapoor	-	-	135.50	50.50	-
GLF Lifestyle Brands Private Limited	-	-	-	-	80.00
Loans given					
Genesis Luxury Fashion Private Limited	-	-	-	30.00	279.50
Genesis Life Style Events Private Limited	-	-	-	-	159.30
Loans recovered					
Genesis Luxury Fashion Private Limited	-	-	-	160.00	149.50
Genesis Colors Trading (L.L.C)	-	-	-	3.10	-
Outstanding balance as at year end					
Loans and advances					
Genesis Colors Middle East FZE	1.98	0.74	0.67	0.54	0.46
Effactor Events Private Limited	-	-	-	-	2.86
Genesis Luxury Fashion Private Limited	-	-	-	-	130.00
Genesis Life Style Events Private Limited	-	-	-	-	159.30
Genesis Colors Trading (L.L.C)	-	-	-	-	3.10
Deposit received for sale of property					
Genesis Luxury Fashion Private Limited	-	-	-	-	200.00
Accounts receivable					
V&B Lifestyle India Private Limited	-	4.61	-	-	-
Genesis Luxury Fashion Private Limited	5.46	9.32	2.71	-	-
Burberry India Private Limited	0.04	4.45	1.91	1.26	3.20
Genesis Colors Middle East FZE	-	-	0.01	2.31	5.01

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited)*

Annexure XI

Restated Standalone Statement of Related Party Transactions
(All amounts are in INR Millions, unless otherwise stated)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
GLF Lifestyle Brands Private Limited	-	-	2.91	6.07	-
Genesis Colors Trading (L.L.C)	-	-	-	-	14.43
Genesis Overseas Private Limited	-	-	-	-	0.02
Accounts payable					
Canali India Private Limited	-	-	0.10	0.14	-
Unsecured loans received					
Deepak Mohan Narula	-	-	-	44.30	44.30
Interest accrued and due					
Deepak Mohan Narula	-	-	-	2.68	4.36
Other current liabilities					
GLF Lifestyle Brands Private Limited	2.45	-	-	-	-
Investment					
Genesis Colors Middle East FZE	2.49	2.49	2.49	0.31	0.31
Genesis Luxury Fashion Private Limited	314.95	314.95	314.95	314.95	266.82
Effactor Events Private Limited	0.05	0.05	0.05	0.05	0.05
Burberry India Private Limited	223.23	223.23	223.23	165.81	131.68
Genesis Colors Trading (L.L.C)	-	-	-	-	3.23
Genesis Lifestyle Event Private Limited	-	-	-	-	0.10

[*]Certain directors of the Company have tendered their personal guarantees in respect of the term loans and other short term loans taken by the Company from banks.

[@]Tendered an unconditional guarantee jointly with Genesis Luxury Fashion Private Limited (GLF), its subsidiary company, in favour of Giorgio Armani S.p.A., guaranteeing the exact and timely performance of all obligations undertaken by Genesis La Mode Pvt. Ltd. (GLM), Wholly Owned Subsidiary of GLF, under the Framework Retail Agreement and Representative Agreement to be entered between GLM, Giorgio Armani S.p.A., GLF and the Company.

[#]Includes Employee stock option expense amounting to Rs. 1.66 million

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited)*

Annexure XII

Restated Standalone Statement of Accounting Ratios
(All amounts are in INR Millions, unless otherwise stated)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
Net worth, as restated (A)	963.17	1,018.27	1,148.81	912.02	1,110.42
Net loss attributable to equity shareholders, as restated (B)	(55.29)	(130.55)	(127.68)	(211.75)	(480.84)
Weighted average number of equity shares outstanding during the year					
For basic earnings per share (C)	2,078,355	2,076,705	2,002,108	1,753,608	1,753,608
For diluted earnings per share (D)	2,078,355	2,076,705	2,002,108	1,753,608	1,753,608
Face value per share	10	10	10	10	10
Loss per share Rs. 10 each (refer note 3)					
Basic loss per share (Rs) (E = B/C)	**(26.60)**	**(62.86)**	**(63.77)**	**(120.75)**	**(274.20)**
Diluted loss per share (Rs) (F = B/D)	**(26.60)**	**(62.86)**	**(63.77)**	**(120.75)**	**(274.20)**
Return on net worth (%) (G = B/A)	**(5.74%)**	**(12.82%)**	**(11.11%)**	**(23.22%)**	**(43.30%)**
Number of equity shares outstanding at the end of the year (H)	2,096,189	2,076,705	2,076,705	1,753,609	1,753,608
Net assets value per equity share of Rs 10 each (I = A/H)	**459.49**	**490.33**	**553.19**	**520.08**	**633.22**

Notes:

1) The above ratios are calculated as under:
a) Loss per share = Net loss attributable to equity shareholders / weighted average number of shares outstanding during the period/year.
b) Return on net worth (%) = Net loss for the year / net worth as at the end of period/year. Net worth includes Share Capital, Reserve and Surplus and Money received against share warrants.
c) Net asset value per equity share (Rs) = Net worth / Total number of equity shares outstanding as at the end of period/year.
2) The figures disclosed above are based on the restated financial information of Genesis Colors Limited *(formerly known as Genesis Colors Private Limited)*.
3) Earnings per share calculations are done in accordance with Accounting Standard 20 "Earnings Per Share" ("AS 20") as notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. As required by AS 20, if the number of equity or potential equity shares outstanding increases as a result of a bonus issue or share split or decreases as a result of a reverse share split (consolidation of shares), the calculation of basic and diluted earnings per share should be adjusted for all the periods presented. However, there is no bonus issue of shares in preceding 5 years by the Company.
4) The above statement should be read with Annexure I to Annexure IV of the Restated Standalone Financial Information.
5) The Company has declared bonus shares in the ratio of 1 : 4 to all existing shareholders which has been approved by the shareholders in extra ordinary general meeting held on 14 September 2016. In addition to that, the Company has also converted the share warrants into 128,355 equity shares of Rs. 10 each at a premium of Rs. 1028 per share. However, the above ratios are computed before considering the impact of bonus issue and coversion of share warrants in to equity shares. Pursuant to this, the changed accounting ratios are :-

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
Net worth, as restated (A) (refer note 1)	1,083	1,138	1,269	1,032	1,110
Net loss attributable to equity shareholders, as restated (B)	(55.29)	(130.55)	(127.68)	(211.75)	(480.84)
Weighted average number of equity shares outstanding during the year					
For basic earnings per share (C) (refer note 2)	10,520,131	10,511,880	10,138,895	8,798,634	8,768,040
For diluted earnings per share (D) (refer note 2)	10,520,131	10,511,880	10,138,895	8,798,634	8,768,040
Face value per share	10	10	10	10	10
Loss per share Rs. 10 each (refer note 3)					
Basic loss per share (Rs) (E = B/C)	**(5.26)**	**(12.42)**	**(12.59)**	**(24.07)**	**(54.84)**
Diluted loss per share (Rs) (F = B/D)	**(5.26)**	**(12.42)**	**(12.59)**	**(24.07)**	**(54.84)**
Return on net worth (%) (G = B/A)	**(5.10%)**	**(11.47%)**	**(10.06%)**	**(20.52%)**	**(43.30%)**
Number of equity shares outstanding at the end of the year (H) (refer note 2)	10,609,300	10,511,880	10,511,880	8,896,395	8,768,040
Net assets value per equity share of Rs 10 each (I = A/H)	**102.09**	**108.27**	**120.69**	**115.99**	**126.64**

Note:
1 Net worth at each year end from the date of issue of share warrants has been adjusted to reflect the conversion proceeds.
2 Weighted average number of equity shares and number of equity shares outstanding at the end of the year have been adjusted for bonus shares from the beginning of the years and shares issued against share warrants have been adjusted in years only after and from the date of issue of warrants.

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited)*

Annexure XIII

Restated Standalone Statement of Capitalisation
(All amounts are in INR Millions, unless otherwise stated)

Particulars	Pre-issue (As at 31 March 2016)	Post-Issue (As adjusted for IPO) [2]
Short-term borrowings	448.55	448.55
Long-term borrowings	2.33	2.33
Current maturities of long-term borrowings	38.77	38.77
Total Debt (A)	**489.65**	**489.65**
Shareholders' funds:		
Share Capital	20.96	XXX
Reserves and surplus	928.88	XXX
Total Shareholders' funds (B)	**949.84**	XXX
Debt/Equity (A/B)	**0.52**	**XXX**

Notes:

1) The figures disclosed above are based on the Restated Financial Information of the Company.
2) The Post issue debt equity ratio will be computed on the conclusion of book building process.
3) The above statement should be read with Annexure I to Annexure IV of the Restated Standalone Financial Information.
4) The Company has declared bonus shares in the ratio of 1:4 to all existing share holders which has been approved by the share holders in extra ordinary general meeting held on 14 September 2016. In addition to that, the Company has also converted the share warrants into 128,355 equity shares of Rs. 10 each at a premium of Rs. 1028 per share. However, the debt/ equity ratio computed above is before considering the impact of bonus issue and coversion of share warrants in to equity shares.

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited)*

Annexure XIV

Restated Standalone Statement of Tax Shelter
(All amounts are in INR Millions, unless otherwise stated)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
Loss after exceptional items, but before tax, as restated	**(55.29)**	**(130.55)**	**(127.68)**	**(211.75)**	**(480.84)**
Income tax rate (including surcharge and cess, as applicable)	30.90%	30.90%	30.90%	30.90%	30.90%
Permanent differences					
Disallowance u/s 37 of the Income Tax Act, 1961	-	1.19	0.63	0.74	2.70
Income from long term Capital gains, considered separately	-	-	-	(13.82)	(250.11)
Income from other sources, considered separately	(1.32)	(0.23)	(0.08)	(0.53)	(3.65)
Total permanent differences	**(1.32)**	**0.96**	**0.55**	**(13.61)**	**(251.06)**
Timing differences					
Difference between net book value and written down value of fixed assets as per Income-tax Act, 1961	(0.03)	15.30	18.69	11.00	24.19
Amounts disallowed u/s.43B of the Income Tax Act, 1961 (net)	(0.30)	0.14	(1.46)	2.68	3.87
Provision for rent equalisation	5.91	6.00	(1.19)	(3.33)	4.66
Provision for doubtful receivables	8.34	(5.75)	5.17	-	3.74
Provision for loss of margin on sales return	(4.53)	15.70	9.43	9.13	1.11
Amounts disallowed u/s 40(a)(i)(a), net	-	-	-	(3.63)	3.63
Others	(0.63)	(0.12)	-	-	-
Total timing differences	**8.76**	**31.27**	**30.64**	**15.85**	**41.20**
Net adjustments	7.44	32.23	31.19	2.24	(209.86)
Net loss from Business, as restated	**(47.85)**	**(98.32)**	**(96.49)**	**(209.51)**	**(690.70)**
Income from Long term capital gains	-	-	-	13.82	250.11
Less: Set off from business income	-	-	-	(13.82)	(250.11)
Net income from Long term capital gains	**-**	**-**	**-**	**-**	**-**
Income from other sources	1.32	0.23	0.08	0.53	3.65
Less: Set off from business income	(1.32)	(0.23)	(0.08)	(0.53)	(3.65)
Net income from other sources	**-**	**-**	**-**	**-**	**-**
Total business loss, after set off, as restated	(46.53)	(98.09)	(96.41)	(195.16)	(436.94)
Total current tax expenses	**-**	**-**	**-**	**-**	**-**

Note: The above statement should be read with Annexure I to Annexure IV of the Restated Standalone Financial Information.

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited)*

Annexure XV

Restated Standalone Statement of Contingent Liabilities and Capital Commitments
(All amounts are in INR Millions, unless otherwise stated)

Particulars	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012
Contingent Liabilities not provided for in respect of:					
Corporate guarantee to banks on behalf of third party	220.00	100.00	320.00	320.00	320.00
Dividend on compulsory convertibly debentures	-	-	0.02	0.02	0.01
Demands by income tax authorities	-	-	-	21.08	21.08
Capital and other commitments:					
Estimated amounts of contracts remaining to be executed on capital account (net of advances)	-	10.92	-	-	-

Note: The above statement should be read with Annexure I to Annexure IV of the Restated Standalone Financial Information.

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited)*

Annexure XVI

Restated Standalone Statement of Dividends Declared
(All amounts are in INR Millions, unless otherwise stated)

Particulars	As at and For the year ended 31 March 2016	As at and For the year ended 31 March 2015	As at and For the year ended 31 March 2014	As at and For the year ended 31 March 2013	As at and For the year ended 31 March 2012
Equity Share Capital	20.96	20.77	20.77	17.54	17.54
Number of equity shares	2,096,189	2,076,705	2,076,705	1,753,609	1,753,608
Dividends declared during the year	-	-	-	-	-
% Dividend declared	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**

Note:The above statement should be read with Annexure I to Annexure IV of the Restated Standalone Financial Information.

EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION

Report by the Auditor's

The Board of Directors
Genesis Colors Limited *(formerly known as Genesis Colors Private Limited)*
Plot No-51, 52,
Udyog Vihar,
Phase-IV,
Gurgaon, Haryana- 122001

Dear Sirs,

1) We have examined the attached Restated Consolidated Financial Information of Genesis Colors Limited *(formerly known as Genesis Colors Private Limited)* (the "**Company**"), its subsidiaries, jointly controlled entities and an associate (collectively referred to as the '**Group**') comprising Restated Consolidated Summary Statement of Assets and Liabilities, Restated Consolidated Summary Statement of Profit and Loss, Restated Consolidated Summary Statement of Cash Flows and other financial Information as explained in paragraph 3 (f) below as at and for the financial years ended 31 March 2012, 31 March 2013, 31 March 2014, 31 March 2015 and 31 March 2016 together with the annexure and notes thereto, as approved by the Board of Directors of the Company, has been prepared by the Company in terms of the requirements of Section 26 (1) (b) of the Companies Act, 2013 ("**the Act**") read with Rule 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, to the extent applicable, relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time (the "**SEBI Regulations**"), the 'Guidance Note on 'Reports in Company's Prospectus (Revised)' issued by the Institute of Chartered Accountants of India ('ICAI') to the extent applicable ('**Guidance Note**') and in terms of our engagement agreed upon with you in accordance with our engagement letter dated 9 August 2016, in connection with the proposed issue of Equity Shares of the Company by way of fresh issue and/ or offer for sale by the existing shareholders (the '**Issue**').

2) The Restated Consolidated Financial Information has been extracted by the management from the consolidated audited financial statements of the Company as at and for the financial years ended 31 March 2012, 31 March 2013, 31 March 2014, 31 March 2015 and 31 March 2016. We have audited the consolidated financial statements of the Company for the year ended 31 March 2012, 31 March 2013, 31 March 2014, 31 March 2015 and 31 March 2016.

   The Standalone Financial Statements of Genesis Colors Limited (*formerly known as Genesis Colors Private Limited)* for the financial years ended 31 March 2012 and 31 March 2013 were audited by B S R & Associates LLP (formerly known as B S R & Associates), Chartered Accountants, member entities of B S R & Affiliates, a network registered with the Institute of Chartered Accountants of India (ICAI), whose reports thereon have been furnished to us, and accordingly, reliance has been placed on the financial statements audited by them.

   Further, we have not audited the financial statements of certain subsidiaries and a joint ventures for the financial years ended 31 March 2012, 31 March 2013, 31 March 2014, 31 March 2015 and 31 March 2016 which were audited by other auditor and, accordingly, reliance has been placed on the financial statements audited by them. The relevant details are as below:

(Amount in millions)

Name of the Subsidiary/ Joint venture	Year ended (YE)	Total assets as included in consolidated financial information	Net movement in cash and cash equivalents included in consolidated financial information	Total revenue as included in consolidated financial information	Name of the auditors
Subsidiary:					
Genesis Luxury Fashion Private Limited	YE 31 March 2013	960.06	(84.11)	850.54	B S R and Associates, Chartered Accountants*
	YE 31 March 2012	1,044.48	92.62	933.52	
GLF Lifestyle Brands Private Limited	YE 31 March 2013	750.16	(5.48)	200.05	B S S R & Co, Chartered Accountants*
	YE 31 March 2012	217.83	9.18	63.64	
Genesis La Mode Private Limited	YE 31 March 2013	285.14	4.29	361.99	B S S R & Co, Chartered Accountants*
GLB Body care Private Limited	YE 31 March 2013	76.50	3.84	45.40	B S S R & Co, Chartered Accountants*
GML India Fashion Private Limited	YE 31 March 2015	0.07	0.01	-	Ajay Wadhwa & Associates, Chartered Accountants
	YE 31 March 2014	0.08	-	-	
	YE 31 March 2013	0.08	0.08	-	Anuj Mittal & Co., Chartered Accountants
GLB Parfums & Beaute India Private Limited	YE 31 March 2016	0.67	(0.14)	-	Ajay Wadhwa & Associates Chartered Accountants
	YE 31 March 2015	0.81	(0.29)	-	
	YE 31 March 2014	1.10	1.08	0.59	
	YE 31 March 2013	0.10	0.01	-	Anuj Mittal & Co. Chartered Accountants
Effactor Events Private Limited	YE 31 March 2016	0.59	0.00	-	Ajay Wadhwa & Associates Chartered Accountants
	YE 31 March 2015	0.59	0.00	-	
	YE 31 March 2014	0.60	-	-	
	YE 31 March 2013	0.61	0.01	0.08	
	YE 31 March 2012	0.61	(0.00)	-	Ashok K Goyal & Associates, Chartered Accountants
Genesis Colors Middle East FZE	YE 31 March 2016	1.71	-	-	Ethics Plus, Public Accountants
	YE 31 March 2015	1.70	(0.15)	-	
	YE 31 March 2014	2.02	1.34	15.88	
	YE 31 March 2013	2.79	(1.31)	26.23	
	YE 31 March 2012	5.74	1.17	40.74	

(Amount in millions)

Name of the Subsidiary/ Joint venture	Year ended (YE)	Total assets as included in consolidated financial information	Net movement in cash and cash equivalents included in consolidated financial information	Total revenue as included in consolidated financial information	Name of the auditors
Joint Ventures:					
Canali India Private Limited	YE 31 March 2013	134.54	80.31	169.50	B S S R & Co, Chartered Accountants*
Burberry India Private Limited	YE 31 March 2016	337.14	(2.98)	445.63	Price Water House Chartered Accountants LLP, Chartered Accountants
	YE 31 March 2015	359.67	(0.20)	445.30	
	YE 31 March 2014	270.94	0.45	409.72	Price Water House, Chartered Accountants
	YE 31 March 2013	225.66	2.28	341.94	
	YE 31 March 2012	253.69	0.08	301.59	

*member entities of B S R & Affiliates, a network registered with the Institute of Chartered Accountants of India (ICAI).

3) In accordance with the requirements of Section 26 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of securities) Rule 2014; the SEBI Regulations; and the Guidance note, as amended from time to time and in terms of our engagement agreed with you, we report that:

   (a) We have examined the attached Restated Consolidated Summary Statement of Assets and Liabilities of the Group as at 31 March 2012, 31 March 2013, 31 March 2014, 31 March 2015 and 31 March 2016 as set out in **Annexure I** to the Restated Consolidated Financial Information. These are after making adjustments and regroupings as in our opinion, were appropriate and more fully described in the Significant Accounting Policies, Adjustments to the Audited Consolidated Financial Statements and Notes to the Restated Consolidated Financial Information enclosed as **Annexure IV** to the Restated Consolidated Financial Information. As a result of these adjustments, the amounts reported in the above-mentioned statement are not necessarily the same as those appearing in the audited financial statements of the group for the relevant financial years.

(b) We have examined the attached Restated Consolidated Summary Statement of Profit and Loss of the Group for the financial years ended 31 March 2012, 31 March 2013, 31 March 2014, 31 March 2015 and 31 March 2016 as set out in **Annexure II** to the Restated Consolidated Financial Information. These are after making adjustments and regroupings as in our opinion, were appropriate and more fully described in the Significant Accounting Policies, Adjustments to the Audited Consolidated Financial Statements and Notes to the Restated Consolidated Financial Information enclosed as **Annexure IV** to the Restated Consolidated Financial Information. As a result of these adjustments, the amounts reported in the above-mentioned statement are not necessarily the same as those appearing in the audited financial statements of the group for the relevant financial years.

(c) We have examined the attached Restated Consolidated Summary Statement of Cash Flows of the Group for financial years ended 31 March 2012, 31 March 2013, 31 March 2014, 31 March 2015 and 31 March 2016 as set out in **Annexure III** to the Restated Consolidated Financial Information. These are after making adjustments and regroupings as in our opinion, were appropriate and more fully described in the Significant Accounting Policies, Adjustments to the Audited Consolidated Financial Statements and Notes to the Restated Consolidated Financial Information enclosed as **Annexure IV** to the Restated Consolidated Financial Information. As a result of these adjustments, the amounts reported in the above-mentioned statement are not necessarily the same as those appearing in the audited financial statements of the group for the relevant financial years.

(d) For our examination of the consolidated financial information, we have relied on the financial statements of the Company, its subsidiaries and joint ventures listed in para 2 above, which were audited by the respective auditors, and whose audit reports have been furnished to us and our opinion in so far as it relates to the amounts included in these Restated Consolidated Statement of Assets and Liabilities, as restated, Restated Consolidated Statement of Profit and Loss, as restated, and Restated Consolidated Statement of Cash Flows, as restated, are based solely on the audit reports of such auditors.

(e) Based on the above, and based on the reliance placed on the consolidated financial statements audited by other auditors, we are of the opinion that the Restated Consolidated Financial Information, extracted by the management of the Company and approved by its Board of Directors, has been made after incorporating the following:

i. adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all the reporting years based on the significant accounting policies adopted by the Group as at 31 March 2016;

ii. prior period and other material amounts have been adjusted in the Restated Consolidated Financial Information in the respective financial years to which they relate;

iii. qualifications in the auditor's report which require adjustments have been given effect to in the Restated Consolidated Financial Information in the respective financial years, However, those qualifications in the Auditor's Report, emphasis of matters and other remarks/ comments in the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India under sub-section (4A) of Section 227 of Companies Act 1956 / Companies (Auditor's Report) Order, 2015 / Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India, in terms of sub-section (11) of Section 143 of the 2013 Act (together referred to as 'CARO') which do not require any corrective adjustments in the financial information have been disclosed in note 4.3 of **Annexure IV** to the Restated Consolidated Financial Information; and

iv. there are no extraordinary items, which need to be disclosed separately in the Restated Consolidated Financial Information in the respective financial years.

(f) We have also examined the following other Restated Consolidated Financial Information as set out in Annexures prepared by the management based on the Restated Consolidated Financial Information and approved by the Board of Directors, relating to the Group for the financial years ended 31 March 2012, 31 March 2013, 31 March 2014, 31 March 2015 and 31 March 2016:

i. Restated Consolidated Statement of Long-Term and Short-Term Borrowings (including interest rates, repayment and prepayment terms of the long term and short term borrowings) as appearing in **Annexure V** to the Restated Consolidated Financial Information;

ii. Restated Consolidated Statement of Non-Current and Current Investments, as appearing in **Annexure VI** to the Restated Consolidated Financial Information;

iii. Restated Consolidated Statement of Long-term & Short-term Loans and Advances, Other current and non-current assets, as appearing in **Annexure VII** to the Restated Consolidated Financial Information;

iv. Restated Consolidated Statement of Trade Receivables, as appearing in **Annexure VIII** to the Restated Consolidated Financial Information;

v. Restated Consolidated Statement of Revenue from Operations, as appearing in **Annexure IX** to the Restated Consolidated Financial Information;

vi. Restated Consolidated Statement of Other Income, as appearing in **Annexure X** to the Restated Consolidated Financial Information;

vii. Restated Consolidated Statement of Related Party Transactions, as appearing in **Annexure XI** to the Restated Consolidated Financial Information;

viii. Restated Consolidated Statement of Accounting Ratios as appearing in **Annexure XII** to the Restated Consolidated Financial Information;

ix. Restated Consolidated Statement of Capitalisation, as at 31 March 2016, as appearing in **Annexure XIII** to the Restated Consolidated Financial Information;

x. Restated Consolidated Statement of Contingent Liabilities and Capital Commitments, as appearing in **Annexure XIV** to the Restated Consolidated Financial Information;

xi. Restated Consolidated Statement of Dividends Declared as appearing in **Annexure XV** to the Restated Consolidated Financial Information; and

xii. Other significant notes to Restated Consolidated Financial Information as appearing in **Annexure IV** to the Restated Consolidated Financial Information.

4) 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 or by other firms of Chartered Accountants, nor should this report be construed as an opinion on any of the financial statements referred to herein.

5) We have no responsibility to update our report for events and circumstances occurring after the date of the report.

6) We have not audited or reviewed any consolidated financial statements of the Group as of any date or for any period subsequent to 31 March 2016. Accordingly, we express no opinion on the consolidated financial position, consolidated results of the operations or consolidated cash flows of the Group as of any date or for any period subsequent to 31 March 2016.

7) In our opinion, the above Restated Consolidated Financial Information contained in **Annexure I to Annexure XV** accompanying this report read along with the Significant Accounting Policies, Adjustments to the Audited Consolidated Financial Statements and Notes to the Restated Consolidated Financial Information **(Refer Annexure IV)**, after making adjustments and regrouping as considered appropriate and as set out in para 2(d) above, have been prepared in accordance with Section 26 of the Companies Act, 2013 read with The Companies (Prospectus and Allotment of Securities) Rules, 2014, to the extent applicable, SEBI Regulations, the Guidance note issued in this regard by the ICAI, as amended from time to time, and in terms of our engagement as agreed with you.

8) Our report is intended solely for the use of management and for inclusion in the Draft Red Hearing Prospectus in connection with the proposed issue of Equity Shares of the Company by way of fresh issue and/ or offer for sale by the existing shareholders. Our report should not be used, referred to or distributed for any other purpose, except without our prior written consent.

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No: 101248W/W-100022

Pravin Tulsyan
Partner
Membership No.: 108044

Place: Gurgaon
Date: 20 September 2016

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited*)

Annexure I

Restated Consolidated Summary Statement of Assets and Liabilities
(All amounts are in INR Millions, unless otherwise stated)

Particulars	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012
EQUITY AND LIABILITIES					
Shareholders' funds					
Share capital	20.96	20.77	20.77	317.54	317.54
Reserves and surplus	1,356.37	1,356.72	1,464.21	929.08	889.11
Money received against share warrants	13.33	13.33	13.33	13.33	-
	1,390.66	**1,390.82**	**1,498.31**	**1,259.95**	**1,206.65**
Minority interest	805.23	1,001.68	958.25	1,011.94	322.43
Non-current liabilities					
Long-term borrowings	4.95	2.67	21.07	52.43	16.99
Other long-term liabilities	114.88	101.03	76.03	49.67	54.68
Long-term provisions	31.70	31.14	25.48	24.95	21.58
	151.53	**134.84**	**122.58**	**127.05**	**93.25**
Current liabilities					
Short-term borrowings	1,051.26	878.48	817.39	688.42	801.38
Trade payables					
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	453.94	400.68	425.44	354.63	251.23
Other current liabilities	186.91	176.12	216.40	228.65	128.46
Short-term provisions	48.82	126.95	124.51	74.80	29.47
	1,740.93	**1,582.23**	**1,583.74**	**1,346.50**	**1,210.54**
TOTAL	**4,088.35**	**4,109.57**	**4,162.88**	**3,745.44**	**2,832.87**
ASSETS					
Non-current assets					
Fixed assets					
Tangible fixed assets	509.47	621.74	650.99	542.66	425.98
Intangible fixed assets	13.78	18.74	12.34	22.78	8.20
Capital work-in-progress	-	-	38.65	30.58	21.97
Goodwill on consolidation	21.70	18.44	18.44	18.44	18.44
Non-current investments	-	-	-	-	3.23
Deferred tax assets (net)	85.69	68.64	58.44	43.47	26.98
Long-term loans and advances	390.62	313.43	285.18	273.15	174.18
Other non-current assets	1.15	0.79	6.28	6.01	5.18
	1,022.41	**1,041.78**	**1,070.32**	**937.09**	**684.16**
Current assets					
Current investments	49.00	-	-	-	-
Inventories	1,301.08	1,139.81	1,283.79	1,012.66	938.09
Trade receivables	1,141.45	1,012.47	989.03	1,020.87	910.02
Cash and bank balances	298.14	707.89	623.84	631.77	157.80
Short-term loans and advances	186.86	169.75	185.91	139.87	111.97
Other current assets	89.41	37.87	9.99	3.18	30.83
	3,065.94	**3,067.79**	**3,092.56**	**2,808.35**	**2,148.71**
TOTAL	**4,088.35**	**4,109.57**	**4,162.88**	**3,745.44**	**2,832.87**

Note: The above statement should be read with Annexure V to XV and the Significant Accounting Policies; Notes to the Restated Consolidated Financial Information; Statement of Adjustments to Audited Consolidated Financial Statements, as appearing in Annexure IV.

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited*)

Annexure II

Restated Consolidated Summary Statement of Profit and Loss
(All amounts are in INR Millions, unless otherwise stated)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
Revenue from operations	4,321.62	4,155.14	3,597.77	2,962.93	2,155.10
Other operating revenues	49.11	52.14	20.76	14.87	17.88
Other Income	31.60	58.24	49.34	42.78	20.34
Total revenue	**4,402.33**	**4,265.52**	**3,667.87**	**3,020.58**	**2,193.32**
Expenses					
Cost of materials consumed	184.93	180.06	274.31	261.56	218.19
Purchases of traded goods	1,882.16	1,615.87	1,687.05	1,326.54	974.51
Changes in inventories of finished goods and traded goods	(149.55)	142.48	(325.22)	(154.87)	(77.76)
Employee benefits expenses	548.31	505.52	444.45	417.23	299.90
Finance costs	116.69	125.38	119.06	113.05	86.80
Depreciation and amortisation	161.92	205.14	144.02	163.64	113.78
Other expenses	1,497.30	1,504.41	1,405.65	1,230.38	905.46
Total expenses	**4,241.76**	**4,278.86**	**3,749.32**	**3,357.53**	**2,520.88**
Profit/(loss) before tax and exceptional items, as restated	**160.57**	**(13.34)**	**(81.45)**	**(336.95)**	**(327.56)**
Exceptional items	-	16.18	(44.17)	25.35	(445.16)
Profit/(loss) after exceptional items, but before tax, as restated	**160.57**	**2.84**	**(125.62)**	**(311.60)**	**(772.72)**
Tax expense					
Current tax	107.13	78.67	70.44	22.36	7.58
Deferred tax	(17.06)	(10.19)	(14.95)	(16.52)	(5.23)
Profit/(loss) after tax and before minority interest, as restated	**70.50**	**(65.64)**	**(181.11)**	**(317.44)**	**(775.07)**
Add/ Less: Minority interest	(77.96)	(42.74)	54.42	125.32	15.11
Net loss for the year attributable to equity shareholders, as restated	**(7.46)**	**(108.38)**	**(126.69)**	**(192.12)**	**(759.96)**

Note: The above statement should be read with Annexure V to XV and the Significant Accounting Policies; Notes to the Restated Consolidated Financial Information; Statement of Adjustments to Audited Consolidated Financial Statements, as appearing in Annexure IV.

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited*)

Annexure III

Restated Consolidated Summary Statement of Cash Flows
(All amounts are in INR Millions, unless otherwise stated)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
Cash flows from operating activities:					
Profit/(loss) before tax, as restated	160.57	2.84	(125.62)	(311.60)	(772.72)
Adjustments :					
Depreciation and amortisation	161.92	205.14	144.02	163.64	113.78
Profit on sale of investment	-	-	-	-	-
Profit on sale of business	-	-	(33.34)	(25.35)	-
Provision made/(written back) for diminution in the value of investments	-	-	-	-	-
Provision for doubtful receivables	8.34	17.61	5.17	-	3.74
Provision for doubtful advances	1.45	1.83	1.87	-	-
Provision for margin loss on sales return not required, written back	(7.03)	-	-	-	(3.00)
Advances written off	0.75	1.14	0.09	1.45	0.95
Provision for doubtful receivables written back	-	(6.92)	-	-	-
Bad debts written off	-	-	-	-	-
Provision for fringe benefit tax written back	-	-	-	-	-
Expense on employee stock option scheme	9.28	1.52	5.92	2.63	4.38
Distribution by subsidiary	(1.87)	-	-	-	-
Loss on sale of fixed assets	15.08	16.96	32.15	10.08	17.62
Finance costs	116.69	125.38	119.06	113.05	86.80
Unrealised foreign exchange gain/(loss)	(0.19)	(4.89)	(5.68)	0.34	0.18
Interest income	(27.80)	(47.88)	(38.94)	(24.46)	(4.83)
Interest income on income tax refunds	(0.62)	-	-	-	-
Provision for wealth tax	-	0.20	0.22	0.19	-
Finance costs	-	-	-	-	-
Inventory written off	-	-	-	-	445.16
Operating cash flow before working capital changes	**436.57**	**312.93**	**104.92**	**(70.03)**	**(107.93)**
Adjustments for :					
(Increase)/decrease in trade receivables	(137.31)	(36.25)	23.64	(110.85)	127.04
(Increase)/decrease in loans and advances	(71.18)	(47.24)	(57.70)	(130.96)	46.26
(Increase)/decrease in other assets	(20.87)	(6.12)	(0.67)	(1.28)	(15.76)
(Increase)/decrease in inventories	(161.28)	143.98	(325.95)	(134.82)	(169.44)
Increase/(decrease) in trade payable	50.83	(19.18)	93.53	103.09	(165.23)
Increase/(decrease) in provisions	(2.37)	18.63	18.16	28.48	3.09
Increase/(decrease) in other liabilities	53.30	1.44	(1.48)	26.32	(3.79)
Net Cash Generated from Operations	**147.69**	**368.19**	**(145.55)**	**(290.05)**	**(285.76)**
Income tax (paid) / refunded	(196.78)	(84.02)	(34.46)	(8.97)	(29.31)
Net cash flows (used in)/generated from operating activities (A)	**(49.09)**	**284.17**	**(180.01)**	**(299.02)**	**(315.07)**
Cash flows from investing activities:					
Acquisition of interest in subsidiaries, associates and joint ventures	(274.23)	-	-	-	(0.05)
Purchase of Investments	(49.00)	-	-	-	-
Purchases of fixed assets (including capital advances)	(120.01)	(174.88)	(344.37)	(280.68)	(162.97)
Deposit received/(repayment) of deposit for sale of property	6.00	-	-	-	-
Proceeds from sale of fixed assets	1.75	1.49	7.53	0.13	0.14
Bank deposits (having original maturity of more than three months)	(19.42)	(73.26)	(112.75)	(465.93)	(40.72)
Redemption/maturity of bank deposits (having original maturity of more than three months)	371.20	66.77	233.18	-	-
Loan received/ (given)	(1.12)	-	-	-	-
Interest received	38.25	44.70	32.90	23.44	4.47
Proceeds from sale of investments	-	-	-	3.23	-
Proceeds from sale of business	1.29	21.95	144.37	109.71	-
Net cash flows (used in)/generated from investing activities (B)	**(45.29)**	**(113.23)**	**(39.14)**	**(610.10)**	**(199.13)**
Cash flow from financing activities:					
Share warrant amount received	-	-	-	13.33	-
Issue of equity shares and premium thereon	0.19	-	365.77	749.99	604.86
Proceeds from issue of debentures	-	-	-	-	293.81
Dividend distribution tax paid	(4.69)	-	-	-	-
Repayment of borrowings	(67.67)	(78.44)	(271.49)	(65.18)	(54.53)
Proceeds from borrowings	55.17	35.53	226.10	151.19	-
Proceeds from/(repayment of) cash credit and working capital facilities (net)	172.40	61.07	128.96	180.83	77.65
Proceeds from short term borrowings	-	-	-	0.52	(267.94)
Repayment of short term borrowings	-	-	-	(0.50)	-
Principal payments under finance lease	(0.65)	(0.11)	-	-	-
Finance costs paid	(117.97)	(116.96)	(115.99)	(112.59)	(83.38)
Net cash flows generated from/(used in) financing activities (C)	**36.78**	**(98.91)**	**333.35**	**917.59**	**570.47**

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited*)

Annexure III

Restated Consolidated Summary Statement of Cash Flows
(All amounts are in INR Millions, unless otherwise stated)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
Net change in cash and cash equivalents (A+B+C)	**(57.60)**	**72.03**	**114.20**	**8.47**	**56.27**
Cash and cash equivalents at the beginning of the period	311.91	239.88	125.68	117.21	60.94
Cash and cash equivalents at the end of the period (see below)	**254.31**	**311.91**	**239.88**	**125.68**	**117.21**
Notes to cash flow statement					
1. Components of cash and cash equivalents:					
Cash on hand	5.22	6.30	10.62	6.31	1.67
Balances with banks in current accounts	247.43	120.93	82.38	72.64	114.67
Balances with banks in deposit accounts	0.22	180.12	143.14	43.19	-
Credit card collections in hand	1.44	2.06	3.04	3.54	0.87
Cheques in hand	-	2.50	0.70	-	-
	254.31	**311.91**	**239.88**	**125.68**	**117.21**

Notes:
1. The above Cash Flow Statement has been prepared in accordance with the 'Indirect method' as set out in the Accounting Standard - 3 on Cash Flow Statements' notified by the Companies (Accounting Standards) Rules, 2006.
2. The above statement should be read with Annexure V to XV and the Significant Accounting Policies; Notes to the Restated Consolidated Financial Information; Statement of Adjustments to Audited Consolidated Financial Statements, as appearing in Annexure IV.

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited*)

Annexure IV

Significant Accounting Policies, Adjustments to the Audited Consolidated Financial Statements and Notes to the Restated Consolidated Financial Information

Company information and significant accounting policies

4.1 General information

Genesis Colors Limited *(formerly known as Genesis Colors Private Limited)* (hereafter referred to as "the Company" or "GCL") was incorporated on 23 November 1998, and converted into public company with effect from 07 September 2016. The Restated Consolidated Financial Information comprises financial information of the Company, its subsidiaries, the Joint ventures and an associate (collectively referred to as "the Group"). The Group is engaged in the manufacturing and trading of designer sarees, women apparels, designer ties, fabric and other accessories and is also engaged in marketing and wholesale distribution of luxury brands in India. The products sold under luxury brands include garments, footwear, accessories, tableware and cosmetics.

The Restated Consolidated Financial Information comprising Restated Consolidated Statement of Assets and Liabilities; Restated Consolidated Statement of Profit and Loss; Restated Consolidated Statement of Cash Flows; and other financial information of the Group, as at and for the financial years ended 31 March 2012; 31 March 2013; 31 March 2014, 31 March 2015 and 31 March 2016, together with the annexures and notes thereto, prepared by applying necessary adjustments as considered appropriate and as set out in Annexure IV to the Restated Consolidated Financial Information of the Group, in terms of requirements of Section 26 of the Companies Act, 2013 ("the Act") read with The Companies (Prospectus and Allotment of Securities Rules, 2014, to the extent applicable, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time ("SEBI Regulations") and the 'Guidance Note on 'Reports in Company's Prospectus (Revised)' issued by the Institute of Chartered Accountants of India ("ICAI") to the extent applicable ("Guidance Note") in connection with the proposed initial public offering ("the Issue") of equity shares of the Company.

This Restated Consolidated Financial Information was approved by the Board of Directors of the Company in their meeting held on 20 September 2016

4.2 Significant accounting policies

a. Basis of preparation of Restated Consolidated Financial Information

The Restated Consolidated Financial Information have been prepared to comply in all material aspects with applicable accounting principles in India, the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and other accounting principles generally accepted in India, to the extent applicable and in particular Accounting Standard 21 (AS 21) - 'Consolidated Financial Statements', Accounting Standard 27 (AS 27) - 'Financial Reporting of Interest in Joint Venture' and Accounting Standard 23 (AS23)- 'Accounting for Investments in Associates in Consolidated Financials Statements.

These Restated Consolidated Financial Information have been prepared so as to contain information / disclosures and incorporating adjustments set out below in accordance with the SEBI Regulations:

(a) Adjustments for audit qualification requiring corrective adjustment in the Restated Consolidated Financial Information, if any;

(b) Adjustments for the material amounts in respective years / periods to which they relate, if any;

(c) Adjustments for previous years identified and adjusted in arriving at the profits of the years to which they relate irrespective of the year in which the event triggering the profit or loss occurred, if any;

(d) Adjustment to the profits or losses of the earlier years and of the year in which the change in the accounting policy has taken place is recomputed to reflect what the profits or losses of those years would have been if a uniform accounting policy was followed in each of these years, if any;

(e) The resultant impact of tax due to the aforesaid adjustments, if any.

Significant accounting policies – The accounting policies set out below have been applied consistently to the periods presented in the Restated Consolidated Financial Information.

b. Principles of consolidation

The Restated Consolidated Financial Information of the Company, its subsidiaries and the joint venture (on a proportionate basis) have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses. Intra group balances and intra group transactions and resulting unrealised profits are eliminated in full. Intra group balances and intra group transactions and resulting unrealised profits with joint ventures are eliminated to the extent of Group's share. Unrealised losses resulting from intra group transactions are also eliminated unless cost cannot be recovered.

The Restated Consolidated Financial Information have been prepared using uniform accounting policies for like transactions and other events in similar circumstances except as disclosed in note g below.

Minority interest in the net assets of consolidated subsidiaries is identified and presented in the Restated Consolidated Summary Statement of Assets and Liabilities separately from liabilities under shareholder's fund. Minority interest in the net assets of consolidated subsidiaries consists of:

(a) The amount of equity attributable to minority at the date on which investment in a subsidiary is made; and

(b) The minority share of movements in equity since the date parent subsidiary relationship came into existence.

Minority interest's share of Restated net profit/(loss) for the year of consolidated subsidiaries is identified and adjusted against the restated profit after tax of the Group.

Reserves and surplus shown in the Consolidated Balance Sheet includes the Group's share in the respective reserves of subsidiaries and proportionate reserves of joint ventures. Reserve attributable to minority stakeholders is reported as part of minority interest in the consolidated Balance Sheet.

Interests in Jointly controlled entities (incorporated Joint Ventures) are accounted for using proportionate consolidation method.
The details of the consolidated entities are as follows:

Name of the Company	Date of incorporation	Country of incorporation	Percentage of ownership
Subsidiaries			
Genesis Luxury Fashion Private Limited (GLF)**	20 September 2007	India	54%
Genesis La Mode Private Limited	30 March 2012	India	100%
GLF Lifestyle Brands Private Limited (GLB)**	8 July 2011	India	100%
GLB Body Care Private Limited	4 May 2012	India	100%
Effactor Events Private Limited	31 May 2005	India	51%
GML India Fashion Private Limited	14 December 2012	India	100%
GLB Parfums and Beaute India Private Limited	17 December 2012	India	100%
Genesis Life Style Events Private Limited (merged with Company w.e.f. 1 December 2012)***	26 February 2007	India	100%
Genesis Colors Middle East FZE	17 October 2010	Dubai	100%
Joint Ventures			
Burberry India Private Limited	12 January 2010	India	49%
Canali India Private Limited	5 March 2012	India	49%
V&B Lifestyle India Private Limited	16 September 2013	India	50%
Associate*			
Genesis Colors Trading (L.L.C)	13 October 2010	Dubai	25%

*The investment in Genesis Colors trading LLC, an associate was sold during the year ended 31 March 2013.

**For change in Company's shareholding in GLF and GLB refer note 4.5.

***Also refer note 4.22

c. Current and non-current classification
All assets and liabilities are classified into current and non current.

Assets:
An asset is classified as current when it satisfies any of the following criteria:
(a) It is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle;
(b) It is held primarily for the purpose of being traded;
(c) It is expected to be realised within 12 months after the reporting date; or
(d) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.
Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities:
A liability is classified as current when it satisfies any of the following criteria:
(a) It is expected to be settled in the Group's normal operating cycle;
(b) It is held primarily for the purpose of being traded;
(c) It is due to be settled within 12 months after the reporting date; or
(d) The Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments, do not affect its classification.
Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle:
Based on the nature of operations and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle being a period within 12 months for the purposes of classification of assets and liabilities as current and non-current.

d. Use of estimates
The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses for the year, reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the Restated Consolidated Financial Information. Examples of such estimates include estimated useful life of fixed assets, provision for bad and doubtful debts, retirement benefits, provision for margin loss on sales return etc. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

e. Fixed assets
Tangible fixed assets
Tangible fixed assets are carried at cost of acquisition less accumulated depreciation. The cost of an item of tangible fixed asset comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Expenditure incurred during the period of construction, including expenses, incidental and related to construction, is carried forward and, on completion, such costs are allocated to respective fixed assets.

Leases under which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Assets taken on finance lease are initially capitalised at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to periods during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Intangible fixed assets
Intangible assets that are acquired by the Group are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and impairment loss. Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

f. Depreciation and amortisation
Depreciation on fixed assets except leasehold improvements is provided on the straight line method based on estimated useful lives, as estimated by the management. Depreciation is charged on a pro-rata basis for assets purchased/sold during the year.

Schedule II to the Companies Act, 2013 prescribes useful life for fixed assets which in some cases, are different from the useful life considered by the management. Schedule II allows Companies to use higher/lower useful life and residual value, if such useful lives and residual values can be technically supported and justification for difference is disclosed in financial statement.

Considering the application of Schedule II, the management believes that useful life currently used, fairly reflect its estimate of the useful lives and residual value of fixed assets, though these lives in certain cases are different from the lives prescribed under Schedule II.

The management estimate of the useful lives of the fixed assets based on the technical evaluation and lives prescribed in Schedule II is as follows:

Assets Category	**Estimated Useful life (in years)**	**Life as per Schedule II (in years)**
Tangible Assets		
Office equipment	5	5
Computers (End user devices, such as, desktops, laptops, etc.)	3	3
Furniture and fixtures	5	10
Buildings	30	30
Electrical equipment's	8	8
Plant and machinery	8	8
Vehicles	5	8

Leasehold improvements are amortised, on straight line basis, over the remaining period of lease, including the renewal options as considered appropriate, or the useful life, whichever is shorter.

g. Inventories

Raw materials and finished goods are valued at the lower of cost and net realizable value.

In the case of manufactured goods, cost includes appropriate share of direct / indirect overheads and duties incurred in bringing goods to the present location and condition. Cost of raw materials and traded goods is determined on a weighted average basis.

In the case of traded goods, cost includes purchase cost, freight and related direct expenses. The comparison of cost and net realizable value is made on an item by item basis. Cost is calculated on the basis of specific identification method except in case of Burberry India Private Limited (Joint venture) where cost is determined using the First in First out (FIFO) method.

h. Impairment

The carrying amounts of assets are reviewed at each Balance Sheet date in accordance with Accounting Standard 28 'Impairment of Assets', to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

i. Revenue recognition

(i) Sales are recognised at the pint of dispatch/delivery of goods to the customers as the case may be, which coincides with the transfer of risks and rewards to the customer and are net of sales tax, returns, discounts and excise duty.

(ii) Revenue from services is recognised on rendering of services to customers.

(iii) Income from deposits and loans is recognised on a time proportion basis at the interest rate implicit in the transactions.

(iv) Revenue from sale of gift vouchers is recognised at the time of redemption of gift vouchers. The amount received from the customers at the time of issuance of gift vouchers is recognised as "Advance received from customers" till the time of redemption

j. Foreign exchange transactions

The Group accounts for effects of differences in foreign exchange rates in accordance with Accounting Standard 11 notified by the Companies (Accounting Standards) Rules, 2006. Transactions in foreign currency are translated at the rate of exchange prevailing at the transaction date. Exchange differences arising on settlement during the year are recognised in the Statement of Profit and Loss.

Monetary items, denominated in foreign currency, are restated at the exchange rate prevailing at the year end and the overall net gain/ loss is recognised in the Statement of Profit and Loss.

The reporting currency of the Group is the Indian Rupee. However, the local currencies of non- integral overseas subsidiary is different from the reporting currency of the Group. The translation of financial statements of the non-integral foreign subsidiary from the local currency to the reporting currency of the Group is performed for Balance Sheet accounts using the exchange rate in effect at the Balance Sheet date and for revenue, expense and cash-flow items using average exchange rate for the year and the resulting difference is presented as foreign currency translation reserve included in 'Reserves and surplus'.

k. Investments

Investments that are readily realisable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as long-term investments. However, that part of long term investments which is expected to be realised within 12 months after the reporting date is also presented under 'current assets' as "current portion of long term investments" in consonance with the current–non-current classification scheme of Schedule III of the Act.

Long-term investments (including current portion thereof) are carried at cost less any other-than-temporary diminution in value, determined separately for each individual investment.

Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investments i.e., equity shares, preference shares, convertible debentures etc.

Any reductions in the carrying amount and any reversals of such reductions are charged or credited to the Statement of Profit and Loss.

l. Employee benefits

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus, etc., are recognised in the Statement of Profit and Loss in the period in which the employee renders the related service.

Post-employment benefits

The employee's provident fund and employee state insurance scheme is a defined contribution plan. The Group's contribution paid/payable under the scheme is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

The Group's gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

Benefits under compensated absences constitute other long-term employee benefits. The liability in respect of compensated absences is provided on the basis of an actuarial valuation done by an independent actuary at the year end. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

m. Taxation (current and deferred)
Income tax expense comprises current tax (i.e. the amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realized in the future. However, where there is unabsorbed depreciation or carry forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty, supported with convincing evidence of realization of such assets. Deferred tax assets are reviewed as at each Balance Sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

n. 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.

o. Leases
Finance lease
Assets leased by the Group in its capacity as lessee where substantially all the risks and rewards of ownership vest in the Group are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Lease payment is allocated between the liability and finance charges so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Operating lease
Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Operating lease charges are recognised as an expense in the Statement of Profit and Loss on a straight line basis or other systematic basis more representative of time pattern of the user's benefit.

p. Provisions and contingent liabilities
A provision is recognised in the Restated Consolidated Financial Information where there exists a present obligation as a result of a past event, the amount of which can be reliably estimated, and it is probable that an outflow of resources would be necessitated in order to settle the obligation. Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the enterprise, or is a present obligation that arises from past events but is not recognised because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made.

q. Borrowing costs
Borrowing costs that are attributable to the acquisition of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a period of one year or more to get ready for intended use. All other borrowing costs are charged to revenue.

r. Cash and cash equivalents
Cash and cash equivalents comprise cash balances on hand, cash balance with bank and highly liquid investments with original maturities, at the date of purchase/investment, of three months or less.

s. Earnings per share
In computing earnings per share, the Group considers net profit/ (loss) after tax. Basic earnings per share are computed by the weighted average number of equity shares outstanding during the year. Diluted earnings per share are computed using the weighted average number of equity and dilutive equivalent shares outstanding during the period, except where results would be anti-dilutive.

t. Employee stock option schemes
The excess of the market price of shares, at the date of grant of options under the Employee Stock Option Schemes of the Company, over the exercise price is regarded as employee compensation, and recognised on a straight-line basis over the period over which the employees would become unconditionally entitled to apply for the shares. The cost recognised at any date at least equals the intrinsic value of the vested portion of the option at that date. Adjustment, if any, for difference in initial estimate for number of options that are expected to ultimately vest and related actual experience was recognised in the Statement of Profit and Loss of that period. In respect of vested options expire unexercised, the cost was reversed in the Statement of Profit and Loss of that period.

Stock options granted by the subsidiary (GLF) to employees of the Company is regarded as employee compensation, and recognised on a straight-line basis over the period over which the employees would become unconditionally entitled to apply for the shares and corresponding amount is recognised as distribution by subsidiary in the Statement of Profit and Loss.

u. Sale of business
On 22 November 2013, GLB Body Care Private Limited (‘Seller’/‘subsidiary Company’/‘GLB’), GLF Lifestyle Brands Private Limited, Holding Company of GLB, Cairn India Private Limited (‘Purchaser’) and Sephora S.A (‘Sephora’) entered into a ‘Business Purchase Agreement’ under which the purchaser has purchased substantially all of the assets, i.e. fixed assets contained at each of the stores and inventory of the seller in return for an agreed consideration, which was approved by Board of Directors on 7 November 2013.
Management is currently evaluating other business opportunities and accordingly, the financial statements of that entity has been prepared on the basis of going concern and no adjustments has been made to carrying amount of assets and liabilities as at 31 March 2016.

v. Going concern
The Joint venture entity (V&B Lifestyle India Private Limited) has significant accumulated losses as at 31 March 2016, which has substantially eroded its net worth. However, on the basis of board approved future cash flow projections driven by various measures planned/ undertaken for improving profitability, equity infusion by Joint Venturers subsequent to the year end and based on the continued financial and operational support from the Joint Venturers, the management considers it appropriate to prepare the financial statements for the year ended 31 March 2016 on basis of going concern and no adjustments has been made to carrying amount of assets and liabilities as at 31 March 2016.

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited*)

Annexure IV

Significant Accounting Policies, Adjustments to the Audited Consolidated Financial Statements and Notes to the Restated Consolidated Financial Information
(All amounts are in INR Millions, unless otherwise stated)

4.3 Statement of adjustments to the audited consolidated financial statements

The summary of results of restatements made in the consolidated audited financial statements for the respective years, and its impact on the reported results of the Group, is as follows:

Particulars	Ref	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
Net profit/(loss) as per audited statement of profit and loss		**72.49**	**(39.89)**	**(263.79)**	**(848.32)**	**(342.60)**
(Increase)/Decrease in profit/loss on account of:						
Inventory written off	#1	-	-	-	445.16	(445.16)
Provision/ liabilities created/ written back	#2	(4.88)	0.29	73.70	21.60	(7.90)
Change in depreciation method and estimated useful life of fixed assets	#3	-	(32.04)	21.30	13.33	3.63
Others	#4	0.07	5.34	0.84	(2.55)	24.27
Total Adjustments		**(4.81)**	**(26.41)**	**95.84**	**477.54**	**(425.16)**
Income tax	#5	2.82	2.04	(7.45)	(2.48)	1.11
Deferred tax	#6	-	(1.38)	(5.71)	55.82	(8.42)
Net profit/(loss), as restated		**70.50**	**(65.64)**	**(181.11)**	**(317.44)**	**(775.07)**

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited*)

Annexure IV

Significant Accounting Policies, Adjustments to the Audited Consolidated Financial Statements and Notes to the Restated Consolidated Financial Information
(All amounts are in INR Millions, unless otherwise stated)

4.3 Statement of adjustments to the audited consolidated financial statements

Restatement adjustments made in the audited opening balance figures in the surplus in the statement of profit and loss at 1 April 2011

Net surplus as at 1 April 2011, as per audited financial statements		**576.23**
adjustments, on account of:		
Provision/ liabilities created/ written back	#2	(82.80)
Change in depreciation method and estimated useful life of fixed assets	#3	(6.23)
Others	#4	(28.86)
Income tax	#5	3.92
Deferred tax	#6	(40.32)
Net surplus as at 1 April 2011, as restated		**421.94**

A) Notes on adjustments to the restated summary statements and other disclosures:

#1) Inventory written off - The audit report for the year ended 31 March 2012 was qualified on account of non-recognition of provision against certain inventories. In subsequent year, the aforementioned inventory was sold at a very minimal price, and loss was recognised as an exceptional item. The restatement adjustment is made, in order to recognise such write off in the year, in which such inventory was purchased.

#2)Provision/ liabilities created/ written back - During certain years, the Group recorded additional loss / reversed already created provisions in relation to non-recoverable debts/ advances/ receivables/ investments/ inventory. Since, these were relating to earlier years, therefore, for the purpose of restatement, such adjustments has now been reflected in respective year's related line item.

Annexure IV

Significant Accounting Policies, Adjustments to the Audited Consolidated Financial Statements and Notes to the Restated Consolidated Financial Information
(All amounts are in INR Millions, unless otherwise stated)

4.3 Statement of adjustments to the audited consolidated financial statements

#3) Depreciation -
a) Change in accounting policy - During the year ended 31 March 2015, the Group decided to change its accounting policy for providing depreciation on fixed assets from written down value method to the straight line method to better represent the financial position. For the purposes of Restated Consolidated Financial Information, this impact has been credited to respective years consolidated statement of profit and loss.
b) Change in useful lives - Pursuant to the notification of Schedule II of the Companies Act, 2013 ("the Act"), by the Ministry of Corporate Affairs effective 1 April 2014, with respect to group entities incorporated in India the Management internally reassessed and changed, wherever necessary, the useful lives to compute depreciation, to conform to the requirements of the Act. Consequently, the carrying amount as at 1 April 2014 is being depreciated over the revised remaining useful life of the asset. The carrying value of Rs. 32.42 millions in case of assets with expired life as at 1 April 2014 was charged to consolidated statement of profit and loss for the year ended 31 March 2015. The same has been adjusted in the year in which the life of respective asset was expired.

#4) Others - This represents adjustment in respective period to which certain items such as prior period, lease rent equalization reversal etc. were related to.

#5) Current tax - The adjustment is aggregation of current tax impact of material adjustments made to the consolidated financial statements and recording of earlier period tax items in respective years to which it pertained and which were recorded in subsequent years in audited consolidated financial statements.

#6) Deferred tax - The Company had reversed deferred tax assets in FY 2012-13, in absence of virtual certainty along with convincing evidence. For the purpose of restatement, such reversal is restated in the years in which deferred tax assets were originally created. Also includes deferred tax impact of restatement adjustments.

Annexure IV

Significant Accounting Policies, Adjustments to the Audited Consolidated Financial Statements and Notes to the Restated Consolidated Financial Information
(All amounts are in INR Millions, unless otherwise stated)

4.3 Statement of adjustments to the audited consolidated financial statements

B) Regroupings

Appropriate adjustments have been made in the Restated consolidated financial information, 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 consolidated financial statements of the Group as at and for the year ended 31 March 2016, prepared in accordance with Schedule III of the Companies Act, 2013 ("Act") and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended). Accordingly, the Group has presented the Restated consolidated financial information as at and for the years ended 31 March 2015, 31 March 2014, 31 March 2013 and 31 March 2012 following the presentations made as at and for the year ended 31 March 2016.

C) Non-adjusting items

The Companies (Auditor's Report) Order, 2003 issued by the Central Government of India under sub-section (4A) of Section 227 of Companies Act 1956 / Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India, in terms of sub-section (11) of Section 143 of the 2013 Act (together referred to as 'CARO') does not apply to the Consolidated financial statements. Further, certain statements included in audit opinion on the consolidated financial statements which do not require any adjustments in the Restated Consolidated Financial Information are reproduced below:

i) Financial year 2013-14, 2014-15 and 2015-16

The subsidiary Company GLB Body Care Private Limited has sold its only business 'Sephora' on slump sale basis vide agreement dated 22 November 2013. The management is currently evaluating other business opportunities and accordingly, the financial statements of that entity has been prepared on the basis of going concern and no adjustments has been made to carrying amount of assets and liabilities. Our opinion is not modified in respect of this matter.

ii) Financial year 2015-16

The net worth of Subsidiary Company's joint venture, V&B Lifestyle India Private Limited, has been eroded due to losses incurred by this Company. Based upon the current projections together with long term involvement with the joint venture, the Company is of the view that there is no permanent diminution in the value of investment in this joint venture. Management projections are based on assumptions and other expectations which are dependent upon the future actions of the management of the joint venture and favourable changes in economic environment in which they operate. Such assumptions cast uncertainty on the recoverability of the investment made by the Company in the joint venture. Our opinion is not modified in respect of this matter.

4.4 Restated Consolidated statement of Share capital

Particulars	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012
Authorised share capital					
Equity shares of Rs. 10 each	540.11	240.10	240.10	240.10	240.10
Preference Shares of Rs. 1,000 each	-	300.01	300.01	300.00	300.00
	540.11	**540.11**	**540.11**	**540.10**	**540.10**
Issued, subscribed and paid-up capital					
Equity shares of Rs. 10 each*	20.96	20.77	20.77	317.54	317.54
Preference Shares of Rs. 1,000 each	-	-	-	-	-
	20.96	**20.77**	**20.77**	**317.54**	**317.54**

* Also refer note 5 of Annexure XII

Reconciliation of number of shares outstanding at the beginning and at the end of reporting period

Equity shares					
Number of shares at the beginning of the year	2,076,705	2,076,705	2,076,705	2,076,705	2,076,705
Add: Shares issued during the year	19,484	-	-	-	-
Number of shares at the end of the year	**2,096,189**	**2,076,705**	**2,076,705**	**2,076,705**	**2,076,705**
Preference shares					
Number of shares at the beginning of the year	-	-	300,000	300,000	300,000
Add: Shares issued during the year	-	-	(300,000)	-	-
Number of shares at the end of the year	**-**	**-**	**-**	**300,000**	**300,000**

Terms, rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. Each member present in person shall have one vote on show of hand and on a poll shall have the right to vote in proportion to his share in the paid-up capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

Failure to pay any amount called up on shares may lead to forfeiture of the shares.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

Terms, rights, preferences and restrictions attached to preference shares

The Company issued 300,000, 0.001% compulsorily convertible series A preference shares of Rs. 1,000 each to some of its equity shareholders (the 'Investors'). These shares were issued in terms of the Share Subscription and Shareholders' Agreement (the 'Agreement') dated 22 May 2008 between the Company, its equity shareholders and the Investors. Certain salient points contained in the Agreement in respect of such shares are as follows:

- These shares shall rank senior to all classes of shares existing in the Company with respect to dividend distributions and repayment of capital upon liquidation of the Company.
- Each of the Investors shall be entitled to payment of Rs. 1,000 per annum in aggregate on their respective shares by way of dividend from the Company. These shares shall also be entitled to pro rata dividend on "as is converted to equity" basis, as and when dividend is declared by the Board.
- The preference shares can be converted into equity shares at any time within 5 years from the closing date, which is 13 June 2008. Beyond that date, these shares will get automatically converted into equity shares.
- The conversion of preference shares into equity shares will be linked to the profits of the Company for the year ended 31 March 2009.

- During the year ended 31 March 2014, 300,000, 0.001% compulsory convertible series A preference shares of Rs 1,000 each has been converted into 140 equity shares of Rs. 10 each.

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited*)

Annexure IV

Significant Accounting Policies, Adjustments to the Audited Consolidated Financial Statements and Notes to the Restated Consolidated Financial Information

(All amounts are in INR Millions, unless otherwise stated)

4.4 Restated Consolidated statement of Share capital

Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:

Name of the Shareholder		As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012
1. Sanjay Kapoor	No(s)	830,776	830,776	807,835	560,734	499,734
	Percentage	39.63%	40.00%	38.90%	31.98%	28.50%
2. Sequoia Capital India Growth Investments I	No(s)	345,659	339,012	339,012	360,428	360,428
	Percentage	16.49%	16.32%	16.32%	20.55%	20.55%
3. HEP Mauritius Limited	No(s)	278,717	273,357	273,357	223,841	223,841
	Percentage	13.30%	13.16%	13.16%	12.76%	12.76%
4. Mr. Sanjay Kapoor, Trustee of Sanjay Kapoor Trust	No(s)	210,049	210,049	210,049	-	-
	Percentage	10.02%	10.11%	10.11%	0.00%	0.00%
5. Mayfield FVCI Limited.	No(s)	180,460	176,990	176,990	121,104	121,104
	Percentage	8.61%	8.52%	8.52%	6.91%	6.91%
6. Jyoti Mohan Narula	No(s)	-	-	10	316,118	316,118
	Percentage	0.00%	0.00%	0.00%	18.03%	18.03%
7. Puneet Nanda	No(s)	-	-	-	92,952	153,952
	Percentage	0.00%	0.00%	0.00%	5.30%	8.78%

0.001% compulsorily convertible series A preference shares

Name of the Shareholder		As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012
1.Sequoia Capital India Growth Investment Holdings I	No(s)	-	-	-	196,364	196,364
	Percentage	0.00%	0.00%	0.00%	65.45%	65.45%
2. Mayfield FVCI Limited.	No(s)	-	-	-	81,818	81,818
	Percentage	0.00%	0.00%	0.00%	27.27%	27.27%
3. ICP Holdings I	No(s)	-	-	-	21,818	21,818
	Percentage	0.00%	0.00%	0.00%	7.27%	7.27%

Shares allotted as fully paid up by way of bonus shares :

Particulars	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012
Equity shares allotted as fully paid up bonus shares by utilisation of balance in Securities Premium Account (No. of shares)	-	-	-	-	45,455

Further, subsequent to year end, the Company has declared bonus shares in the ratio of 1 : 4 to all existing shares holders which has been approved by the share holders in extra ordinary general meeting held on 14 September 2016.

Money received against share warrants:

On 3 January 2013, the Company had issued five share warrants of Rs 26.66 million each to Bennett, Coleman & Co. As per the terms of the warrants, Rs. 13.33 million have been received as warrant subscription amount. Further, as per the terms of share warrants vide amended agreement dated 30 March 2016, Bennett Coleman & Co, has option to exercise this option till 31 March 2018 ("Warrant Exercise Period") or date by which the warrant would have to be converted under applicable law if securities at the Company are being listed pursuant to an Initial Public Offerings, whichever is earlier and equity shares will be issued at Rs. 6,272.28 per share (as adjusted for any subsequent dilution or bonus issue). In the event, Bennett Coleman & Co., does not exercise its option to acquire shares within the Warrant Exercise Period, the subscription amount of Rs 13.33 million shall be forfeited by the Company and the share warrants shall lapse.

On 20 September 2016 (i.e. after annual general meeting of the Company for the financial year ended 31 March 2016 which was held on 22 July 2016), Bennett, Coleman & Co. has exercised this option and consequently 128,355 equity shares of Rs. 10 each were issued by the Company at a premium of Rs. 1,028 per share (after giving effect of dilution and bonus issue from the date of issue of warrants till the date of exercise). The impact of this is not considered in the above Restated Financial Information as the change is carried out post 31 March 2016.

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited*)

Annexure IV

Significant Accounting Policies, Adjustments to the Audited Consolidated Financial Statements and Notes to the Restated Consolidated Financial Information
(All amounts are in INR Millions, unless otherwise stated)

4.5 Restated Consolidated statement of Reserves and Surplus and Minority interests*

Particulars	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012
Securities premium account					
Balance as at beginning of the year	1,553.48	1,553.48	892.24	892.23	892.23
Add : Received during the year	-	-	661.24	0.01	-
Balance as at the end of the year (A)	**1,553.48**	**1,553.48**	**1,553.48**	**892.24**	**892.23**
Capital reserve**					
Balance as at beginning of the year	562.13	562.13	562.13	329.34	27.09
Add: Addition during the year	6.27	-	-	232.79	302.25
Balance as at the end of the year (B)	**568.40**	**562.13**	**562.13**	**562.13**	**329.34**
Foreign currency translation reserve					
Balance as at beginning of the year	0.34	0.26	0.49	(0.00)	0.02
Add: Foreign currency translation reserve for the year	0.13	0.09	(0.23)	0.49	(0.02)
Balance as at the end of the year (C)	**0.47**	**0.35**	**0.26**	**0.49**	**(0.00)**
Share options outstanding account					
Balance as at beginning of the year	5.99	5.18	4.37	2.97	-
Add: expense during the year	3.21	0.81	5.21	1.40	2.97
Less: transferred to security premium on exercise of options	-	-	(4.40)	-	-
Balance as at the end of the year (D)	**9.20**	**5.99**	**5.18**	**4.37**	**2.97**
Surplus/(Deficit) in the statement of profit and loss					
Balance as at beginning of the year	(768.86)	(660.47)	(533.78)	(335.43)	421.94
Add: Profit transferred from transferor pursuant to scheme of amalgamation (refer note 4.22)	-	-	-	(0.01)	-
Less: Transfer to capital redemption reserve	-	-	-	(3.63)	-
Less: Transfer from/(to) capital reserve	-	-	-	(2.59)	2.59
Add: Corporate dividend tax	(2.50)	-	-	-	-
Add: Profit/(Loss) for the year	(7.46)	(108.38)	(126.69)	(192.12)	(759.96)
Balance as at the end of the year (E)	**(778.81)**	**(768.86)**	**(660.47)**	**(533.78)**	**(335.43)**
Capital redemption reserve					
Balance as at the beginning of the year	3.63	3.63	3.63	-	-
Add: Profit transferred from transferor pursuant to scheme of amalgamation	-	-	-	3.63	-
Balance as at the end of the year (F)	**3.63**	**3.63**	**3.63**	**3.63**	**-**
TOTAL (A+B+C+D+E+F)	**1,356.37**	**1,356.72**	**1,464.21**	**929.08**	**889.11**
Minority interests					
Balance as at beginning of the year	1,001.68	958.25	1,011.94	322.43	35.98
Add: Profit/(loss) during the year	77.96	42.74	(54.42)	(125.32)	(15.11)
Add/ Less: Additions/ adjustments during the year	11.43	0.69	0.73	814.83	301.56
Less:- Shares acquired by the Group	285.84	-	-	-	-
Balance as at end of the year	**805.23**	**1,001.68**	**958.25**	**1,011.94**	**322.43**

* Also refer note 5 of Annexure XII

**During the year ended 31 March 2012 and 31 March 2013, one of the minority shareholder infused further capital of Rs. 600 million each year resulting in to dilution of Company's holding from 92% to 61.01% in the financial year 2012 and from 61.01% to 56.37% in the financial year 2013. The consequential dilution gain has been recorded through capital reserve.

Further, during the year ended 31 March 2016 the subsidiary Company Genesis Luxury Fashion Private Limited have increased its stake from 50.10% to 100% in step down subsidiary GLF Lifestyle Brands Private Limited. The excess of minority stake on the date of acquisition over purchase consideration (Rs. 274.23 million) has been recorded as Capital reserve.

4.6 Restated Consolidated Statement of Non-Current and Current liabilities, Long-term and Short-term provisions and Trade payables

Particulars	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012
Non-current liabilities					
Long-term provisions					
Provision for employee benefits:					
Provision for gratuity	25.79	23.87	18.08	16.91	13.03
Provision for compensated absences	5.91	7.27	7.40	8.04	8.55
Total (A)	**31.70**	**31.14**	**25.48**	**24.95**	**21.58**
Other long-term liabilities					
Security deposit received from customers	31.92	30.13	25.03	28.94	31.02
Creditor for fixed assets	-	-	-	4.35	-
Lease equilisation reserve	82.96	70.90	51.00	16.38	23.66
Total (B)	**114.88**	**101.03**	**76.03**	**49.67**	**54.68**
Trade payables					
Outstanding dues to Micro and Small enterprises*	-	-	-	-	-
Outstanding dues to creditors other than Micro and Small Enterprises	453.94	400.68	425.44	354.63	251.23
Total (C)	**453.94**	**400.68**	**425.44**	**354.63**	**251.23**

*'The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Based on the information available with the Company, there are no overdue outstanding to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Further, the Company has not received any claim for interest from any supplier under the said Act for the period presented above.

Other current liabilities					
Current maturities of long-term borrowings (Refer Annexure V)	40.25	55.45	76.90	90.92	40.36
Current maturities of other long-term liabilities	15.74	15.34	22.14	28.77	3.12
Security deposit received from employees	1.03	-	-	-	-
Book overdraft	0.75	0.26	-	-	-
Creditor for fixed assets	3.32	13.51	23.14	-	-
Advance against property	6.00	-	-	-	-
Interest accrued but not due	3.02	7.39	5.93	8.02	7.57
Advances from customers	14.95	11.82	24.13	13.09	21.26
Salaries, bonus and other employee benefits	74.27	40.36	41.05	49.75	23.36
Excise duty on finished goods	-	-	-	-	5.75
Statutory dues	27.58	31.99	23.11	38.10	27.04
Total (D)	**186.91**	**176.12**	**216.40**	**228.65**	**128.46**
Short-term provisions					
Provision for employee benefits:					
Provision for gratuity	2.16	2.77	2.17	1.81	1.36
Provision for compensated absences	0.31	0.59	0.34	0.85	2.07
	2.47	**3.36**	**2.51**	**2.66**	**3.43**
Other provisions:					
Provision for income tax	4.40	74.42	67.98	-	-
Provision for fringe benefit tax	-	-	0.17	20.18	0.17
Provision for wealth tax	-	0.20	0.21	0.21	0.83
Provision for margin loss on estimated sales returns	41.95	48.97	53.64	51.75	25.04
	46.35	**123.59**	**122.00**	**72.14**	**26.04**
Total (E)	**48.82**	**126.95**	**124.51**	**74.80**	**29.47**

Genesis Colors Limited (formerly known as Genesis Colors Private Limited)

Annexure IV

Significant Accounting Policies, Adjustments to the Audited Consolidated Financial Statements and Notes to the Restated Consolidated Financial Information
(All amounts are in INR Millions, unless otherwise stated)

4.7 Restated consolidated statement of tangible and intangible fixed assets

	Tangible fixed assets											Intangible fixed assets				
	Freehold land	Building	Plant and machinery	Furniture and fixtures	Vehicles	Leasehold improvements	Computer equipment	Office equipment	Electrical equipment	Vehicles (under finance lease)	Total	Trade mark	Software	Franchise fees	Total	Grand Total
Gross block																
As at 1 April 2011	**19.77**	**-**	**20.63**	**47.12**	**27.19**	**400.52**	**41.89**	**43.53**	**-**	**-**	**600.65**	**0.05**	**23.46**	**-**	**23.51**	**624.16**
Additions during the year	-	49.55	0.11	12.41	0.51	136.67	2.29	7.01	-	-	**208.55**	-	0.20	-	**0.20**	**208.75**
Deletions/adjustments during the year	-	-	-	0.82	2.26	32.94	0.04	0.28	-	-	**36.34**	-	-	-	**-**	**36.34**
Assets held for disposal	-	-	-	1.95	-	41.88	0.49	0.23	-	-	**44.55**	-	-	-	**-**	**44.55**
As at 31 March 2012	**19.77**	**49.55**	**20.74**	**56.76**	**25.44**	**462.37**	**43.65**	**50.03**	**-**	**-**	**728.31**	**0.05**	**23.66**	**-**	**23.71**	**752.02**
Accumulated depreciation																
As at 1 April 2011	**-**	**0.17**	**2.05**	**27.28**	**14.27**	**131.59**	**32.82**	**18.35**	**-**	**-**	**226.53**	**0.05**	**11.55**	**-**	**11.60**	**238.13**
For the year	-	0.19	1.04	3.22	1.82	92.75	5.21	5.64	-	-	**109.87**	-	3.91	-	**3.91**	**113.78**
On deletions/adjustments during the year	-	-	-	0.37	1.06	17.04	0.02	0.10	-	-	**18.59**	-	-	-	**-**	**18.59**
On assets held for disposal	-	-	-	0.50	-	14.71	0.14	0.13	-	-	**15.48**	-	-	-	**-**	**15.48**
As at 31 March 2012	**-**	**0.36**	**3.09**	**29.63**	**15.03**	**192.59**	**37.87**	**23.76**	**-**	**-**	**302.33**	**0.05**	**15.46**	**-**	**15.51**	**317.84**
Net Block as at 31 March 2012	**19.77**	**49.19**	**17.65**	**27.13**	**10.41**	**269.78**	**5.78**	**26.27**	**-**	**-**	**425.98**	**-**	**8.20**	**-**	**8.20**	**434.18**
Gross block																
As at 1 April 2012	**19.77**	**49.55**	**20.74**	**56.76**	**25.44**	**462.37**	**43.65**	**50.03**	**-**	**-**	**728.31**	**0.05**	**23.66**	**-**	**23.71**	**752.02**
Additions during the year	11.81	2.04	0.19	55.92	2.66	195.90	6.05	9.78	-	-	**284.35**	-	14.62	6.12	**20.74**	**305.09**
Deletions/adjustments during the year	-	-	-	-	1.52	20.10	0.02	0.01	-	-	**21.65**	-	-	-	**-**	**21.65**
As at 31 March 2013	**31.58**	**51.59**	**20.93**	**112.68**	**26.58**	**638.17**	**49.68**	**59.80**	**-**	**-**	**991.01**	**0.05**	**38.28**	**6.12**	**44.45**	**1,035.46**
Accumulated depreciation																
As at 1 April 2012	**-**	**0.36**	**3.09**	**29.63**	**15.03**	**192.59**	**37.87**	**23.76**	**-**	**-**	**302.33**	**0.05**	**15.46**	**-**	**15.51**	**317.84**
For the year	-	1.69	1.04	6.86	1.33	117.37	4.24	5.07	-	-	**137.60**	-	5.99	0.17	**6.16**	**143.76**
On deletions/adjustments during the year	-	-	-	-	1.06	10.38	0.01	0.01	-	-	**11.46**	-	-	-	**-**	**11.46**
Impairment for the year	-	-	-	0.97	-	15.98	0.08	2.85	-	-	**19.88**	-	-	-	**-**	**19.88**
As at 31 March 2013	**-**	**2.05**	**4.13**	**37.46**	**15.30**	**315.56**	**42.18**	**31.67**	**-**	**-**	**448.35**	**0.05**	**21.45**	**0.17**	**21.67**	**470.02**
Net Block as at 31 March 2013	**31.58**	**49.54**	**16.80**	**75.22**	**11.28**	**322.61**	**7.50**	**28.13**	**-**	**-**	**542.66**	**-**	**16.83**	**5.95**	**22.78**	**565.44**
Gross block																
As at 1 April 2013	**31.58**	**51.59**	**20.93**	**112.68**	**26.58**	**638.17**	**49.68**	**59.80**	**-**	**-**	**991.01**	**0.05**	**38.28**	**6.12**	**44.45**	**1,035.46**
Additions during the year	-	63.97	-	33.58	3.20	199.01	3.30	20.97	7.87	-	**331.90**	-	1.43	-	**1.43**	**333.33**
Deletions/adjustments during the year	-	-	-	3.35	5.20	110.12	0.42	0.31	-	-	**119.40**	-	0.09	6.12	**6.21**	**125.61**
Deletions under business transfer agreement	-	-	-	0.22	-	13.01	0.25	0.10	-	-	**13.58**	-	-	-	**-**	**13.58**
As at 31 March 2014	**31.58**	**115.56**	**20.93**	**142.69**	**24.58**	**714.05**	**52.31**	**80.36**	**7.87**	**-**	**1,189.93**	**0.05**	**39.62**	**-**	**39.67**	**1,229.60**

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Significant Accounting Policies, Adjustments to the Audited Consolidated Financial Statements and Notes to the Restated Consolidated Financial Information
(All amounts are in INR Millions, unless otherwise stated)

4.7 Restated consolidated statement of tangible and intangible fixed assets

	Tangible fixed assets											Intangible fixed assets				
	Freehold land	Building	Plant and machinery	Furniture and fixtures	Vehicles	Leasehold improvements	Computer equipment	Office equipment	Electrical equipment	Vehicles (under finance lease)	Total	Trade mark	Software	Franchise fees	Total	Grand Total
Accumulated depreciation																
As at 1 April 2013	-	2.05	4.13	37.46	15.30	315.56	42.18	31.67	-	-	448.35	0.05	21.45	0.17	21.67	470.02
For the year	-	3.07	1.05	7.32	1.33	112.93	2.88	3.39	0.36	-	132.33	-	5.86	0.40	6.26	138.59
On deletions/adjustments during the year	-	-	-	0.99	4.26	40.69	0.19	0.04	-	-	46.17	-	0.03	-	0.03	46.20
On deletions under business transfer agreeme	-	-	-	0.00	-	0.96	0.04	0.00	-	-	1.00	-	-	0.57	0.57	1.57
Impairment for the year	-	-	-	0.13	-	4.95	-	0.35	-	-	5.43	-	-	-	-	5.43
As at 31 March 2014	-	5.12	5.18	43.92	12.37	391.79	44.83	35.37	0.36	-	538.94	0.05	27.28	-	27.33	566.27
Net Block as at 31 March 2014	31.58	110.44	15.75	98.77	12.21	322.26	7.48	44.99	7.51	-	650.99	-	12.34	-	12.34	663.33
Gross block																
As at 1 April 2014	31.58	115.56	20.93	142.69	24.58	714.05	52.31	80.36	7.87	-	1,189.93	0.05	39.62	-	39.67	1,229.60
Additions during the year	-	2.61	-	25.87	-	142.71	3.12	12.64	-	3.21	190.16	-	10.57	-	10.57	200.73
Deletions/adjustments during the year	-	-	-	0.03	3.40	50.12	0.03	0.26	-	-	53.84	-	-	-	-	53.84
As at 31 March 2015	31.58	118.17	20.93	168.53	21.18	806.64	55.40	92.74	7.87	3.21	1,326.25	0.05	50.19	-	50.24	1,376.49
Accumulated depreciation																
As at 1 April 2014	-	5.12	5.18	43.92	12.37	391.79	44.83	35.37	0.36	-	538.94	0.05	27.28	-	27.33	566.27
For the year	-	3.61	5.80	38.09	6.58	119.15	6.37	20.44	0.77	0.16	200.97	-	4.17	-	4.17	205.14
On deletions/adjustments during the year	-	-	-	0.02	1.95	33.17	0.03	0.23	-	-	35.40	-	-	-	-	35.40
As at 31 March 2015	-	8.73	10.98	81.99	17.00	477.77	51.17	55.58	1.13	0.16	704.51	0.05	31.45	-	31.50	736.01
Net Block as at 31 March 2015	31.58	109.44	9.95	86.54	4.18	328.87	4.23	37.16	6.74	3.05	621.74	-	18.74	-	18.74	640.48
Gross block																
As at 1 April 2015	31.58	118.17	20.93	168.53	21.18	806.64	55.40	92.74	7.87	3.21	1,326.25	0.05	50.19	-	50.24	1,376.49
Additions during the year	-	2.70	-	30.83	6.76	48.83	6.88	4.85	-	0.64	101.49	-	1.13	-	1.13	102.62
Deletions/adjustments during the year	1.21	-	-	0.05	-	85.13	0.01	0.01	-	-	86.41	-	-	-	-	86.41
Deletions under business transfer agreement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Assets held for disposal	8.56	35.84	-	-	-	-	-	-	-	-	44.40	-	-	-	-	44.40
As at 31 March 2016	21.81	85.03	20.93	199.31	27.94	770.34	62.27	97.58	7.87	3.85	1,296.93	0.05	51.32	-	51.37	1,348.30
Accumulated depreciation																
As at 1 April 2015	-	8.73	10.98	81.99	17.00	477.77	51.17	55.58	1.13	0.16	704.51	0.05	31.45	-	31.50	736.01
For the year	-	4.04	5.13	34.52	2.75	90.06	6.36	11.32	1.01	0.64	155.83	-	6.09	-	6.09	161.92
On deletions/adjustments during the year	-	-	-	0.05	-	69.52	0.01	0.01	-	-	69.59	-	-	-	-	69.59
On assets held for disposal	-	3.29	-	-	-	-	-	-	-	-	3.29	-	-	-	-	3.29
As at 31 March 2016	-	9.48	16.11	116.46	19.75	498.31	57.52	66.89	2.14	0.80	787.46	0.05	37.54	-	37.59	825.05
Net Block as at 31 March 2016	21.81	75.55	4.82	82.85	8.19	272.03	4.75	30.69	5.73	3.05	509.47	-	13.78	-	13.78	523.25

Annexure IV

Significant Accounting Policies, Adjustments to the Audited Consolidated Financial Statements and Notes to the Restated Consolidated Financial Information

(All amounts are in INR Millions, unless otherwise stated)

4.8 Restated Consolidated Statement of Deferred tax

Particulars	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012
Deferred tax assets on account of:					
- Difference between net book value and written down value of fixed assets as per Income-tax Act, 1961	147.96	133.36	357.98	79.31	38.75
- Carried forward losses and unabsorbed depreciation	405.54	383.03	-	240.42	176.51
- Provision for gratuity and compensated absences	10.99	11.31	8.31	8.62	8.10
- Provision for loss of margin on sales returns	13.69	15.94	15.00	11.95	8.13
- Provision for doubtful receivables	16.61	19.50	14.97	13.28	13.48
- Provision for inventory	5.09	3.42	1.79	3.65	2.24
- Provision for diminution in the value of the investments	2.74	2.74	-	-	-
- Provision for rent equalisation	31.58	27.46	15.92	9.74	16.94
- Others	2.61	1.24	0.20	0.34	3.46
Total	**636.81**	**598.00**	**414.17**	**367.31**	**267.61**
Deferred tax liabilities on account of:					
- Difference between net book value and written down value of fixed assets as per Income-tax Act, 1961	-	0.52	-	-	0.08
Less:- Deferred tax assets not recognised due to absence of virtual certainty of realization in future	(551.12)	(528.84)	(355.73)	(323.84)	(240.55)
Deferred tax assets, net	**85.69**	**68.64**	**58.44**	**43.47**	**26.98**

Annexure IV

Significant Accounting Policies, Adjustments to the Audited Consolidated Financial Statements and Notes to the Restated Consolidated Financial Information
(All amounts are in INR Millions, unless otherwise stated)

4.9 Restated consolidated statement of Inventories

Particulars	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012
(At the lower of cost and net realisable value)					
Raw materials	81.04	69.32	70.82	72.77	86.25
Finished goods	187.62	224.55	314.71	210.85	226.24
Traded goods	1,032.42	845.94	898.26	729.04	625.60
Total	**1,301.08**	**1,139.81**	**1,283.79**	**1,012.66**	**938.09**

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited*)

Annexure IV

Significant Accounting Policies, Adjustments to the Audited Consolidated Financial Statements and Notes to the Restated Consolidated Financial Information
(All amounts are in INR Millions, unless otherwise stated)

4.10 Restated consolidated statement of Cash and Bank balances

Particulars	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012
Cash and cash equivalents					
Cash on hand	5.22	6.30	10.62	6.31	1.67
Cheque in hand	-	2.50	0.70	-	-
Balances with banks					
-On current accounts	247.43	120.93	82.38	72.64	114.67
-On deposit accounts with original maturities of 3 months or less	0.22	180.12	143.14	43.19	-
Others					
-Credit card collections in hand*	1.44	2.06	3.04	3.54	0.87
	254.31	**311.91**	**239.88**	**125.68**	**117.21**
Other bank balances					
Bank deposit accounts due to mature within 12 months of the reporting date	43.83	395.98	383.96	506.09	40.59
	298.14	**707.89**	**623.84**	**631.77**	**157.80**

* Represents the amount of collection with respect to credit card swipes by customers outstanding as at the year end, credited to the Company's bank account subsequent to year end.

Detail of bank deposits					
Bank deposit with original maturity of 3 months or less included under 'Cash and cash equivalents'	0.22	180.12	143.14	43.19	-
Bank deposit due to mature within 12 months of the reporting date included under 'Other bank balances'	43.83	395.98	383.96	506.09	40.59
Bank deposit due to mature after 12 months of the reporting date included under 'Non current assets'	1.05	0.67	6.10	4.40	3.98

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited*)

Annexure IV

Significant Accounting Policies, Adjustments to the Audited Consolidated Financial Statements and Notes to the Restated Consolidated Financial Information

(All amounts are in INR Millions, unless otherwise stated)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
4.11 Cost of materials consumed					
Opening stock	69.32	70.82	72.77	86.25	243.95
Add : purchases	196.65	178.56	272.36	291.40	399.06
Less: cost of raw fabric sold	-	-	-	43.32	-
Less: inventory written off	-	-	-	-	338.57
Less : closing stock	81.04	69.32	70.82	72.77	86.25
Total	**184.93**	**180.06**	**274.31**	**261.56**	**218.19**
a) Details of raw material consumed					
Particulars					
- Raw fabric	123.78	128.08	199.15	150.30	138.68
- Consumables	60.99	51.97	75.17	111.26	79.51
Total	**184.77**	**180.05**	**274.32**	**261.56**	**218.19**
4.12 Purchases of traded goods					
Ties	0.18	0.14	0.68	16.53	4.79
Lingerie	163.58	81.45	162.05	96.29	32.29
Accessories	822.83	779.36	639.84	481.35	322.57
Footwear	151.57	128.87	93.80	64.40	40.91
Table wear	21.42	19.55	52.59	-	-
Cosmetics	4.11	3.08	81.78	76.91	2.90
Other garments	718.47	603.42	656.31	591.06	571.05
Total	**1,882.16**	**1,615.87**	**1,687.05**	**1,326.54**	**974.51**
4.13 Changes in inventories of finished goods and traded goods					
Finished goods					
Opening stock	224.55	314.71	210.85	226.24	240.97
Less: closing stock	187.62	224.55	314.71	210.85	226.24
	36.93	**90.16**	**(103.86)**	**15.39**	**14.73**
Traded goods					
Opening stock	845.94	898.26	729.04	625.60	655.87
Less:- slump sale	-	-	52.14	60.26	16.18
Less: cost of sales of traded fabric	-	-	-	6.56	-
Less: inventory written off	-	-	-	-	106.58
Less: closing stock	1,032.42	845.94	898.26	729.04	625.60
	(186.48)	**52.32**	**(221.36)**	**(170.26)**	**(92.49)**
Total	**(149.55)**	**142.48**	**(325.22)**	**(154.87)**	**(77.76)**
4.14 Employee benefits expense					
Salaries and wages	521.97	490.20	427.13	402.58	283.08
Contribution to provident and other funds	9.64	7.69	4.30	3.52	3.14
Expense on employee stock option scheme	9.28	1.52	5.92	2.63	4.38
Staff welfare expenses	7.42	6.11	7.10	8.50	9.30
Total	**548.31**	**505.52**	**444.45**	**417.23**	**299.90**
4.15 Finance Costs					
Interest expense					
- Interest on cash credit and term loans	111.36	116.54	106.31	100.68	80.70
- Interest on loans and deposits	-	0.61	4.19	7.96	5.68
- Interest on income tax	3.21	5.34	5.17	1.07	0.10
- Interest on others	0.67	1.40	0.86	0.21	0.32
Other borrowing costs					
- Loan processing charges	1.45	1.49	2.53	3.13	-
Total	**116.69**	**125.38**	**119.06**	**113.05**	**86.80**

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
4.16 Other expenses					
Advertisement	56.52	90.35	93.02	64.12	71.34
Royalty	22.41	32.37	35.56	25.62	12.38
Provision for loss of margin on sales return (Please refer note 4.20)	-	-	1.89	26.71	-
Commission on sales	0.15	0.32	2.34	1.29	1.39
Rent	596.77	574.24	537.17	442.41	340.12
Electricity and water charges	52.07	51.59	50.85	32.70	18.60
Recruitment and training	2.25	2.47	2.32	5.58	2.63
Fees and subscription	0.69	1.16	1.78	1.24	0.80
Insurance	4.12	6.20	6.28	8.39	6.34
Freight and octroi charges	89.18	76.71	61.91	45.87	31.72
Warehouse charges	39.06	23.52	8.46	2.84	4.26
Legal and professional	72.25	66.65	81.46	67.36	41.82
Payment gateway charges	31.45	30.55	9.61	7.25	2.43
Printing and stationery	2.54	5.39	5.16	6.11	4.73
Rates and taxes	26.56	19.98	18.40	22.12	15.43
Repairs and maintenance - others	98.26	113.10	100.51	108.71	84.62
Security charges	10.05	4.00	4.77	5.40	4.95
Communication	10.09	20.43	20.61	22.75	18.13
Travelling and conveyance	56.44	64.42	50.34	49.46	32.51
Foreign exchange loss (net)	-	-	-	0.44	12.86
Business promotion	97.43	99.72	69.00	87.13	44.78
Provision for doubtful receivables	8.34	17.61	5.17	-	3.74
Provision for doubtful advances	1.45	1.83	1.87	-	-
Advances written off	0.75	1.14	0.09	1.45	0.95
Job work charges	111.96	101.34	122.17	128.07	88.04
Loss on sale of fixed assets	15.08	16.96	32.15	10.08	17.62
Service charges	30.18	15.02	12.30	0.78	9.98
Packing charges	5.83	25.24	20.37	21.54	11.89
Bank charges	3.66	6.34	10.23	11.39	7.02
CSR expenditure	0.80	-	-	-	-
Miscellaneous expenses	50.96	35.76	39.86	23.57	14.38
Total	**1,497.30**	**1,504.41**	**1,405.65**	**1,230.38**	**905.46**
4.17 Exceptional items					
Profit on sale of business*	-	-	33.34	25.35	-
Loss on account of closure of 'Samsaara Business' **	-	-	(64.08)	-	-
Loss on account of closure of 'Tag Heuer Business' **	-	-	(13.43)	-	-
Joint Venture agreement termination fee	-	16.18	-	-	-
Inventory written off#	-	-	-	-	(445.16)
	-	**16.18**	**(44.17)**	**25.35**	**(445.16)**

* **Profit on sale of business**

On 5 March 2012, the Company had entered into an agreement to sale the 'Canali Business' to Canali India Private Limited on slump sale basis, which was approved by the Board of Directors on 22 March 2012.The transaction was completed on 1 April 2012.

The summary of such sale is as under:

Particulars	Amount
Assets:	
Fixed assets	15.07
Inventories	60.25
Security deposits	9.79
Total assets	**85.11**
Less: liabilities	0.75
Total liabilities	**0.75**
Value of net assets transferred	**84.36**
Consideration received	109.71
Excess of consideration received over the value of net assets transferred, recognized as gain (shown as exceptional item)	**25.35**

During the year ended 31 March 2014, the Group earned profit on sale of two different businesses to two separate entities, the summary of those transactions is as below:

The Company has sold its business 'Sephora' on slump sale basis vide agreement dated 22 November 2013. The summary of such sale is as under:

Particulars	**Amount**
Assets:	
Fixed assets (including capital work in progress)	59.03
Inventories	36.20
Value of net assets transferred	**95.23**
Consideration	120.95
Excess of consideration received over the value of net assets transferred, recognized as gain (shown as exceptional item)	**25.72**

On 22 March 2014, the Company entered into an agreement to transfer the 'V&B Business' to V&B Lifestyle India Private Limited on slump sale basis, which was approved by the Board of Directors on 28 March 2014.The transaction completed on 28 March 2014.
The summary of such sale is as under:-

Particulars	**Amount**
Assets:	
Fixed assets	8.10
Inventories	19.43
Trade receivables	3.02
Security deposits	2.45
Total assets	**33.00**
Less: liabilities	17.04
Total liabilities	**17.04**
Value of net assets transferred	**15.96**
Consideration received	23.42
Excess of consideration received over the value of net assets transferred, recognized as gain (shown as exceptional item)	**7.46**

****Closure of Samasara and Tag Heuer Business**
During the year ended 31 March 2014, the subsidiary GLF Life Style Brands Private Limited (GLB) had closed its 'Samsara Business' and 'Tag Heuer Business' due to the significant losses being made in these businesses. The subsidiary GLB has incurred a loss of Rs. 77.51 millions towards closure of these businesses.

 # Inventory written off
During the year ended 31 March 2012, the Company had decided to liquidate the bulk fabric, that was accumulated for commercial reasons and which could not be consumed in the mainline product and brand. Accordingly, the management identified such stock of raw material and merchandise, purchased as bulk fabric and decided to liquidate the same on stock lot basis. For this purpose, Company invited bids from prospective third parties and sold the entire stock lot for a consideration of Rs. 49.88 millions. Cost of such aforesaid inventory was Rs. 495.04 millions. and consequently the company incurred a onetime exceptional loss of Rs. 445.16 millions. (Please also refer Note #2 of 4.3 - Statement of Adjustments to the Audited Consolidated Financial Statements.

4.18 Restated consolidated statement of gratuity

Particulars	As at and for the year ended 31 March 2016	As at and for the year ended 31 March 2015	As at and for the year ended 31 March 2014	As at and for the year ended 31 March 2013	As at and for the year ended 31 March 2012
Changes in defined benefit obligations					
Liability at the beginning of the year	**26.64**	**20.25**	**18.72**	**14.39**	**11.11**
Current service cost	7.09	5.90	5.96	4.62	3.78
Interest cost	2.15	2.33	1.89	1.54	1.18
Liabilities settled on transfer of business	-	-	-	-	(0.03)
Benefits paid	(3.82)	(6.08)	(1.90)	(1.51)	(0.57)
Actuarial losses/(gains)	(4.11)	4.24	(4.42)	(0.32)	(1.08)
Liability at the end of the year	**27.95**	**26.64**	**20.25**	**18.72**	**14.39**
Amount recognized in the Balance Sheet					
Liability at the end of the year	27.95	26.64	20.25	18.72	14.39
Expenses recognized in the Statement of Profit and Loss					
Current service cost	7.09	5.90	5.96	4.62	3.78
Interest cost on benefit obligation	2.15	2.33	1.89	1.54	1.18
Expected return on plan assets	-	-	-	-	-
Net actuarial losses/(gains) recognized in the year	(4.11)	4.24	(4.42)	(0.32)	(1.08)
Past service cost	-	-	-	-	-
Net expense	**5.13**	**12.47**	**3.43**	**5.84**	**3.88**
Experience adjustments					
Defined benefit obligation	27.95	26.64	20.25	18.72	14.39
Surplus/(deficit)	(27.95)	(26.64)	(20.25)	(18.72)	(14.39)
Experience adjustment on plan liabilities	(1.28)	1.58	(2.12)	(1.24)	(0.50)
Experience adjustment on plan assets	0.13	-	-	-	-
The following are the principal actuarial assumptions at the reporting date:					
Discount rate	8.00%	8.00%	9.30%	7.95%-8.00%	8.60%
Salary escalation rate (P.a.)	8.00%	8.00%	8.00%	8.00%	8.00%
Demographic assumptions:					
1. Retirement age:	58 Years	58 Years	58 Years	58 Years-60 Years	58 Years-60 Years
2. Mortality rate:	IALM (2006-08) ULT table	IALM (2006-08) ULT table	IALM (2006-08) ULT table	IALM (2006-08) ULT table	LIC (1994-96)
3. Withdrawal rate:	10% per annum	10% per annum	10% per annum	10% per annum	10% per annum

4.19 Employee stock option plan

a. Description of share-based payment arrangements

As at 31 March 2016, the Holding company has the following share-based payment arrangement for employees.

2013 Equity Participation Program ('the 2013 plan')

During the year ended 31 March 2014, the Company had approved a share option programme. The plan entitles key management personnel and senior employees of the Company and two subsidiary companies to purchase the common shares of the Company at the stipulated market price on the grant date, subject to compliance with vesting conditions. All exercised options shall be settled by physical delivery of shares. Upon vesting, the employees can acquire one common share of the Company for every option.

The terms and conditions related to the grant of the share options are as follows.

1) 42,814 options have following vesting periods:

Vesting	% of Options vested	Cumulative % of options	Vesting date for grant
1st	10%	10%	April 1, 2014
2nd	20%	30%	April 1, 2015 or 90 days before opening of Initial Public Offering (IPO) of the Company, whichever is later
3rd	30%	60%	April 1, 2016 or 90 days before opening of Initial Public Offering (IPO) of the Company, whichever is later
4th	40%	100%	April 1, 2017 or 90 days before opening of Initial Public Offering (IPO) of the Company, whichever is later

2) 3,717 options have following vesting period:

Vesting	% of Options vested	Cumulative % of options	Vesting date for grant
1st	25%	25%	April 1, 2016 or 90 days before opening of Initial Public Offering (IPO) of the Company, whichever is later
2nd	75%	100%	April 1, 2017 or 90 days before opening of Initial Public Offering (IPO) of the Company, whichever is later

3) 850 options have following vesting period:

Vesting	% of Options vested	Cumulative % of options	Vesting date for grant
1st	100%	100%	March 31, 2016

4) 7,306 options have following vesting period:

Vesting	% of Options vested	Cumulative % of options	Vesting date for grant
1st	100%	100%	March 31, 2014

5) 4,278 options have following vesting periods:

Vesting	% of Options vested	Cumulative % of options	Vesting date for grant
1st	10%	10%	June 1, 2016
2nd	20%	30%	January 1, 2017 or 90 days before opening of Initial Public Offering (IPO) of the Company, whichever is later
3rd	30%	60%	January 1, 2018 or 90 days before opening of Initial Public Offering (IPO) of the Company, whichever is later
4th	40%	100%	January 1, 2019 or 90 days before opening of Initial Public Offering (IPO) of the Company, whichever is later

4.19 Employee stock option plan

6) 1,750 options have following vesting periods:

Vesting	% of Options vested	Cumulative % of options	Vesting date for grant
1st	10%	10%	June 1, 2016
2nd	20%	30%	June 1, 2017 or 90 days before opening of Initial Public Offering (IPO) of the Company, whichever is later
3rd	30%	60%	June 1, 2018 or 90 days before opening of Initial Public Offering (IPO) of the Company, whichever is later
4th	40%	100%	June 1, 2019 or 90 days before opening of Initial Public Offering (IPO) of the Company, whichever is later

7) 1,250 options have following vesting periods:

Vesting	% of Options vested	Cumulative % of options	Vesting date for grant
1st	10%	10%	October 1, 2016
2nd	20%	30%	October 1, 2017 or 90 days before opening of Initial Public Offering (IPO) of the Company, whichever is later
3rd	30%	60%	October 1, 2018 or 90 days before opening of Initial Public Offering (IPO) of the Company, whichever is later
4th	40%	100%	October 1, 2019 or 90 days before opening of Initial Public Offering (IPO) of the Company, whichever is later

Reconciliation of outstanding share options

The number and weighted average exercise prices of share options under employee stock option plans are as follows:

Particulars	For the year ended 31 March 2016		For the year ended 31 March 2015		For the year ended 31 March 2014	
	Number of equity shares	Weighted average exercise price	Number of equity shares	Weighted average exercise price	Number of equity shares	Weighted average exercise price
Options outstanding at the beginning of the year	15,383	2,863.77	35,102	2,990.86	-	-
Granted during the year	7,278	3,090.00	-	-	54,687	2,533.00
Exercised during the year	-	-	-	-	7,306	10
Forfeited during the year	717	3,090.00	19,719	3,090.00	12,279	2,723.14
Options outstanding at the end of the year	21,944	2,931.41	15,383	2,863.77	35,102	2,990.86
Options exercisable at the end of the year	1,467	2,852.78	1,467	2,852.78	-	-

Particulars relating to exercise price and weighted average contractual life of options outstanding as at:

	March 31, 2016	March 31, 2015	March 31, 2014
Exercise price	Rs.1930 - Rs. 3,090	Rs.1930 - Rs. 3,090	Rs.10 - Rs. 3,090
Weighted average contractual life	4.66 years	4.77 years	5.72 years

4.19 Employee stock option plan

b. Share option programme of the Subsidiary Company - Employee stock option plan 2015

One of the subsidiary company (Genesis Luxury Fashion India Private Limited) (GLF) had implemented Employee Stock Option Plan 2015 ('ESOP Plan') which provides for allotment of up to 388,432 equity shares of Rs.10 each to certain employees of the Company, subsidiary company and its step down subsidiaries. During the year ended 31 March 2016, the Company has given 200,207 options to certain employees of the Group at an exercise price of Rs 147 per option.

These options have following vesting period:

Category 1

Vesting	% of Options vested	Cumulative % of options	Vesting date for grant
1st	50%	50%	June 01, 2016
2nd	50%	100%	June 01, 2017

Category 2

Vesting	% of Options vested	Cumulative % of options	Vesting date for grant
1st	10%	10%	June 01, 2016
2nd	20%	30%	June 01, 2017
3rd	30%	60%	June 01, 2018
4th	40%	100%	June 01, 2019

Category 3

Vesting	% of Options vested	Cumulative % of options	Vesting date for grant
1st	10%	10%	June 01, 2016
2nd	20%	30%	January 01, 2017
3rd	30%	60%	January 01, 2018
4th	40%	100%	January 01, 2019

Category 4

Vesting	% of Options vested	Cumulative % of options	Vesting date for grant
1st	10%	10%	October 01, 2016
2nd	20%	30%	October 01, 2017
3rd	30%	60%	October 01, 2018
4th	40%	100%	October 01, 2019

4.19 Employee stock option plan

Category 5

Vesting	% of Options vested	Cumulative % of options	Vesting date for grant
1st	50%	50%	October 01, 2016
2nd	50%	100%	October 01, 2017

The options are to be exercised within a maximum period of 3 years from the date of grant. The options outstanding at 31 March 2016 have an exercise price of Rs. 147 and weighted average balance life of options outstanding as on 31 March 2016 is 2.18 years.

Details of movement under the stock option plan are as under:

Particulars	For the year ended 31 March 2016	
	Number of equity shares	Weighted average exercise price
Options outstanding at the beginning of the year	-	-
Options granted during the year	209,755	147
Options forfeited during the year	9,548	
Options outstanding at the end of the year	200,207	147
Options exercisable at the end of the year	-	-

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Annexure IV

Significant Accounting Policies, Adjustments to the Audited Consolidated Financial Statements and Notes to the Restated Consolidated Financial Information
(All amounts are in INR Millions, unless otherwise stated)

4.19 Employee stock option plan

c. Share option programme of the subsidiary Company - Employee Stock Option Plan 2010

The Subsidiary Company (GLF) had implemented Employee Stock Option Plan 2010 ('ESOP Plan') which provides for allotment of up to 328,022 equity shares of Rs.10 each to certain employees of GLF. During the year ended 31 March 2011, the GLF had given 328,022 stock options to certain employees at an exercise price of Rs 10 per option.

These options have following vesting period

Vesting	% of Options vested	Cumulative % of options	Vesting date for grant
1st	25%	25%	On the third anniversary from 1st April of the financial year in which options are granted
2nd	25%	50%	On the fifth anniversary from 1st April of the financial year in which options are granted
3rd	50%	100%	On the seventh anniversary from 1st April of the financial year in which options are granted

The options are to be exercised within a maximum period of 10 years from the date of grant. The options outstanding at 31 March 2016 have an exercise price of Rs. 10 and weighted average balance life of options outstanding as on 31 March 2016 is 4.50 years.

Details of movement under the stock option plan are as under:

Particulars	For the year ended 31 March 2016		For the year ended 31 March 2015		For the year ended 31 March 2014		For the year ended 31 March 2013		For the year ended 31 March 2012	
	Number of equity shares	Weighted average exercise price	Number of equity shares	Weighted average exercise price	Number of equity shares	Weighted average exercise price	Number of equity shares	Weighted average exercise price	Number of equity shares	Weighted average exercise price
Options outstanding at the beginning of the year	328,022	10.00	328,022	10.00	328,022	10.00	328,022	10.00	328,022	10.00
Options exercised during the year	82,006	10.00	-	-	-	-	-	-	-	-
Options outstanding at the end of the year	246,016	10.00	328,022	10.00	328,022	10.00	328,022	10.00	328,022	10.00
Option exercisable at the end of the year	82,005	10.00	164,011	10.00	-	-	-	-	-	-

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4.19 Employee stock option plan

As permitted by the guidance note on the subject issued by the Institute of Chartered Accounts of India, the Group has elected to account for stock options based on their intrinsic value (i.e. the excess of quoted market price of the underlying share over the exercise price) at the grant date rather than their fair value at that date. Had the compensation cost for employee stock options been determined on the basis of the fair value approach as described in the ICAI guidance note, the Group's net profit/(loss) after tax and basic and diluted earnings/(loss) per share would have been as per the proforma amounts shown below:

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
Net loss for the year	(7.46)	(108.38)	(126.69)	(192.12)	(759.96)
Less: stock-based employee compensation expense determined under fair value based method	(12.62)	(1.73)	(6.13)	(2.99)	(4.98)
Add: Compensation cost recorded under intrinsic value method*	9.28	1.52	5.92	2.63	4.38
Pro forma net loss	(10.79)	(108.60)	(114.64)	(186.51)	(750.60)
Impact on EPS (INR per share)					
- Basic	(5.19)	(52.29)	(57.26)	(106.36)	(428.03)
- Dilutive	(5.19)	(52.29)	(57.26)	(106.36)	(428.03)

*included in salaries and wages

The grant date fair value of the options granted to employees was measured based on the Black-Scholes option-pricing model. Expected volatility, an input in this formula, is estimated by considering historic average share price volatility.

The inputs used in the measurement of grant-date fair values are as follows:

	2013 Equity Participation Program ('the 2013 plan') GCL		Employee stock option plan 2015 GLF	Employee Stock Option Plan 2010 GCL
Particulars	**31 March 2016**	**31 March 2014**	**31 March 2016**	**31 March 2010**
Exercise price	Rs 3,090	Rs. 10 – Rs 3,090	Rs. 147	10
Share price	Rs. 2,931.61	Rs. 618.21	Rs. 308	46
Expected volatility	10%	0%	10%	10%
Expected life	7 years	1 year to 3 years	10 years	10 years
Expected dividend	Nil	0%	Nil	Nil
Risk-free interest rate	8.33%	9.30%	8.33%	8%
Fair value of options	Rs. 1,167	Nil	Rs. 242	Rs. 41

4.20 Provision for loss of margin on sales return

The Group 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 utilized over the next one year.

Certain group entities sells their finished goods of luxury brands to a single franchisee, ('the Customer') on principal to principal basis, that runs mono brand retail stores throughout the country. This is based on the 'Franchise Agreement' entered into between these entities and the customer. The goods are sold to the customer based on the demand and trends of luxury fashion. Sales are recognized at the point of dispatch of goods to the customer, which coincides with the transfer of risks and rewards to the customer and are net of sales tax and returns.

These entities deals in many luxury brands and continuously judges the market responsiveness to these luxury brands. These entities and the customer, therefore, rely on estimation and expectation of demand, which witness substantial sales returns during the year. The Customer is required to maintain certain levels of stocks at the retail stores in line with the luxury fashion trends and display requirements. In line with the business trend and marketing competition, the aforesaid entities has to accept the above sales returns. The total revenue reflected is net of sales returns as per the policy followed.

Since the goods accepted as sales returns can be sold only by the customer from the respective mono brand retail stores, in many cases, for administrative convenience, the goods are not physically moved back to the aforesaid entities location and continue to be at the retail stores of the customer, even though the property and title of these goods gets transferred back to the aforesaid entities.

In view of the above business trend, the aforesaid entities assesses the year end stock lying at the customer's retail stores together with subsequent sales of such stocks in order to analyze the possibility of future sales returns. Though there has not been any significant sales returns subsequently and there is still no settled trend available in this regard and, in spite of the fact that the aforesaid entities has realized a portion of outstanding receivable from the customer, the aforesaid entities has considered it prudent to estimate possible future sales returns out of the sales made during the year and has carried an estimated provision at the end of the year towards possible loss of margin on sales made. In the management's view, this provision is adequate to reflect a true and fair view of the revenue recorded.

The relevant disclosure as per Accounting Standard 29 'Provisions, Contingent Liabilities & Contingent Assets are as follows:

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
Balance as at beginning of the year	48.97	53.64	51.75	25.04	28.04
Additional provisions made in the year	41.95	48.97	53.64	51.75	25.04
Reversal during the year	48.97	53.64	51.75	25.04	28.04
Balance as at end of the year	**41.95**	**48.97**	**53.64**	**51.75**	**25.04**

4.21 Segment reporting

The Group is primarily engaged in the manufacture and trading of garments, fashion accessories and organizing related fashion events. All these activities are primarily within the country with certain export revenues, where risks and rewards are not substantially different. Therefore, all the activities represent one business segment in the context of Accounting Standard 17 on "Segment Reporting", specified under section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014. .

4.22 Scheme of amalgamation

A Scheme of Amalgamation of Genesis Life Style Events Private Limited a wholly owned subsidiary ("transferor company"), and the Company ("transferee company), and their respective shareholders, under Sections 391 to 394 of the Companies Act, 1956 ("the Scheme") was approved by the shareholders of the respective companies and sanctioned by the Honorable High Court of Delhi (vide its Order dated 07 August 2013).
The Scheme became effective on 23 September 2013 ("Effective Date") on submission of the order of the High Court of Delhi with Registrar of Companies at New Delhi. The appointed date from which the Scheme was operative is 1 December 2012 (the "Appointed Date").
The transferor Company was engaged in the business of promoting, sponsoring and running all sort of events, shows, public relations, launches, exhibitions, social events, trade shows, films, programmes of songs, music and dance etc.

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Significant Accounting Policies, Adjustments to the Audited Consolidated Financial Statements and Notes to the Restated Consolidated Financial Information

(All amounts are in INR Millions, unless otherwise stated)

a) Salient features of the Scheme

(i) Consequent to the scheme, the whole of the business and undertakings including the property, rights and powers of the transferor Company was transferred, without further act or deed, to the Company.
(ii) All liabilities and duties of the transferor company was transferred without further act or deed to the Company.
(iii) All proceedings pending by and against the transferor company was continued by or against the Company.
(iv) Since the transferor company was the wholly owned subsidiary of the Company, no shares were being issued to the shareholders of the transferor company on amalgamation with the Company.
(v) With effect from the appointed date and until occurrence of the effective date, the transferor company was deemed to have carried on all the business and activities and stand possessed of all the properties and assets for and on account of and in trust for the transferee Company. All the profits accruing to the transferor company and all taxes thereon or losses arising or incurred by them were, for all purposes, were treated as and deemed to be the profits or losses or taxes of the Company.
(vi) On occurrence of the effective date and with effect from the appointed date, the authorised capital of the transferor company stand merged with the authorized share capital of the Company, without any further act of the Company or its shareholders. Consequently, the authorised share capital of the Company was increased by Rs. 100,000 classified as comprising of 10,000 equity shares of Rs 10 each.

b) Accounting treatment

(i) On the scheme becoming effective, the Company had accounted for the Amalgamation in its books as per the Pooling of Interest method of accounting, prescribed under the Accounting Standard 14, issued by the Companies (Accounting Standards) Rules, 2006, to the extent applicable.
(ii) On amalgamation, the Company had recorded all assets and liabilities, including provisions, and reserves of the transferor company, pursuant to this scheme, at the respective book values thereof as appearing in the books of account of the transferor company, at the close of business of the day immediately preceding the appointed date.
(iii) Intercompany balances in terms of receivables and payables, including investment held by the Company in the transferor company, were cancelled.
(iv) In case of any differences in accounting policy between the Company and transferor company, the impact of the same till the appointed date was quantified and adjusted in the balance sheet of the Company in accordance with the Accounting Standards prescribed under Section 211(3C) or any other applicable provisions of the Act, to ensure that the financial statements of the Company reflect the financial position on the basis of consistent accounting policy.
(v) The difference, if any, between the value of assets and the value of the liabilities and reserves of the transferor company vested in the Company was adjusted to the capital reserve of the Company which shall be available for all purposes including the issue of bonus shares.
(vi) Assets and liabilities taken over pursuant to the scheme of arrangement as at the appointed date 1 December 2012 and adjustments arising pursuant to the above-mentioned accounting treatment in the financial statements of the Company as at 1 December 2012 were as follows:

Particulars	Amount (INR)
Assets taken over pursuant to scheme of arrangement	
Non current investments	159.30
Long term advances	0.08
Cash and cash equivalents	0.27
Total (A)	**159.66**
Liabilities taken over pursuant to scheme of arrangement	
Short term borrowings	159.30
Other current liabilities	0.25
Total (B)	**159.55**
Net assets taken over (C=A-B)	**0.10**
Reserves and surplus transferred pursuant to scheme of arrangement (D)	
Equity Shares (adjusted with investment) (E)	0.10
Net balance transferred / adjusted in reserves (F=C-D-E)	**Nil**

There were no significant operations in the transferor company.

4.23 Litigations against the Group

(A) Income tax

Certain demand notices relating to direct tax matters amounting to Rs. 26.61 million have neither been acknowledged as claims nor considered as contingent liabilities by the Group. Based on internal assessment and independent advice taken from tax experts, the Group is of firm belief that the above demands is not tenable and highly unlikely to be retained by higher authorities and is accordingly not carrying any provision in its books in respect of the same.

(B) Others

The subsidiary company (GLF) had entered into agreements with Etro S.P.A. (Etro) for exclusive distribution of its products under brand Etro. The business of distribution of Etro products (Etro Business) was causing huge losses, and hence, GLF was constrained to close down Etro stores, whereupon the distribution agreements were terminated by Etro S.P.A. on 15 April 2014. Thereafter, Etro instituted a suit in the Court of Milan against GLF.
The Group believes that as per applicable laws, the decree of Milan court is not enforceable in India since Italy and India are non- reciprocating countries. Further, since most of the monetary claims and damages claimed by Etro in the case are indirect and consequential in nature, the Group believes that the likelihood of these claims and damages being allowed by Indian courts is remote, and is accordingly not carrying any provision in its books in respect of the same.

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Annexure V

Restated Consolidated Statement of Long-Term and Short-Term Borrowings
(All amounts are in INR Millions, unless otherwise stated)

Particulars	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012
Long-term borrowings					
Secured					
Term loans					
- from banks	2.62	0.11	0.59	0.92	0.77
- from others	-	-	20.48	51.51	16.22
Finance lease obligation	2.33	2.56	-	-	-
	4.95	**2.67**	**21.07**	**52.43**	**16.99**
Short-term borrowings					
Secured					
Cash credit and working capital facilities from banks	1,047.62	859.39	817.36	644.09	442.36
Buyers' credit	-	-	-	-	20.90
Bank overdraft	3.21	19.04	-	-	-
Unsecured					
Debentures	-	-	-	-	293.81
Loan from related party	0.43	0.05	0.03	44.33	44.31
	1,051.26	**878.48**	**817.39**	**688.42**	**801.38**
Current maturities of long-term debt					
Term loans					
- from banks	1.49	0.21	0.85	0.76	0.55
- from others	38.03	54.71	76.05	90.16	39.81
Finance lease obligation	0.73	0.53	-	-	-
	40.25	**55.45**	**76.90**	**90.92**	**40.36**
Total	**1,096.46**	**936.60**	**915.36**	**831.77**	**858.73**

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Particulars in respect of the loans obtained by the Group (other than loans obtained from Directors/ Promoters/ Promoter / Relatives of Directors :

Sr. No.	Name of the lender	Nature of borrowing	Rate of interest	Amount outstanding as at 31 March					Repayment terms	Prepayment charges	Default charges	Security
				2016	2015	2014	2013	2012				
1	HDFC Bank	Vehicle Loan	9.25%	-	-	0.06	0.20	0.32	48 Equal Monthly Instalments	Nil for initial 6 months; 6% for 7 to 12 months; thereafter 3%.	2% per month	Hypothecation against purchased vehicle.
2	Punjab National Bank	Vehicle Loan	12.00%	-	-	0.22	0.32	0.40	49 Equal Monthly Instalments	NA	2% of the outstanding amount	Hypothecation against purchased vehicle.
3	Alphard Financial Services	Vehicle Loan	10.38%	-	-	0.31	0.52	-	36 Equal Monthly Instalments	3% for initial 12 months; thereafter 2%.	2% of the outstanding amount	Hypothecation against purchased vehicle.
4	Kotak Mahindra Bank	Vehicle Loan	12.50%	-	-	0.09	0.26	0.40	59 Equal Monthly Instalments	5.75% of Principal Amount.	3% of the outstanding amount	Hypothecation against purchased vehicle.
5	ICICI Bank	Vehicle Loan	11.25%	-	0.32	0.51	-	-	36 Equal Monthly Instalments	5.70% of Principal Amount.	Sanc- 5% noc(paid)- 5.75%	Hypothecation against purchased vehicle.
6	Alphera Financial services	Vehicle Loan	10.84%	-	-	0.24	0.40	-	36 Equal Monthly Instalments	3% for initial 12 months; thereafter 2%.	2% of the outstanding amount	Hypothecation against purchased vehicle.
7	India Bulls Financial Services Ltd.	Term loan	LFRR *less* 5.75%	-	54.71	-	-	-	14 Equal Monthly Instalments	5% for initial 6 months; thereafter nil.	NA	Personal Property of relative of Director
8	India Bulls Financial Services Ltd.	Term loan	LFRR *less* 7.00%	38.04	-	-	-	-	12 Equal Monthly Instalments	5% for initial 6 months; thereafter nil.	NA	Personal Property of relative of Director
9	Orix Leasing and Financial Services India Ltd.	Finance Lease Obligation	13.50%	2.56	3.08	-	-	-	60 Equal Monthly Instalments	future rentals to be discounted at 10%.	24% pa	Hypothecation against purchased vehicle.
10	Orix Leasing and Financial Services India Ltd.	Finance Lease Obligation	13.50%	0.50	-	-	-	-	60 Equal Monthly Instalments	future rentals to be discounted at 1.5%.	24% pa	Hypothecation against purchased vehicle.
11	SVB India Finance Pvt. Ltd.	Term loan	12.00%	-	-	-	16.22	55.14	37 equal monthly instalments	1% of Principal amount	NA	Personal Property of Director
12	India Bulls Financial Services Ltd.	Term loan	LFRR *less* 3.50%	-	-	21.13	58.66	-	24 equal monthly instalments	5% for first 6 months after that nil.	NA	Personal Property of relative of Director
13	India Bulls Financial Services Ltd.	Term loan	LFRR less 4.50%	-	-	30.97	66.79	-	24 equal monthly instalments	5% for first 6 months after that nil.	NA	Personal Property of relative of Director

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Particulars in respect of the loans obtained by the Group (other than loans obtained from Directors/ Promoters/ Promoter / Relatives of Directors :

Sr. No.	Name of the lender	Nature of borrowing	Rate of interest	Amount outstanding as at 31 March					Repayment terms	Prepayment charges	Default charges	Security
				2016	2015	2014	2013	2012				
14	India Bulls Financial Services Ltd.	Term loan	LFRR *less* 4.50%	-	-	44.48	-	-	24 equal monthly instalments	5% for first 6 months after that nil.	NA	Personal Property of relative of Director
15	IDBI Bank	Cash credit limits	Bank Rate + 4.00%	98.36	36.04	97.98	16.32	3.44	N/A	N/A	N/A	- first pari passu charge over entire current assets and movable fixed assets (except for those located at Plot No. 28, Sector 6, Manesar Gurgaon). - equitable mortgage (on second charge basis) over land and building located at Plot No. 28, Sector 6, Manesar Gurgaon. - first pari passu charge over the land and building located at 526 Industrial Estate, Barhi, Sonepat Haryana - first charge on pari passu basis on Brand value "SATYA PAUL",the flagship brand of the Company Further, three Directors of the Company have also given their personal guarantees in respect of such loans.
16	HDFC Bank	Cash credit limits	Bank Rate + 4.25%	-	-	-	-	5.99	N/A	N/A	N/A	
17	Punjab National Bank	Cash credit limits	Bank Rate + 3.25%	350.19	384.58	349.85	356.01	350.90	N/A	N/A	N/A	
18	HDFC Bank	Term loan	14.00%	-	-	74.47	80.00	-	NA	N/A	N/A	N/A
19	ICICI Bank	Term loan	14.00%	-	-	-	0.80	-	Maximum Tenor Of Each Tranche:180 Days (Or) Upto Validity Period Of Facility, Whichever Is Earlier Minimum Tenor Of Each Tranche:7Days	N/A	N/A	N/A

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Sr. No.	Name of the lender	Nature of borrowing	Rate of interest	Amount outstanding as at 31 March					Repayment terms	Prepayment charges	Default charges	Security
				2016	2015	2014	2013	2012				
20	Kotak Mahindra Bank	Cash credit limits	12.10%	-	100.97	-	-	-	N/A	3% of the Prepaid Amount	N/A	Equitable mortgage of residential property in name of Mr. Sanjay Kapoor
21	Yes Bank	Cash credit limits	13.25%	220.00	80.00	101.82	15.63	-	N/A	N/A	N/A	N/A
22	BMW Financial Services	Vehicle Loan	9.00%	-	-	-	-	0.89	36 Equal Monthly Instalments	Within 1 year - 3%, and 2% thereafter	24% p.a. on unpaid amount	Hypothecation against purchased vehicle.
23	Axis Bank	Vehicle Loan	10.75%	-	-	-	-	0.19	37 Equal Monthly Instalments	N/A	N/A	Hypothecation against purchased vehicle.
24	BMW Financial Services	Vehicle Loan	9.61%	3.40	-	-	-	-	36 Equal Monthly Instalments	Within 1 year - 3%, and 2% thereafter	24% p.a. on unpaid amount	Hypothecation against purchased vehicle.
25	ICICI Bank	Vehicle Loan	9.71%	0.71	-	-	-	-	48 Equal Monthly Instalments	5.70% of Principal Amount.	Sanc- 5% noc(paid)- 5.75%	Hypothecation against purchased vehicle.
26	Yes bank	Cash credit limits	13.25%	150.00	83.86	101.61	24.41	-	N/A	N/A	N/A	N/A
27	HSBC Bank	Term loan	12-14%	229.08	192.99	91.57	150.90	82.03	N/A	N/A	N/A	N/A
28	HSBC Bank	Buyers Credit	12%-14%	-	-	-	-	20.90	N/A	N/A	N/A	N/A
29	Convertible Debentures	Debentures	0.00%	-	-	-	-	293.81	N/A	N/A	N/A	N/A
30	Bank Overdraft (HSBC)	Bank O/D	12%-14%	3.20	-	-	-	-	N/A	N/A	N/A	N/A

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Particulars in relation to loans obtained from Directors/ Promoters/ Promoter Group Companies/ Group Entities/ Relatives of Directors:

Sr. No.	Name of the lender	Sanctioned amount	Loan amount	Outstanding amount as at 31 March					Rate of interest	Date of agreement	Repayable on demand	Repayment terms
				2016	2015	2014	2013	2012				
1	Deepak Mohan Narula	44.30	44.30	-	-	-	44.30	44.30	12.00%	01-Jun-11	No	- Loan can be be repaid or availed anytime during the said term of loan
2	Mr Sanjay Kapoor	15.00	15.00	-	-	-	-	-	12.00%	24-Dec-12	No	- Loan can be be repaid or availed anytime during the said term of loan -In case of sale of entire business of borrower , the loan shall be repaid immediately before occurrence of such event.
3	Mr Sanjay Kapoor	-	-	0.02	0.02	0.02	0.03	0.01	NIL	N/A	No	N/A
4	Ms Timsy Anand	-	-	-	0.01	0.01	-	-	NIL	N/A	No	N/A
5	Mr. Virendra Bhasin	-	-	0.39	0.02	-	-	-	NIL	N/A	No	N/A
6	Mr Sanjay Kapoor	150.00	35.50	-	-	-	-	-	12.00%	01-Feb-13	No	- Loan can be be repaid or availed anytime during the said term of loan -In case of sale of entire business of borrower , the loan shall be repaid immediately before occurrence of such event.
7	Canali India	40.00	-	-	-	-	-	-	10.00%		No	- Loan can be be repaid or availed anytime during the said term of loan -In case of sale of entire business of borrower , the loan shall be repaid immediately before occurrence of such event.

Note: The above statement should be read with Annexure I to Annexure IV of the Restated Consolidated Financial Information.

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited*)

Annexure VI

Restated Consolidated Statement of Non-Current and Current Investments
(All amounts are in INR Millions, unless otherwise stated)

Particulars	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012
Non-Current Investments					
Investment in Equity instruments (Valued at cost, unless otherwise stated)					
Investment in others (fully paid up) : unquoted					
- Genesis Colors Trading LLC	-	-	-	-	3.23
	-	**-**	**-**	**-**	**3.23**
Current Investments					
Investment in mutual funds					
- BNP Paribas Money Plus Fund- Growth	24.50	-	-	-	-
- ICICI Prudential Savings Fund - Growth	24.50	-	-	-	-
Total Current Investments	**49.00**	**-**	**-**	**-**	**-**
Aggregate book value of current investments	49.00				
Aggregate market value of current investments	51.40				

Note: The above statement should be read with Annexure I to Annexure IV of the Restated Consolidated Financial Information.

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited*)

Annexure VII

Restated Consolidated Statement of Long-Term & Short-Term Loans and Advances, Other Current and Non-Current Assets

(All amounts are in INR Millions, unless otherwise stated)

Particulars	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012
Long-term loans and advances *(Unsecured and considered good, unless otherwise stated)*					
Others					
- capital advances	7.70	0.85	-	1.17	1.14
- security deposits	261.72	225.51	215.97	222.25	138.25
- deposit with vendor	24.64	-	-	-	-
- advance income tax [net of provision]	42.75	32.17	25.99	19.22	12.59
- customs duty recoverable/ VAT recoverable	53.81	54.90	43.22	30.51	22.20
Total (A)	**390.62**	**313.43**	**285.18**	**273.15**	**174.18**
Other non-current assets					
Bank deposits due to mature after 12 months of the reporting date	1.05	0.67	6.10	4.40	3.98
Interest accrued but not due on fixed deposits	0.10	0.12	0.18	1.61	1.20
Total (B)	**1.15**	**0.79**	**6.28**	**6.01**	**5.18**
Short-term loans and advances *(Unsecured and considered good, unless otherwise stated)*					
To related parties					
- Short-term loans to subsidiary companies	-	0.61	20.59	4.62	3.59
To parties other than related parties					
- advance to employees	1.87	0.62	0.35	0.29	0.28
- advance to suppliers	148.56	133.61	96.02	112.16	68.77
- advance tax	6.46	-	-	2.40	4.37
- service tax receivable	-	-	-	6.39	8.91
- security deposits					
- Considered good	15.78	20.64	22.52	0.42	19.98
- Considered doubtful	0.75	-	-	-	-
- VAT credit/Custom Duty/Service tax credit receivable					
- Considered good	1.99	6.30	17.02	4.76	-
- Considered doubtful	1.73	2.11	4.35	-	4.03
- prepaid expenses	11.58	7.97	4.90	6.06	0.69
- others	0.62	-	22.03	2.77	1.35
Less: Provision for doubtful advances	2.48	2.11	1.87	-	-
Total (C)	**186.86**	**169.75**	**185.91**	**139.87**	**111.97**
Other current assets					
Interest accrued but not due on fixed deposits	47.39	26.39	0.14	0.80	-
Claim recoverable	-	0.13	-	-	-
Fixed assets held for sale	41.11	-	-	-	29.08
Interest accrued but not due on fixed deposits	0.91	11.35	9.85	2.38	1.75
Total (D)	**89.41**	**37.87**	**9.99**	**3.18**	**30.83**

Note: The above statement should be read with Annexure I to Annexure IV of the Restated Consolidated Financial Information.

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited*)

Annexure VIII

Restated Consolidated Statement of Trade Receivables
(All amounts are in INR Millions, unless otherwise stated)

Particulars	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012
Trade receivables outstanding for a period exceeding six months from the date they became due for payment					
Unsecured					
- Considered good	76.89	43.99	9.23	5.57	50.61
- Considered doubtful	51.03	42.69	46.13	40.97	40.97
	127.92	86.68	55.36	46.54	91.58
Less: Provision for doubtful debts	(51.03)	(42.69)	(46.13)	(40.97)	(40.97)
Total (A)	**76.89**	**43.99**	**9.23**	**5.57**	**50.61**
Other Trade receivables					
Unsecured, considered good	1,064.56	968.48	979.80	1,015.30	859.41
Total (B)	**1,064.56**	**968.48**	**979.80**	**1,015.30**	**859.41**
TOTAL (A+B)	**1,141.45**	**1,012.47**	**989.03**	**1,020.87**	**910.02**

Note: The above statement should be read with Annexure I to Annexure IV of the Restated Consolidated Financial Information.

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited*)

Annexure IX

Restated Consolidated Statement of Revenue from Operations
(All amounts are in INR Millions, unless otherwise stated)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
Sale of products	4,321.87	4,155.14	3,597.77	3,002.06	2,179.93
Less: excise duty	0.25	-	-	39.13	24.83
Sale of products (net)	**4,321.62**	**4,155.14**	**3,597.77**	**2,962.93**	**2,155.10**
Other operating revenues					
Provision for loss of margin on sales return written back, net (Please refer note 4.20)	7.03	-	-	-	3.00
Consultancy fees	24.75	38.89	16.92	13.59	14.88
Commission income	1.84	11.86	1.71	1.28	-
Foreign exchange fluctuation gain, net	15.49	1.39	2.13	-	-
Total	**49.11**	**52.14**	**20.76**	**14.87**	**17.88**
Note:					
Sale of products comprises :					
Sale of products manufactured by the Company					
Ties	107.34	103.54	177.50	177.49	72.47
Accessories	-	-	1.87	3.11	7.37
Women's wear					
- Lingerie	21.28	73.43	257.75	325.23	14.32
- Sarees	264.98	287.67	87.26	15.00	284.42
- Other garments	275.59	281.58	232.54	172.14	141.58
	669.19	**746.22**	**756.92**	**692.97**	**520.16**
Sale of products traded by the Company					
Ties	43.40	21.72	11.80	94.46	111.25
Sarees	0.67	1.94	1.28	11.08	22.95
Lingerie	236.86	191.15	176.99	129.56	64.68
Accessories	1,599.73	1,642.16	1,123.35	859.59	562.95
Footwear	258.29	243.07	127.30	115.23	97.79
Tableware	19.93	41.97	23.32	-	-
Cosmetics	8.95	13.43	140.20	57.46	8.93
Other garments	1,484.85	1,253.48	1,236.61	1,041.71	791.22
	3,652.68	**3,408.92**	**2,840.85**	**2,309.09**	**1,659.77**
Total	**4,321.87**	**4,155.14**	**3,597.77**	**3,002.06**	**2,179.93**

Note: The above statement should be read with Annexure I to Annexure IV of the Restated Consolidated Financial Information.

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited*)

Annexure X

Restated Consolidated Statement of Other Income
(All amounts are in INR Millions, unless otherwise stated)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012	Related to business activity
Other income	**31.60**	**58.24**	**49.34**	**42.78**	**20.34**	
Sources of other income:						
Recurring						
Interest on loans and deposits	0.99	-	-	0.76	0.05	Related
Interest on fixed deposits with banks	26.81	47.88	38.94	23.71	4.77	Related
Commission	0.09	0.17	0.14	0.51	0.43	Related
Total	**27.89**	**48.05**	**39.08**	**24.98**	**5.25**	
Non-recurring:						
Sub-lease income	-	-	8.80	13.18	10.45	Not related
Interest income on income tax refund	0.61	-	0.04	-	-	Related
Provision for doubtful receivables written back	-	6.92	-	-	-	Related
Export incentive	0.23	0.14	0.13	0.38	1.00	Related
Miscellaneous income	1.00	3.13	1.29	4.24	3.64	Related
Distribution by subsidiary	1.87	-	-	-	-	Related
Total	**3.71**	**10.19**	**10.26**	**17.80**	**15.09**	
	31.60	**58.24**	**49.34**	**42.78**	**20.34**	

Note:

1) The above statement should be read with Annexure I to Annexure IV of the Restated Consolidated Financial Information.
2) The classification of income into recurring/non-recurring and related/not related is based on the current operations and the business activities of the Company.
3) All items of Other Income are from normal business activities.

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited*)

Annexure XI

Restated Consolidated Statement of Related Party Transactions
(All amounts are in INR Millions, unless otherwise stated)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
Associates and other enterprises having significant influence				Genesis Colors Trading (L.L.C) [upto 5-Dec-12]	Genesis Colors Trading (L.L.C)
Joint venture					
	Canali India Private Limited	Canali India Private Limited	Canali India Private Limited	Canali India Private Limited	
	V&B Lifestyle India Private Limited	V&B Lifestyle India Private Limited	V&B Lifestyle India Private Limited		
	Burberry India Private Limited	Burberry India Private Limited	Burberry India Private Limited	Burberry India Private Limited	Burberry India Private Limited
Key management personnel (KMP)*	Sanjay Kapoor (Managing Director)	Sanjay Kapoor (Managing Director)	Sanjay Kapoor (Managing Director)	Sanjay Kapoor (Managing Director)	Sanjay Kapoor (Managing Director)
	Samit Guha (Whole time Director)				
			Puneet Nanda (Director)	Puneet Nanda (Director)	Puneet Nanda (Director)
	Nalini Gupta (Director)	Nalini Gupta (Director)	Nalini Gupta (Director)	Nalini Gupta (Director)	Nalini Gupta (Director)
	Virender Bhasin (Director)	Virender Bhasin (Director)			
	Meenu Juneja (Director)	Meenu Juneja (Director)			
	Timsy Anand (Director)	Timsy Anand (Director)			
		Jyoti Mohan Narula (Director)	Jyoti Mohan Narula (Director)	Jyoti Mohan Narula (Director)	Jyoti Mohan Narula (Director)
Relative of KMP	Deepak Mohan Narula	Deepak Mohan Narula	Deepak Mohan Narula	Deepak Mohan Narula	Deepak Mohan Narula

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited*)

Annexure XI

Restated Consolidated Statement of Related Party Transactions
(All amounts are in INR Millions, unless otherwise stated)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
Enterprises in which KMP have substantial interest	Genesis Overseas Private Limited	Genesis Overseas Private Limited	Genesis Overseas Private Limited	Genesis Overseas Private Limited	Genesis Overseas Private Limited
	Genesis Luxury Fashion Employee Welfare Trust (“Genesis Trust”)	Genesis Luxury Fashion Employee Welfare Trust (“Genesis Trust”)			
Enterprises having significant influence over subsidiary (GLF)	Splendor Distributions Ltd. (formerly known as L Capital GLF Limited ("L Capital"))	Splendor Distributions Ltd. (formerly known as L Capital GLF Limited ("L Capital"))			

Transactions with Related Parties:

Interest income					
Genesis Colors Trading (L.L.C)	-	-	-	0.75	-
Interest paid	-	-	-	-	-
Canali India Private Limited	-	-	0.20	0.97	-
Deepak Mohan Narula	-	-	1.02	5.32	4.36
Sanjay Kapoor	-	-	1.96	0.49	-
Rent paid	-	-	-	-	-
Genesis Overseas Private Limited	0.03	0.36	0.72	0.72	0.92
Expenses recovered	-	-	-	-	-
Burberry India Private Limited	-	-	-	-	1.37
Purchase of goods	-	-	-	-	-
Canali India Private Limited	-	-	-	3.66	-
Reimbursement of expenses to	-	-	-	-	-
V&B Lifestyle India Private Limited	-	3.62	-	-	-
Canali India Private Limited	-	0.40	-	-	-
Genesis Overseas Private Limited	-	0.34	-	-	-

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited*)

Annexure XI

Restated Consolidated Statement of Related Party Transactions
(All amounts are in INR Millions, unless otherwise stated)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
Reimbursement of expenses from	-	-	-	-	-
Canali India Private Limited	-	-	9.01	5.74	-
Burberry India Private Limited	1.91	9.64	9.01	6.63	-
Sale of goods	-	-	-	-	-
Canali India Private Limited	-	-	-	1.21	-
Reimbursement of Advertisement Exps. from	-	-	-	-	-
Burberry India Private Limited	10.73	-	-	-	-
V&B Lifestyle India Private Limited	0.87	2.30	-	-	-
Canali India Private Limited	4.70	6.90	-	-	-
Service income	-	-	-	-	-
Burberry India Private Limited	13.25	25.28	11.39	6.53	9.42
Genesis Colors Trading (L.L.C)	-	-	-	-	0.73
V&B Lifestyle India Private Limited	5.68	4.90	-	-	-
Canali India Private Limited	5.29	6.04	5.80	4.84	-
Remuneration paid to Key Management Personnel	-	-	-	-	-
Sanjay Kapoor	20.08	16.50	19.30	14.05	14.90
Jyoti Mohan Narula	-	-	-	9.64	6.54
Samit Guha[#]	10.60	-	-	-	-
Loan received	-	-	-	-	-
Deepak Mohan Narula	-	-	-	-	44.30
Sanjay Kapoor	-	-	135.50	50.50	-
Canali India Private Limited	-	-	20.40	40.80	-

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited*)

Annexure XI

Restated Consolidated Statement of Related Party Transactions
(All amounts are in INR Millions, unless otherwise stated)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
Loans repaid	-	-	-	-	-
Canali India Private Limited	-	-	20.40	40.80	-
Deepak Mohan Narula	-	-	44.30	-	-
Sanjay Kapoor	-	-	135.50	50.50	-
Loans recovered					
Genesis Colors Trading (L.L.C)	-	-	-	3.10	-
Miscellaneous income	-	-	-	-	-
L capital	-	0.61	-	-	-
Sale of business					
Canali India Private Limited	-	-	-	109.71	-
V&B Lifestyle India Private Limited	-	-	23.42	-	-
Outstanding Balances at the end of the year:					
Loans and advances	-	-	-	-	-
Genesis Colors Trading (L.L.C)	-	-	-	-	3.10
Canali India Private Limited	-	-	2.27	3.16	-
V&B Lifestyle India Private Limited	-	-	15.66	-	-
Long term loans and advances	-	-	-	-	-
Genesis trust	2.46	3.28	-	-	-
L Capital	-	0.61	-	-	-
Other current assets	-	-	-	-	-
V&B Lifestyle India Private Limited	23.55	18.20	-	-	-
Canali India Private Limited	11.19	8.19	-	-	-
Accounts receivable	-	-	-	-	-
Canali India Private Limited	-	-	-	-	-
Genesis Colors Trading (L.L.C)	-	-	-	-	14.43
V&B Lifestyle India Private Limited	-	2.30	-	-	-
Genesis Overseas Private Limited	-	-	-	-	0.02
Burberry India Private Limited	0.02	2.27	0.98	0.64	1.63

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited*)

Annexure XI

Restated Consolidated Statement of Related Party Transactions
(All amounts are in INR Millions, unless otherwise stated)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
Accounts payable	-	-	-	-	-
Canali India Private Limited	-	-	0.05	0.07	-
Other current liabilities	-	-	-	-	-
Sanjay Kapoor	-	-	1.01	-	-
Unsecured loans received	-	-	-	-	-
Deepak Mohan Narula	-	-	-	44.30	44.30
Interest accrued and due	-	-	-	-	-
Deepak Mohan Narula	-	-	-	2.68	4.36
Investment	-	-	-	-	-
Genesis Colors Trading (L.L.C)	-	-	-	-	3.23

*Certain directors of the Company have tendered their personal guarantees in respect of the term loans and other short term loans taken by the Company from banks.

#Includes Employee stock option expense amounting to Rs. 1.66 millions

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited*)

Annexure XII

Restated Consolidated Statement of Accounting Ratios
(All amounts are in INR Millions, unless otherwise stated)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
Net worth, as restated (A)	1,390.66	1,390.82	1,498.31	1,259.95	1,206.65
Net loss attributable to equity shareholders, as restated (B)	(7.46)	(108.38)	(126.69)	(192.12)	(759.96)
Weighted average number of equity shares outstanding during the year					
For basic earnings per share (C)	2,078,355	2,076,705	2,002,108	1,753,608	1,753,608
For diluted earnings per share (D)	2,078,355	2,076,705	2,002,108	1,753,608	1,753,608
Face value per share	10	10	10	10	10
Loss per share Rs. 10 each (refer note 3)					
Basic loss per share (Rs) (E = B/C) (refer note 5)	**(3.59)**	**(52.19)**	**(63.28)**	**(109.56)**	**(433.37)**
Diluted loss per share (Rs) (F = B/D) (refer note 5)	**(3.59)**	**(52.19)**	**(63.28)**	**(109.56)**	**(433.37)**
Return on net worth (%) (G = B/A) (refer note 5)	**-0.54%**	**-7.79%**	**-8.46%**	**-15.25%**	**-62.98%**
Number of equity shares outstanding at the end of the period/year (H)	2,096,189	2,076,705	2,076,705	2,076,705	2,076,705
Net assets value per equity share of Rs 10 each (I = A/H)	**663.42**	**669.72**	**721.49**	**606.70**	**581.04**

Notes:

1) The above ratios are calculated as under:
a) Loss per share = Net loss after tax attributable to equity shareholders / weighted average number of shares outstanding during the period/year.
b) Return on net worth (%) = Net loss after tax / net worth as at the end of period/year. Net worth includes Share Capital, Reserve and Surplus and Money received against share warrants)
c) Net asset value per equity share (Rs) = Net worth / Total number of equity shares outstanding as at the end of period/year.
2) The figures disclosed above are based on the restated financial information of Genesis Colors Limited (*formerly known as Genesis Colors Private Limited*).
3) Earnings per share calculations are done in accordance with Accounting Standard 20 "Earnings Per Share" ("AS 20") as notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. As required by AS 20, if the number of equity or potential equity shares outstanding increases as a result of a bonus issue or share split or decreases as a result of a reverse share split (consolidation of shares), the calculation of basic and diluted earnings per share should be adjusted for all the periods presented. However, there is no bonus issue of shares in preceding 5 years by the Company.
4) The above statement should be read with Annexure I to Annexure IV of the Restated Consolidated Financial Information.
5) The Company has declared bonus shares in the ratio of 1 : 4 to all existing shareholders which has been approved by the shareholders in extra ordinary general meeting held on 14 September 2016. In addition to that, the Company has also converted the share warrants into 128,355 equity shares of Rs. 10 each at a premium of Rs. 1028 per share. However, the above ratios are computed before considering the impact of bonus issue and conversion of share warrants in to equity shares. Pursuant to this, the changed accounting ratios are:-

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited*)

Annexure XII

Restated Consolidated Statement of Accounting Ratios
(All amounts are in INR Millions, unless otherwise stated)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
Net worth, as restated (A) (refer note 1)	1,510.56	1,510.72	1,618.21	1,379.85	1,206.65
Net loss attributable to equity shareholders, as restated (B)	(7.46)	(108.38)	(126.69)	(192.12)	(759.96)
Weighted average number of equity shares outstanding during the year					
For basic earnings per share (C) (refer note 2)	10,520,131	10,511,880	10,138,895	8,798,634	8,768,040
For diluted earnings per share (D) (refer note 2)	10,520,131	10,511,880	10,138,895	8,798,634	8,768,040
Face value per share	10	10	10	10	10
Loss per share Rs. 10 each (refer note 3)					
Basic loss per share (Rs) (E = B/C)	**(0.71)**	**(10.31)**	**(12.49)**	**(21.84)**	**(86.67)**
Diluted loss per share (Rs) (F = B/D)	**(0.71)**	**(10.31)**	**(12.49)**	**(21.84)**	**(86.67)**
Return on net worth (%) (G = B/A)	**(0.49%)**	**(7.17%)**	**(7.83%)**	**(13.92%)**	**(62.98%)**
Number of equity shares outstanding at the end of the year (H) (refer note 2)	10,609,300	10,511,880	10,511,880	8,896,395	8,768,040
Net assets value per equity share of Rs 10 each (I = A/H)	**142.38**	**143.72**	**153.94**	**155.10**	**137.62**

Note:

1 Net worth at each year end from the date of issue of share warrants has been adjusted to reflect the conversion proceeds.

2 Weighted average number of equity shares and number of equity shares outstanding at the end of the year have been adjusted for bonus shares from the beginning of the years and shares issued against share warrants have been adjusted in years only after and from the date of issue of warrants.

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited*)

Annexure XIII

Restated Consolidated Statement of Capitalisation
(All amounts are in INR Millions, unless otherwise stated)

Particulars	Pre-issue (As at 31 March 2016)	Post-Issue (As adjusted for IPO) [2]
Short-term debt	1,051.26	1,051.26
Long-term debt	4.95	4.95
Current maturities of long-term debt	40.25	40.25
Total Debt (A)	**1,096.46**	**1,096.46**
Shareholders' funds:		
Share Capital [4]	20.96	XXX
Reserves and surplus	1,356.37	XXX
Total Shareholders' funds (B)	**1,377.32**	XXX
Debt/Equity (A/B)	**0.80**	**XXX**

Notes:

1) The figures disclosed above are based on the restated consolidated financial information of the Company.
2) The Post issue debt equity ratio will be computed on the conclusion of book building process.
3) The above statement should be read with the Restated Consolidated Summary Statements of Assets and Liabilities, Restated Consolidated Summary Statement of Profit and Loss, Restated Consolidated Summary Statement of Cash Flows and Significant Accounting Policies, Adjustments to the Audited Consolidate Financial Statements and Notes to the Restated Consolidated Financial Information as appearing in Annexure I to Annexure IV.
4) The Company has declared bonus shares in the ratio of 1 : 4 to all existing shareholders which has been approved by the share holders in extra ordinary general meeting held on 14 September 2016. In addition to that, the Company has also converted the share warrants into 128,355 equity shares of Rs. 10 each at a premium of Rs. 1028 per share. However, the debt/ equity ratio computed above is before considering the impact of bonus issue and conversion of share warrants in to equity shares.

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited*)

Annexure XIV

Restated Consolidated Statement of Contingent Liabilities and Capital Commitments
(All amounts are in INR Millions, unless otherwise stated)

Particulars	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012
Contingent Liabilities not provided for in respect of:					
Dividend on compulsory convertible debentures	-	-	0.02	0.02	0.01
Demands by income tax authorities	-	-	-	21.08	21.08
Capital and other commitments:					
Estimated amounts of contracts remaining to be executed on capital account (net of advances)	-	11.19	-	12.05	0.92

Note: The above statement should be read with Annexure I to Annexure IV of the Restated Consolidated Financial Information.

Genesis Colors Limited (*formerly known as Genesis Colors Private Limited*)

Annexure XV

Restated consolidated Statement of Dividends Declared
(All amounts are in INR Millions, unless otherwise stated)

Particulars	As at and For the year ended 31 March 2016	As at and For the year ended 31 March 2015	As at and For the year ended 31 March 2014	As at and For the year ended 31 March 2013	As at and For the year ended 31 March 2012
Equity Share Capital	20.96	20.77	20.77	317.54	317.54
Number of equity shares	2,096,189	2,076,705	2,076,705	2,076,705	2,076,705
Dividends declared during the year	-	-	-	-	-
% Dividend declared	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**

Note: The above statement should be read with Annexure I to Annexure IV of the Restated Consolidated Financial Information.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*You should read the following discussion of our financial condition and results of operations together with our restated consolidated financial information including the notes and significant accounting policies thereto and the reports thereon, which appear elsewhere in this Draft Red Herring Prospectus. You should also see "**Risk Factors**" and "**Forward Looking Statements**" on pages 16 and 15, which discusses a number of factors and contingencies that could impact our financial condition and results of operations. The following discussion relates to our Company, unless otherwise stated, is based on restated consolidated financial information. In this Draft Red Herring Prospectus, references to "revenue from Owned Brands" includes, in addition to revenues from Satya Paul and Bw!tch, revenues from private-label contract manufacturing and distribution for certain third-party brands (which contributed 5.52%, 1.95% and 8.36% to our total revenue from Owned Brands in Fiscals 2014, 2015 and 2016, respectively), some of which we have ceased to manufacture/distribute either before or with effect from April 1, 2016, as applicable. Further, in this Draft Red Herring Prospectus, references to "revenue from International Brands" means revenues from the distribution and sale of such international luxury and premium brands as are part of our portfolio from time to time, in respect of which we have distribution rights in India. As of the date of this Draft Red Herring Prospectus, we have the rights to distribute 16 such international brands, as described in more detail in "**Our Business**" on page 104.*

*This restated consolidated financial information have been derived from our audited consolidated financial statements prepared in accordance with Indian GAAP, the Companies Act and the SEBI ICDR Regulations and restated as described in the report of our auditors dated September 20, 2016, which is included in this Draft Red Herring Prospectus under "**Financial Statements**". The restated consolidated ffinancial information have been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS, as well as IND(AS), which shall be applicable to our Company, in accordance with applicable law. We do not provide a reconciliation of our restated consolidated financial information to US GAAP, IFRS or IND(AS) and we have not otherwise quantified or identified the impact of the differences between Indian GAAP and U.S. GAAP, IFRS or IND(AS), as applied to our restated consolidated financial information. Accordingly, the degree to which the restated consolidated financial information in this Draft Red Herring Prospectus will provide meaningful information depends entirely on such potential investor's level of familiarity with Indian accounting practices. Our Fiscal year ends on March 31 of each year; therefore, all references to a particular fiscal are to the twelve-month period ended March 31 of that year. See also "**Certain Conventions, Use of Financial, Industry and Market Data and Currency of Presentation**" on page 12.*

Overview

We are a leading platform for luxury and premium brands in India. (*Source: F&S Report*) We distribute in the Indian market, some of the world's marquee international luxury brands and our own brands, *Satya Paul* and *Bw!tch* (which we refer to as our "**Owned Brands**"), with products across the apparel, accessories, travel and lifestyle segments, through a network of 98 exclusive brand outlets ("**EBOs**") across India, as well as through large format retail outlets and other distribution channels in the case of our Owned Brands. Our portfolio of international luxury brands includes the *Armani* brands (*Giorgio Armani*, *Emporio Armani*, *Armani Jeans* and *A|X Armani Exchange*), *Bottega Veneta*, *Burberry*, *Canali*, *Coach*, *Furla*, *G-Star Raw*, *Hugo Boss*, *Jimmy Choo*, *Michael Kors*, *Paul Smith*, *Tumi* and *Villeroy & Boch* (which we refer to as the "**International Brands**"). Under our arrangements with these brands we have rights to distribute their products in India across various channels. Our Owned Brand, *Satya Paul*, offers products across the premium apparel and accessories categories for women and men and is one of the leading brands in India in the branded ethnic wear category. (*Source: F&S Report*). *Bw!tch* is one of the key brands in the fast growing branded premium/bridge to luxury lingerie category in India. (*Source: F&S Report*) We believe that with our diverse portfolio of brands, which offer a wide range of western and ethnic Indian products, we are well positioned to influence the purchasing patterns of the affluent Indian consumer.

We pioneered the concept of luxury retailing in India by acquiring distribution rights for leading international luxury brands which would appeal to Indian luxury consumers. (*Source: F&S Report*) Our deep understanding of the taste and preferences of the Indian consumer of luxury products helps us bring to the Indian market a selection of merchandise tailored to local aesthetics from brands that we perceive to be relevant to the market, across various price points within the luxury segment. As on August 31, 2016, our International Brands were sold at 57 EBOs across seven Indian cities. At the EBOs operated by our Subsidiaries, and through our franchisee for the other EBOs, we focus on ensuring delivery of a shopping experience that is comparable to global standards, with the latest collections at competitive prices in a luxurious shopping environment. These factors, together with our

ability to offer access to an affluent and loyal clientele and premium real estate, makes us a partner of choice in the Indian market for international luxury brands, on viable terms. We have entered into joint venture agreements in relation to *Burberry*, *Canali* and *Villeroy & Boch*, pursuant to which, products of these brands are sold at stores operated by the respective joint venture companies ("**JVs**"). We distribute the other International Brands through third-party franchisees appointed by us or through certain of our Subsidiaries. We have also recently entered into a partnership with Tata Unistore Limited, to target the luxury consumer on the internet in India, through the online platform *Tata Cliq*, a curated marketplace for luxury brands to sell products through dedicated online storefronts.

With respect to our Owned Brands, we have grown *Satya Paul,* which was acquired by us in 2002, from a women-focused brand to one of the leading brands in India in the branded ethnic wear category, with products across the apparel and accessories categories. *Satya Paul* is positioned as "affordable luxury wear" and is recognized for its vibrant and colourful prints and designs. We have been successful in expanding the demographic profile of target customers for *Satya Paul* products by developing the accessories product portfolio under the brand and by reaching out to younger, contemporary customers through our recently launched *pret* line of indo-western fusion silhouettes, under the brand *Club SP*. *Satya Paul's* product portfolio includes printed and embroidered sarees, ready to wear apparel, bridal wear for women and accessories including scarves, bags, ties, belts, wallets and cufflinks, for men and women. Further, we launched *Bw!tch* in 2007, when we perceived a significant market opportunity in the premium branded lingerie segment, which is a fast growing category in India (*Source: F&S Report*). Product categories under the *Bw!tch* brand include lingerie, innerwear, shapewear, nightwear, swimwear and accessories.

Satya Paul and *Bw!tch* products are conceptualized, designed and developed by our in-house team. All apparel and certain fabric based accessories under the *Satya Paul* brand and certain *Bw!tch* products are manufactured at facilities situated in Haryana (Gurgaon and Manesar), India. We distribute our Owned Brands through various sales and distribution channels in India, including franchisee operated EBOs, shop-in-shops in large format multi-brand stores, internet sales platforms, as well as, in the case of *Satya Paul*, through the corporate sales channel. As on August 31, 2016, *Satya Paul* products were sold at 38 such EBOs across 19 cities and 99 shop-in-shops across India. Additionally, *Satya Paul* products were also sold online at *www.satyapaul.com* and five other internet sales platforms, as well as internationally, in the United States, Canada and Dubai, through local distributors in these markets. *Bw!tch* products were sold at three such EBOs across 19 cities and 152 shop-in-shop outlets and 221 local trade stores across India, and through six internet sales platforms, as on August 31, 2016.

Our consolidated revenue from operations increased from ₹ 3,597.77 million in Fiscal 2014 to ₹ 4,321.62 million in Fiscal 2016, representing a CAGR of 9.60%. Our revenue from the International Brands increased from ₹ 2,556.74 million in Fiscal 2014 to ₹ 3,179.94 million in Fiscal 2016, representing a CAGR of 11.52% and comprised 71.06%, 73.22% and 73.58% of our consolidated revenue from operations during Fiscals 2014, 2015 and 2016, respectively. Our revenue from Owned Brands increased from ₹ 1,041.03 million in Fiscal 2014 to ₹ 1,141.68 million in Fiscal 2016, representing a CAGR of 4.72% and comprised 28.94%, 26.78% and 26.42% of our consolidated revenue from operations during Fiscals 2014, 2015 and 2016, respectively. Our overall EBITDA increased from ₹ 120.27 million in Fiscal 2014 to ₹ 422.66 million in Fiscal 2016, at a CAGR of 87.83%.

Significant Factors Affecting our Results of Operations

We believe that the following factors have significantly affected our results of operations and financial condition during the periods under review, and may continue to affect our results of operations and financial condition in the future:

International Brand Arrangements

Pursuant to our arrangements with respect to the International Brands we have rights to distribute their products in India across various channels. We have built a strong portfolio of international luxury brands, both through first-time partnerships in India and acquisition of international brands that were previously distributed by others in the Indian market. We have long-standing relationships with brand owners of a number of International Brands, including *Canali*, *Burberry*, *Paul Smith*, *Bottega Veneta* and *Jimmy Choo*, for whom we have been and are the exclusive distributors in India for periods ranging from four to eight years. Further, of our existing portfolio of 16 International Brands, ten such brands, which were due for renewal were renewed and the initial terms of the respective arrangements were extended. Additionally, while our business is predominantly focused on men's apparel and women's accessories, we have diversified our portfolio to include brands such as *Tumi* and *Villeroy & Boch* that offer products in the travel and lifestyle categories. Accordingly, our business and financial condition

is dependent on our ability to renew our existing agreements with the International Brands as well as enter into new arrangements while expanding our product offerings on terms which are favourable to us.

Further, a significant portion of our revenue is derived from a limited number of International Brands. In Fiscal 2016, Fiscal 2015 and Fiscal 2014, the sale of our top five International Brands (in terms of revenue) accounted for 46.11%, 56.37% and 43.19% of our total revenues, respectively. Accordingly, if any of these International Brands terminate or do not extend the initial term of the agreement, our business and financial conditions may be impacted.

Further, the sales of the International Brands which we distribute may be impacted by changes in customer perception in relation to any of these brands. For instance, while we make a conscious effort to partner with brands which we believe are relevant for the Indian market, if any of the International Brands are perceived by customers to be outdated or lose relevance among customers, in India or globally, the sales of these brands may suffer and consequently our sales of such International Brands may be impacted. Our business and result of operation may also be impacted by the perception of consumers that the products of the International Brands which are sold in India are higher in price than those available outside India, or are from a dated collection.

As part of our business strategy, we seek to continue to grow our international brands business, with particular focus on increasing the size of our portfolio, which we believe is an important component of our ability to effectively leverage the strength of our portfolio of brands. In April 2016, we also entered into a partnership with the Tata group, with the intention of targeting the luxury internet consumer in India. The Tata Cliq online platform is a curated marketplace for brands to sell products through dedicated online storefronts. This partnership provides us the rights to exclusively manage the Tata Cliq luxury platform for a period of two years from the launch of the platform, both for the International Brands in our portfolio as well as for other luxury brands that will be sold through the platform. Our ability to establish and grow our online presence through Tata Cliq will be an important aspect of our long-term growth.

Distribution Network

We have a pan-India distribution network, with respect to the Owned Brands, which are sold through multiple distribution channels, including franchisee-operated EBOs, shop-in-shops, internet sales platforms, exports and other local trade channels and the International Brands are typically sold through franchisee-operated EBOs. Sales at these EBOs is an important metric that we use to measure the performance of the International Brands. Same store sales measure year-over-year growth in net sales from EBOs operated by franchisees that have been operational for at least 24 months as at the end of each of Fiscal 2016, 2015 and 2014. The sales growth in recent years has come through the expansion of our sales network, through the addition of new brands in our portfolio of International Brands and the opening of new EBOs for our Owned Brands. Our average same store sales for the International Brands increased by 2.98%, 8.03% and 3.60% in Fiscal 2016, 2015 and 2014, respectively.

Numerous factors influence same store sales including fashion trends, competition, general economic condition, pricing, location of the EBOs, the timing of the release of new brands and promotional events, the number of sales transactions per EBO, and the number of items per sale transaction. The success of our sales strategy to offer new brands, enhance in-store experience and visual merchandising, improve customer experience and increase advertising and marketing will likely impact our same store sales growth in the future.

Further, we also endeavor to identify suitable locations for the EBOs in relation to both the Owned Brands as well as the International Brands and we continually evaluate the performance of the EBOs to assess the viability of the EBO locations and as a result, since Fiscal 2014, we have closed 27 EBOs of the International Brands and 23 EBOs of the Owned Brands.

Macroeconomic Factors and Foreign Currency Exchange Risks

According to the F&S Report, India is one of the fastest emerging markets for luxury goods. In 2012, the Indian luxury market was worth US$ 6.50 billion and is expected to cross US$ 18.30 billion by 2017, at a CAGR of approximately 23%. The biggest contributor towards market growth is the wealthy population of the country. India has over two million households earning over US$ 100,000 annually. It is expected that by the year 2020, population of ultra-high net worth individuals ("**UHNIs**") will increase to 348,000 households. Further, the UHNIs and the middle income group spending on branded luxury products has been approximately 40% and 8%-10% of their income, respectively in 2015. These factors are expected to drive growth of the luxury products market in India.

The market for luxury products has historically been subject to cyclical variations, recessions or slowdown in the general economy and uncertainties regarding future economic prospects that affect consumer spending habits.

In the event the disposable income and purchasing power of such individuals varies, our results of operation and financial conditions may be correspondingly impacted. We believe that the success of our operations depend on a number of factors impacting discretionary consumer spending, including general economic conditions, consumer confidence, wages and unemployment, housing prices, consumer debt, interest rates, fuel and energy costs, taxation and political conditions.

We may also be impacted by changes in tax rules and regulations imposed by the Government of India or other state governments. For instance, the Indian parliament has recently approved the adoption of GST, which may result in an increase in the working capital, since transactions, including stock transfers will be subjected to GST.

We are also impacted by the fluctuations in exchange rate between the Indian Rupee and certain foreign currencies. Our financial statements are presented in Indian Rupees. However, our expenditure and revenue are influenced by the currencies of those countries from where we procure raw materials for our Owned Brands and from countries where we import products for the International Brands (for example, Italy and United Kingdom). For Fiscal 2016, Fiscal 2015 and Fiscal 2014, our expenditure on consumption of imported raw material used in relation to the manufacture and purchase of traded goods of our Owned Brands accounted for 3.37%, 1.63% and 6.73%, respectively, of our total revenues. Similarly, our consolidated expenditure on purchase of products with respect to the International Brands accounted for 25.68%, 23.04% and 22.80%, respectively of our total revenues for Fiscals 2016, 2015 and 2014, respectively.

The exchange rate between the Indian Rupee and these currencies has fluctuated in the past and our results of operations have been impacted by such fluctuations and may be impacted by such fluctuations in the future. Depreciation of the Indian rupee against the U.S. Dollar, Euro and British Pound and other foreign currencies may adversely affect our results of operations by increasing the cost of our raw materials or any proposed expenditure in foreign currencies. Volatility in the exchange rate and/or sustained depreciation of the Indian Rupee will negatively impact our revenue and operating results.

Real Estate Availability at Competitive Terms

As a distributor of the International Brands in India, we identify suitable locations for their EBOs, in addition to EBOs for our Owned Brands. Rental expenses for Fiscal 2016, 2015 and 2014 were ₹ 596.77 million, ₹ 574.24 million and ₹ 537.17 million, constituting 13.81%, 13.82% and 14.93% of our total revenue, respectively. Access to premium real estate on competitive terms, is therefore a key factor impacting the success and sustainability of any brand in the market in which we operate, partially due to the lack of viable premium commercial real estate in India.

Given our large bouquet of International Brands, we believe we are able to negotiate better commercial terms as an "anchor tenant" at specialized luxury format malls such as DLF Emporio Mall in Delhi, Palladium Mall in Mumbai, UB City Mall in Bangalore and Quest Mall in Kolkata. However, if we are unable to renew our arrangements or are unable to renew such arrangements on terms and conditions that are favourable to us, we may suffer disruptions in our operations which could have an adverse effect on our business. If we cannot obtain desirable locations at reasonable prices, our business will be adversely impacted.

Working Capital and Inventory Management

Maintaining appropriate levels of inventory is critical to our overall profitability. Under the terms of our agreements in relation to the International Brands, we typically have certain minimum purchase and guarantee obligations. As a result, any unliquidated inventory (on account of either excess purchase of merchandise from the brands by us, or our inability to sell inventory to our franchisees or the end consumers, as applicable) is likely to directly impact our overall margins. With respect to our Owned Brands, our products in inventory include raw materials, work in progress, finished products manufactured by us and finished outsourced products.

We stock the EBOs and shop-in-shops in multi-brand outlets, both our Owned Brands and for the International Brands based on estimates and anticipated future demand for particular products and therefore, need to anticipate the inventory compositions that will most closely reflect future sales patterns. Orders for the products of our International Brands as well as Owned Brands are placed six months prior to the eventual sale of these products. Accordingly, our business may be impacted by any delay or disruption in the supply chain.

In order to minimize the risk of building up aged inventories, it is our policy to regularly review the obsolescence of inventories. We have various mechanisms for the liquidation of inventory, for instance, with respect to our Owned Brands we have end-of-season sales and other liquidation channels such as discount sales at warehouses, hotels or other locations. We also sell our Owned Brands through various channels such as large format retail stores, corporate and trade against credit, therefore the importance of effective management of receivables is critical for maintaining our working capital efficiency. For the International Brands, certain of our agreements provide for returns policies, pursuant to which we can return unsold inventory to the brand owners within a specified amount of time. However, such liquidation of inventory at discounted prices may impact our gross margins and may also impair the strength of the brands distributed by us. Conversely, if we underestimate consumer demand for products distributed by us, we may not be able to service the demand for the products and this may damage our reputation and consumer relationships.

Brand Recognition of our Owned Brands

We believe that the recognition and reputation of our Owned Brands among consumers has contributed significantly to the growth and success of our business. We, therefore, seek to make continuous investments in enhancing our brand presence, visibility and recognition in geographies where we currently operate. We devote significant attention in building our brands "*Satya Paul*" and "*Bw!tch*" in order to create awareness. Our expenditure on advertisement and branding exercises for our Owned Brands constituted 2.31%, 3.16% and 3.95% of our revenue from operations as per our restated standalone financial information for Fiscals 2016, 2015 and 2014, respectively.

Further, we endeavor to keep the *Satya Paul* and *Bw!tch* brands relevant and in doing so, have expanded the demographic profile of customers for the *Satya Paul* products to reach out to younger, contemporary customers through our recently launched *pret* line of indo-western fusion silhouettes, under the brand *Club SP*. Additionally, our design teams travel to various countries to understand current fashion trends and we conduct regular market surveys to understand consumer demand in order to maintain relevance in the market.

We run regular advertising campaigns in the print media, including in relevant fashion magazines. Further, Satya Paul designs are regularly showcased at popular fashion week events in India, such as the Wills Lifestyle Fashion Week, Lakme India Fashion Week and the Couture Week. Our Owned Brands are also endorsed by popular Indian celebrities from time to time. We also undertake advertisement campaigns for *Satya Paul* and undertake brand promotion and marketing initiatives through digital and social media. Revenue from our Owned Brands constituted 26.42%, 26.78% and 28.94% of our total consolidated revenue in Fiscal 2016, Fiscal 2015 and Fiscal 2014, respectively. We believe that the growth in our revenues from our Owned Brands has been supported by corresponding efforts in our advertisement, promotion and branding building expenses.

Significant Accounting Policies

a. Principles of consolidation

The Restated Consolidated Financial Information of our Company, its Subsidiaries and the Joint Ventures (on a proportionate basis) have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses. Intra group balances and intra group transactions and resulting unrealised profits are eliminated in full. Intra group balances and intra group transactions and resulting unrealised profits with joint ventures are eliminated to the extent of our share. Unrealised losses resulting from intra group transactions are also eliminated unless cost cannot be recovered.

The Restated Consolidated Financial Information have been prepared using uniform accounting policies for like transactions and other events in similar circumstances except as disclosed in note g below.

Minority interest in the net assets of consolidated subsidiaries is identified and presented in the Restated Consolidated Summary Statement of Assets and Liabilities separately from liabilities under shareholder's fund. Minority interest in the net assets of consolidated subsidiaries consists of:

(a) The amount of equity attributable to minority at the date on which investment in a subsidiary is made; and
(b) The minority share of movements in equity since the date parent subsidiary relationship came into existence.

Minority interest's share of restated net profit/(loss) for the year of consolidated subsidiaries is identified and adjusted against the restated profit after tax of the Company.

Reserves and surplus shown in the consolidated balance sheet includes our share in the respective reserves of subsidiaries and proportionate reserves of joint ventures. Reserve attributable to minority stakeholders is reported as part of minority interest in the consolidated Balance Sheet.

Interests in jointly controlled entities (incorporated Joint Ventures) are accounted for using proportionate consolidation method.

The details of the consolidated entities are as follows:

Name of the Company	Country of incorporation	Percentage of ownership
Subsidiaries		
Genesis Luxury Fashion Private Limited	India	54%
Genesis La Mode Private Limited	India	100%
GLF Lifestyle Brands Private Limited	India	100%
GLB Body Care Private Limited	India	100%
Effactor Events Private Limited	India	51%
GML India Fashion Private Limited	India	100%
GLB Parfums and Beaute India Private Limited	India	100%
Genesis Colors Middle East FZE	Dubai	100%
Joint Ventures		
Burberry India Private Limited	India	49%
Canali India Private Limited	India	49%
V&B Lifestyle India Private Limted	India	50%
Associates		
Genesis Colors Trading (L.L.C)	Dubai	25%

b. Current and non-current classification

All assets and liabilities are classified into current and non current.

Assets:

An asset is classified as current when it satisfies any of the following criteria:

(a) It is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
(b) It is held primarily for the purpose of being traded;
(c) It is expected to be realised within 12 months after the reporting date; or
(d) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

c. Tangible fixed assets

Tangible fixed assets are carried at cost of acquisition less accumulated depreciation. The cost of an item of tangible fixed asset comprises its purchase price, including import duties and other non-refundable taxes or levies

and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Expenditure incurred during the period of construction, including expenses, incidental and related to construction, is carried forward and, on completion, such costs are allocated to respective fixed assets.

Leases under which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. Assets taken on finance lease are initially capitalised at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to periods during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

d. Intangible fixed assets

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and impairment loss. Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

e. Depreciation and amortization

Depreciation on fixed assets except leasehold improvements is provided on the straight line method based on estimated useful lives, as estimated by the management. Depreciation is charged on a pro-rata basis for assets purchased/sold during the year.

Schedule II to the Companies Act 2013 prescribes useful life for fixed assets which in some cases, are different from the useful life considered by the management. Schedule II allows companies to use higher/lower useful life and residual value, if such useful lives and residual values can be technically supported and justification for difference is disclosed in financial statement.

Considering the application of Schedule II, the Company's management believes that useful life currently used, fairly reflect its estimate of the useful lives and residual value of fixed assets, though these lives in certain cases are different from the lives prescribed under Schedule II.

The Company's management estimate of the useful lives of the fixed assets based on the technical evaluation and Schedule II prescribed rates is as follows:

Assets Category	Estimated Useful life (in years)	Life as per Schedule II (in years)
Tangible Assets		
Office equipment	5	5
Computers (End user devices, such as, desktops, laptops, etc.)	3	3
Furniture and fixtures	5	10
Buildings	30	30
Electrical equipment's	8	8
Plant and machinery	8	8
Vehicles	5	8

Leasehold improvements are amortized, on straight line basis, over the remaining period of lease, including the renewal options as considered appropriate, or the useful life, whichever is shorter.

f. Inventories

Raw materials and finished goods are valued at the lower of cost and net realizable value.

In the case of manufactured goods, cost includes appropriate share of direct / indirect overheads and duties incurred in bringing goods to the present location and condition. Cost of raw materials and traded goods is determined on a weighted average basis.

In the case of traded goods, cost includes purchase cost, freight and related direct expenses. The comparison of cost and net realizable value is made on an item by item basis. Cost is calculated on the basis of specific identification method except in case of Burberry India Private Limited (one of our Joint Ventures) where cost is determined using the First in First out (FIFO) method.

g. Impairment

The carrying amounts of assets are reviewed at each Balance Sheet date in accordance with Accounting Standard 28 'Impairment of Assets', to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

h. Revenue recognition

(i) Sales are recognised at the point of dispatch/delivery of goods to the customers as the case may be, which coincides with the transfer of risks and rewards to the customer and are net of sales tax, returns, discounts and excise duty.

(ii) Revenue from services is recognised on rendering of services to customers.

(iii) Income from deposits and loans is recognised on a time proportion basis at the interest rate implicit in the transactions.

(iv) Revenue from sale of gift vouchers is recognized at the time of redemption of gift vouchers. The amount received from the customers at the time of issuance of gift vouchers is recognized as “Advance received from customers” till the time of redemption

i. Foreign exchange transactions

The Company accounts for effects of differences in foreign exchange rates in accordance with Accounting Standard 11 notified by the Companies (Accounting Standards) Rules, 2006. Transactions in foreign currency are translated at the rate of exchange prevailing at the transaction date. Exchange differences arising on settlement during the year are recognized in the Statement of Profit and Loss.

Monetary items, denominated in foreign currency, are restated at the exchange rate prevailing at the year end and the overall net gain/ loss is recognized in the Statement of Profit and Loss.

The reporting currency of the Company, its Subsidiaries and the Joint Ventures is the Indian Rupee. However, the local currencies of non- integral overseas subsidiary is different from the reporting currency of the Company. The translation of financial statements of the non-integral foreign subsidiary from the local currency to the reporting currency of the Company is performed for Balance Sheet accounts using the exchange rate in effect at the Balance Sheet date and for revenue, expense and cash-flow items using average exchange rate for the year and the resulting difference is presented as foreign currency translation reserve included in ‘Reserves and surplus’.

j. Leases

Finance lease

Assets leased by the Company in its capacity as lessee where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Lease payment is allocated between the liability and finance charges so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Operating lease

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Operating lease charges are recognized as an expense in the Statement of Profit and Loss on a straight line basis or other systematic basis more representative of time pattern of the user's benefit.

k. Employee stock option schemes

The excess of the market price of shares, at the date of grant of options under the Employee Stock Option Schemes of the Company, over the exercise price is regarded as employee compensation, and recognised on a straight-line basis over the period over which the employees would become unconditionally entitled to apply for the shares. The cost recognised at any date at least equals the intrinsic value of the vested portion of the option at that date. Adjustment, if any, for difference in initial estimate for number of options that are expected to ultimately vest and related actual experience was recognised in the Statement of Profit and Loss of that period. In respect of vested options expire unexercised, the cost was reversed in the Statement of Profit and Loss of that period.

Results of Operations

The table below sets out our restated consolidated summary results of operations for the Fiscals 2016, 2015 and 2014, each item of which is also expressed as a percentage of the revenues from operations for such periods:

Particulars	Year Ended 31-Mar-16		Year Ended 31-Mar-15		Year Ended 31-Mar-14	
	Amount (₹ in million)	*% of total revenue*	*Amount (₹ in million)*	*% of total revenue*	*Amount (₹ in million)*	*% of total revenue*
INCOME						
Revenue From Operations	4,321.62	98.17	4,155.14	97.41	3,597.77	98.09
(a) Sale of products manufactured by the Company	669.19	15.20	746.22	17.49	756.92	20.64
(b) Sale of products traded by the Company	3,652.68	82.97	3,408.92	79.92	2,840.85	77.45
Other Operating Revenue	49.11	1.12	52.14	1.22	20.76	0.57
Other Income	31.60	0.72	58.24	1.37	49.34	1.35
Total Revenue	4,402.33	100	4,265.52	100	3,667.87	100
EXPENDITURE						
Cost of Materials Consumed	184.93	4.20	180.06	4.22	274.31	7.48
Purchase of Traded Goods	1,882.16	42.75	1,615.87	37.88	1,687.05	46.00
Changes in inventories of finished goods and traded goods	(149.55)	(3.40)	142.48	3.34	(325.22)	(8.87)
Employee benefit expenses	548.31	12.46	505.52	11.85	444.45	12.12
Finance Costs	116.69	2.65	125.38	2.94	119.06	3.25
Depreciation and amortization expense	161.92	3.68	205.14	4.81	144.02	3.93
Other Expenses	1,497.30	34.01	1,504.41	35.27	1,405.65	38.32
Total Expenditure	**4,241.76**	**96.35**	**4,278.86**	**100.31**	**3,749.32**	**102.22**
Profit/(Loss) Before Tax and Exceptional Items, as Restated	160.57	3.65	(13.34)	(0.31)	(81.45)	(2.22)
Exceptional Items	-	-	16.18	0.38	(44.17)	(1.20)
Profit/(Loss) After Exceptional Items, but Before Tax, as Restated	160.57	3.65	2.84	0.07	(125.62)	(3.42)
Tax Expenses:						
(a) Current Tax	107.13	2.43	78.67	1.84	70.44	1.92
(b) Deferred Tax	(17.06)	(0.39)	(10.19)	(0.24)	(14.95)	(0.41)
Profit/(Loss) After Tax and Before Minority Interest, as Restated	70.50	1.60	(65.64)	(1.54)	(181.11)	(4.94)
Minority Interest	(77.96)	(1.77)	(42.74)	(1.00)	54.42	1.48

Net Loss For The Year Attributable To The Equity Shareholders, as Restated	(7.46)	(0.17)	(108.38)	(2.54)	(126.69)	(3.45)

The following table sets forth certain information with respect to our earnings before interest, taxes, depreciation and amortization expenses (EBITDA) for the periods indicated:

Particulars	Year Ended 31-Mar-16		Year Ended 31-Mar-15		Year Ended 31-Mar-14	
	Amount (₹ in million)	*% of total revenue)*	*Amount (₹ in million)*	*% of total revenue*	*Amount (₹ in million)*	*% of total revenue*
EBITDA*	422.66	9.60	292.08	6.85	120.27	3.28

**Calculated as our restated net profit (loss) after exceptional items, before tax plus depreciation and amortization expenses plus finance costs plus loss on sale of fixed assets less other income.*

Revenue

Our total revenue consists of revenue from operations and other income.

Revenue from Operations

Revenue from operations comprises revenues from the sale of products, consisting of sale of our manufactured and traded products, and other operating income, including joint venture fees, foreign exchange fluctuation gain, provision for loss of margin on sales return written back and commission income and income derived on account of foreign exchange fluctuations.

Other Income

The key components of our other income are interest income from recurring income such as interest on fixed deposits with banks and non-recurring income such as export incentives and other miscellaneous income.

Our Expenditure

Our expenditure primarily consists of the following:

Cost of Materials Consumed: Cost of materials consumed consists primarily of purchase of fabrics for our Owned Brands and other consumables, such as elastics, thread, labels and bows.

Purchase of Traded Goods: Expenditure in relation to purchase of stock in trade refers to finished products purchased by us from third party manufacturers, as well as the brand owners of the International Brands. This includes accessories, lingerie, footwear and other garments.

Changes in inventories of finished goods and traded goods: Our changes in inventories of finished goods and traded goods, include (i) changes in the opening stock and closing stock of our finished goods, which we manufacture through contract manufacturers; and (ii) changes in the opening stock and closing stock of our traded goods, which we purchase from third parties.

Employee Benefit Expense: Our employee benefits expense includes salaries, wages and bonus to our employees, contributions to provident fund and other funds and employee stock option scheme expenses.

Finance Costs: Finance costs consist primarily of interest expenses, and other borrowing costs.

Depreciation and amortization expense: Depreciation expense consists primarily of depreciation expenses recorded on various fixed assets, including factory equipment, office equipment, computers, vehicles and furniture and fixtures. Amortization expense consists primarily of amortization recorded on intangible assets including software and goodwill.

Other expenses: Our other expenses include, among others, rent paid in respect of our leased premises, freight and octroi charges, repairs and maintenance, business promotion and advances written off.

Fiscal 2016 compared with Fiscal 2015

Our total revenue increased by 3.21% to ₹ 4,402.33 million in Fiscal 2016 from ₹ 4,265.52 million in Fiscal 2015, primarily due to an increase in revenue from sale of products traded, which was partially offset by the decrease in revenue generated from sale of products manufactured by our Company.

Income from Operations

Revenue from Sale of Products

Our revenue from sale of products increased by 4.01% to ₹ 4,321.62 million in Fiscal 2016 from ₹ 4,155.14 million in Fiscal 2015. This increase was primarily driven by the increase in sale of products traded by our Company, which was partially offset by the decrease in revenue generated from sale of products manufactured by our Company.

a. Sale of Products Manufactured by our Company

Our revenue from the sales of manufactured goods decreased by 10.32% to ₹ 669.19 million in Fiscal 2016 from ₹ 746.22 million in Fiscal 2015. This decrease was primarily due to the shift from manufacturing to trading for certain products of our Owned Brands, the closure of the '*Tie Rack*' business and the discontinuance of sales of one of our Owned Brands in one of the large format retail stores. This decrease was partially offset by the opening of two new EBO in relation to the Owned Brands.

b. Sale of Products Traded by our Company

Our revenue from the sales of traded goods increased by 7.15% to ₹ 3,652.68 million in Fiscal 2016 from ₹ 3,408.92 million in Fiscal 2015. This increase was primarily due to an increase in revenue from sale of products of the Owned Brands which increased by 28.98% to ₹ 472.74 million in Fiscal 2016 from ₹ 366.53 million in fiscal 2015 due to the shift from manufacturing to trading of certain products of our Owned Brands, as well as an increase in same store sales. Further, the revenue from the International Brands' products increased to ₹ 3,179.94 million in Fiscal 2016 from ₹ 3,042.39 million in Fiscal 2015, due to the addition of two new brands, '*G Star Raw*' and '*Hugo Boss*' in the last quarter of Fiscal 2016 in our portfolio of International Brands coupled with the closure of six EBOs in Fiscal 2016, in line with our strategy on optimizing our EBO locations.

Other Operating Revenue

Our other operating income marginally decreased by 5.81% to ₹ 49.11 million in Fiscal 2016 from ₹ 52.14 million in Fiscal 2015.

Other Income

Our other income decreased by 45.74% to ₹ 31.60 million in Fiscal 2016 from ₹ 58.24 million in Fiscal 2015 due to decrease of average deposit in Fiscal 2016 by 40.00% in comparison to Fiscal 2015. The funds were utilised for investment in subsidiary and repayment of debt.

Expenses Before Exceptional Items

Our expenses amounted to ₹ 4,241.76 million in Fiscal 2016, reflecting a 0.87% decrease over our total expenditure of ₹ 4,278.86 million in Fiscal 2015. This decrease in total expenditure was primarily due to the reduction of cost of products sold along with a reduction of the depreciation and amortization and finance costs in Fiscal 2016, which was partially offset by an increase employee costs.

Cost of Materials Consumed

The cost of materials consumed amounted to ₹ 184.93 million in Fiscal 2016, reflecting a 2.70% increase over our materials consumed expense of ₹ 180.06 million in Fiscal 2015, due to an inflationary increase in the cost of raw materials and other consumables. As a percentage of our revenue from operations, our cost of materials consumed decreased from 4.33% in Fiscal 2015 to 4.28% in Fiscal 2016.

Purchase of Traded Goods

Our expenses on the purchase of traded goods totaled ₹1,882.16 million in Fiscal 2016, reflecting a 16.48% increase over purchase of traded goods expenses of ₹ 1,615.87 million in Fiscal 2015, which was principally attributable to an increase in purchase of products for the International Brands as a result of the addition of the '*G Star Raw*' and '*Hugo Boss*' brands and the opening of new EBOs for certain International Brands, including the '*Armani Jeans*' and '*Jimmy Choo*' brands in Fiscal 2016 and an increase in the purchase of *Bw!tch* products, which was due to the shift from manufacture to purchase of certain finished *Bw!tch* products in Fiscal 2016. As a percentage of our revenue from operations, expenses on purchase of traded goods increased from 38.89% in Fiscal 2015 to 43.55% in Fiscal 2016.

Changes in Inventories of Finished Goods and Traded Goods

Our changes in inventories of finished goods and traded goods increased from ₹ 142.48 million in Fiscal 2015 to ₹ (149.55) in Fiscal 2016, reflecting a 204.96% increase due to additional purchase of inventory in the luxury business, on account of two new brands, *Villeroy & Boch* and *Michael Kors*, and additional inventory for the new EBOs for *Emporio Armani* and *Armani Jeans* brands.

Employee Benefit Expenses

Our employee benefits expenses amounting to ₹ 548.31 million in Fiscal 2016, reflected an 8.46% increase over our employee benefits expenses of ₹ 505.52 million in Fiscal 2015, which was principally attributable to annual increments. As a percentage of our revenue from operations, our employee benefits expense increased from 12.17% in Fiscal 2015 to 12.69% in Fiscal 2016.

Finance Costs

Our finance expenses amounted to ₹ 116.69 million in Fiscal 2016, reflecting a 6.93% decrease over our finance expenses of ₹ 125.38 million in Fiscal 2015, which was attributable primarily to lower cost of borrowings and lower average utilization of working capital limits. As a percentage of our revenue from operations, our finance expenses decreased from 3.02% in Fiscal 2015 to 2.70% in Fiscal 2016.

Depreciation and Amortizations Expenses

Our depreciation and amortization expense decreased to ₹ 161.92 million in Fiscal 2016 from ₹ 205.14 million in Fiscal 2015, reflected a decrease of 21.07%, which was primarily due to the change in the estimated useful life of fixed assets pursuant to the effectiveness of the Companies Act, 2013 amounting to ₹ 70.98 million. Depreciation was on account of addition of new EBOs and renovation of existing EBOs.

Other Expenses

Our other expenses amounted to ₹ 1,497.30 million in Fiscal 2016, reflecting a marginal decrease of 0.47% over other expenses of ₹ 1,504.41 million in Fiscal 2015. This included, among others, rental expenses of ₹ 596.77 million in Fiscal 2016, reflecting an increase of 3.92% over rental expenses of ₹ 574.24 million in Fiscal 2015 as a result of the opening of two new EBOs and on account of rent escalation on renewal of lease agreements for the EBOs, advertisement expenses of ₹ 56.52 million in Fiscal 2016, reflected a decrease of 37.44% over advertisement expenses of ₹ 90.35 million in Fiscal 2015 due to increase in marketing contribution from brands, and freight and octroi charges of ₹ 89.18 million in Fiscal 2016, reflected an increase of 16.26% over freight and octroi charges of ₹ 76.71 million in Fiscal 2015 due to additional movement of inventory from warehouses to the EBOs due to opening and closure of EBOs. As a percentage of our revenue from operation, our other expenses decreased from 36.21% in Fiscal 2015 to 34.65% in Fiscal 2016.

Profit/(Loss) Before Tax and Exceptional Items, as Restated

As a result of the factors outlined above, our restated profit before tax increased to ₹ 160.57 million in Fiscal 2016 from a loss of ₹ 13.34 million in Fiscal 2015.

Exceptional Items

We did not have any exceptional items in Fiscal 2016. In Fiscal 2015, we recorded a gain of ₹ 16.18 million in the form of a termination fee pursuant to the termination of a proposed joint ventures.

Tax Expense (including deferred tax expenses)

Our total tax expense in Fiscal 2016 was ₹ 90.07 million, a 31.53% increase over our total tax expense of ₹ 68.48 million in Fiscal 2015, which was primarily due to increase in profits of the Subsidiaries and joint ventures since the preceding year.

Profit/(Loss) After Tax and Before Minority Interest, as Restated

As a result of the factors outlined above, our restated profit after tax increased by 207.40% to ₹ 70.50 million in Fiscal 2016 from a loss of ₹ 65.64 million in Fiscal 2015.

Net Loss for the Year Attributable to the Equity Shareholders, as Restated

Our restated loss after tax adjusted for minority interest was ₹ 7.46 million in Fiscal 2016 and ₹ 108.38 million in Fiscal 2015.

Fiscal 2015 Compared with Fiscal 2014

Our total revenue increased by 16.29% to ₹ 4,265.52 million in Fiscal 2015 from ₹ 3,667.87 million in Fiscal 2014, primarily due to an increase in our revenue from the sale of traded goods.

Income from Operations

Revenue from Sale of Products

Our revenue from sale of products increased by 15.49% to ₹ 4,155.14 million in Fiscal 2015 from ₹ 3,597.77 million in Fiscal 2014. This was primarily driven by an increase in the sale of traded products and other operating revenue.

a. Sale of Manufactured Products

Our revenue from the sales of manufactured goods decreased by 1.41% to ₹ 746.22 million in Fiscal 2015 from ₹ 756.92 million in Fiscal 2014. This decrease was due to the closure of five EBOs selling products of the Owned Brands in Fiscal 2015 which was partially offset by the opening of one new EBO selling products of the Owned Brands.

b. Sale of Traded Products

Our revenue from the sales of traded goods increased by 20.00% to ₹ 3,408.92 million in Fiscal 2015 from ₹ 2,840.85 million in Fiscal 2014. This increase was primarily due to an increase in revenue from sale of products from International Brands, which increased by ₹ 585.45 million in Fiscal 2015, due to the opening of 12 new EBOs in a new luxury mall in Kolkata and three new EBOs for '*Michael Kors*' across various locations in India. This was also enhanced by an improvement in the same-store-sales for the International Brands, which increased by 8.03% in Fiscal 2015. The increase in the revenue of traded products was impacted by the termination of three international brands.

Other Operating Revenue

Our other operating revenue increased by 151.16% to ₹ 52.14 million in Fiscal 2015 from ₹ 20.76 million in Fiscal 2014, primarily on account of fee received from one of our Joint Ventures.

Other Income

Our revenue from other income increased by 18.04% to ₹ 58.24 million in Fiscal 2015 from ₹ 49.34 million in Fiscal 2014. This decrease was driven primarily by an increase on account of higher interest from term deposits on account of higher average deposits with banks in Fiscal 2015.

Expenses Before Exceptional Items

Our expenses amounted to ₹ 4,278.86 million in Fiscal 2015, reflecting a 14.12% increase over our total expenditure of ₹ 3,749.32 million in Fiscal 2014. This increase in total expenditure was primarily due to increases in employee benefit expenses and an increase in our depreciation and amortization expenses, which was partially offset by the decrease in the cost of materials consumed and purchase of traded products.

Cost of Materials Consumed

The cost of materials consumed amounted to ₹ 180.06 million in Fiscal 2015, reflecting a 34.36% decrease over our materials consumed expense of ₹ 274.31 million in Fiscal 2014, in line with a decrease in production of manufactured products. As a percentage of our revenue from operations, our cost of materials consumed decreased from 7.62% in Fiscal 2014 to 4.33% in Fiscal 2015.

Purchase of Traded Products

Our expenses on the purchase of traded goods totaled ₹ 1,615.87 million in Fiscal 2015, reflecting a 4.22% decrease over purchase of traded goods expenses of ₹ 1,687.05 million in Fiscal 2014, which was principally attributable to the reduction of purchase of traded goods for the Owned Brands due to the liquidation of inventory at the end of Fiscal 2014 and the closure of the business of GLB Bodycare Private Limited. As a percentage of our revenue from operations, expenses on purchase of stock-in-trade decreased from 46.89% in Fiscal 2014 to 38.89% in Fiscal 2015.

Changes in Inventories of Finished Goods and Traded Goods

Our changes in inventories of finished goods and traded goods decreased by ₹ 467.70 million in Fiscal 2015 from ₹ (325.22) million in Fiscal 2014 primarily due to an increase in inventory in Fiscal 2014, due to additional inventory from the addition of two new brands, i.e., '*Villeroy & Boch*' and '*Michael Kors*' and the opening of 6 new EBOs for the '*Emporio Armani*' and '*Armani Jeans*' brands.

Employee Benefit Expenses

Our employee benefits expenses amounted to ₹ 505.52 million in Fiscal 2015, reflecting a 13.74% increase over our employee benefits expenses of ₹ 444.45 million in Fiscal 2014, which was principally attributable to annual increments and increase in the number of employees on account of the opening of new EBOs for the International Brands and the addition of two new International Brands to our portfolio. As a percentage of our revenue from operations, our employee benefits expense decreased from 12.35% in Fiscal 2014 to 12.17% in Fiscal 2015.

Finance Costs

Our finance expenses amounted to ₹ 125.38 million in Fiscal 2015, reflecting a 5.31% increase over our finance expenses of ₹ 119.06 million in Fiscal 2014, which was attributable primarily to increase in average utilization of working capital limits in Fiscal 2015 to fund expansion of the international brand business. As a percentage of our revenue from operations, our finance expenses marginally decreased from 3.31% in Fiscal 2014 to 3.02% in Fiscal 2015.

Depreciation and Amortizations Expenses

Our depreciation and amortization expense increased to ₹ 205.14 million in Fiscal 2015 from ₹ 144.02 million in Fiscal 2014, reflecting an increase of 42.44%, which was primarily due to the change in estimated useful life of fixed assets pursuant to the effectiveness of the Companies Act, 2013 in Fiscal 2015 amounting to ₹ 70.98 million.

Other Expenses

Our other expenses amounted to ₹ 1,504.41 million in Fiscal 2015, reflecting a 7.03% increase over other expenses of ₹ 1,405.65 million in Fiscal 2014. This included, amongst others, rental expenses of ₹ 574.24 million in Fiscal 2015, which increased by 6.90% over rental expenses of ₹ 537.17 million in Fiscal 2014 as a result of the opening of 12 new EBOs, advertisement expenses of ₹ 90.35 million in Fiscal 2015, reflecting a decrease of 2.87% over advertisement expenses of ₹ 93.02 million in Fiscal 2014 and freight and octroi charges of ₹ 76.71 million in Fiscal 2015, reflecting an increase of 23.91% over freight and octroi charges of ₹ 61.91 million in Fiscal 2014 due to additional movement of inventory from the warehouse to the EBOs due to the opening and closure of EBOs.

As a percentage of our revenue from operations, our other expenses decreased from 39.07% in Fiscal 2014 to 36.21% in Fiscal 2015.

Profit/(Loss) Before Tax and Exceptional Items, as Restated

As a result of the factors outlined above, our restated loss before tax decreased to a loss of ₹ 13.34 million in Fiscal 2015 from a loss of ₹ 81.45 million in Fiscal 2014.

Exceptional Items

We recorded a gain from of ₹ 16.18 million in the form of a termination fee pursuant to the termination of a proposed joint venture, a 136.63% increase over a loss of ₹ 44.17 million due to the termination of one of our brands in our portfolio of International Brands in Fiscal 2014 and the closure of our Samsaara business.

Tax Expense (including deferred tax expenses)

Our total tax expense in Fiscal 2015 was ₹ 68.48 million, a 23.41% increase over our total tax expense of ₹ 55.49 million in Fiscal 2014, which was primarily due to increase in taxable profits of the Subsidiaries and Joint Ventures in Fiscal 2015.

Profit/(Loss) After Tax and Before Minority Interest, as Restated

As a result of the factors outlined above, our restated loss after tax was ₹ 65.64 million in Fiscal 2015 from a loss of ₹ 181.11 million in Fiscal 2014.

Net Loss for the Year Attributable to the Equity Shareholders, as Restated

Our restated loss after tax adjusted for minority interest was a loss of ₹ 108.38 million in Fiscal 2015, from a loss of ₹ 126.69 million in Fiscal 2014.

Liquidity and Capital Resources

Cash Flows

We have historically funded our working capital requirements and capital expenditure requirements principally from cash flows from our revenue from operations, proceeds from the issuance of equity and preference shares and a combination of short term and long term debt. Our primary liquidity requirements have been towards meeting our working capital requirements.

The following table sets forth a summary of our cash flows for the periods indicated below:

(₹ in million)

Particulars	Fiscal 2016	Fiscal 2015	Fiscal 2014
Net cash / (used in) from operating activities	(49.09)	284.17	(180.01)
Net cash / (used in) from investing activities	(45.29)	(113.23)	(39.14)
Net cash / (used in) from financing activities	36.78	(98.91)	333.35
Net increase/ (decrease) in cash and cash equivalents	(57.60)	72.03	114.20

Cash Flow from Operating Activities

Net cash used in operating activities was ₹ 49.09 million for Fiscal 2016. Our net profit before taxation was ₹ 160.57 million for Fiscal 2016 and we had operating cash flow before working capital changes of ₹ 436.57 million. This difference was primarily attributable to a ₹ 137.31 million increase in trade receivables, a ₹ 161.28 million increase in inventories and a ₹ 71.18 million increase in loans and advances. This was partially set off by an increase in trade payables of ₹ 50.83 million and an increase in other liabilities of ₹ 53.30 million.

Net cash generated from operating activities was ₹ 284.17 million for Fiscal 2015. Our net profit before taxation was ₹ 2.84 million for Fiscal 2015 and we had operating cash flow before working capital changes of ₹ 312.93 million. This difference was primarily attributable to an increase of ₹ 36.25 million in trade receivables and an

increase of ₹ 47.24 million in loans and advances. This was partially set off by a decrease in inventories of ₹ 143.98 million.

Net cash used from operating activities was ₹ 180.01 million for Fiscal 2014. Our net loss before taxation was ₹ 125.62 million for Fiscal 2014 and we had operating cash flows before working capital changes of ₹ 104.92 million, which was adjusted as a result of working capital changes, consisting primarily of an increase in inventories of ₹ 325.95 million and an increase in loans and advances of ₹ 57.70 million. This was partially set off by an increase in trade payables of ₹ 93.53 million.

Cash Flow from Investing Activities

Net cash used in investing activities for Fiscal 2016 was ₹ 45.29 million, primarily consisting of investments for the acquisition of interest in subsidiaries and joint ventures of ₹ 323.23 million and purchase of fixed assets of ₹ 120.01 million, which was offset by the redemption/maturity of bank deposits amounting to ₹ 371.20 million.

Net cash used in investing activities for Fiscal 2015 was ₹ 113.23 million, primarily consisting of expenditure on purchase of fixed assets of ₹ 174.88 million, partially offset by the redemption/maturity of bank deposits amounting to ₹ 66.77 million and the interest on investments of ₹ 44.70 million.

Net cash used in investing activities for Fiscal 2014 was ₹ 39.14 million, primarily consisting of expenditure on purchase of fixed assets of ₹ 344.37 million and investments in bank deposits of ₹ 112.75 million, partially offset by the redemption or maturity of bank deposits amounting to ₹ 233.18 million.

Cash Flow from Financing Activities

Net cash generated from financing activities for Fiscal 2016 was ₹ 36.78 million primarily consisting of proceeds from cash credit and working capital facilities of ₹ 172.40 million and proceeds of borrowings amounting to ₹ 55.17 million, which was offset in part by payment of finance costs of ₹ 117.97 million.

Net cash used in financing activities for Fiscal 2015 was ₹ 98.91 million primarily consisting of payment of finance costs of ₹ 116.96 million and repayment of borrowings of ₹ 78.44 million, which was offset in part by proceeds from cash credit and working capital facilities amounting to ₹ 61.07 million.

Net cash generated from financing activities for Fiscal 2014 was ₹ 333.35 million primarily consisting of issue of Equity Shares amounting to ₹ 365.77 million and proceeds from borrowings of ₹ 355.06 million, which were offset in part by the repayment of borrowings amounting to ₹ 271.49 million and payment of finance costs of ₹ 115.99 million.

Contingent Liabilities

As on March 31, 2016, we had no contingent liabilities not provided for our financial information.

Quantitative and qualitative disclosure about market risk

We are exposed to various types of market risks in the normal course of our business. The following discussion and analysis, which constitute "forward-looking statements" summarizes our exposure to various market risks.

Foreign currency risk

Some of our raw materials in relation to our *Satya Paul* and *Bw!tch* products and products for the International Brands are imported from suppliers and brand owners, respectively, and accordingly we are required to make payments to such suppliers and brand owners in foreign currency, including, the Euro, the U.S. Dollar and British Pound and we may be affected by fluctuations in the currency exchange rate between these currencies and the Indian Rupee. In Fiscal 2015 and Fiscal 2016, our foreign exchange gain constituted 0.03% and 0.35% of our total operating revenue, respectively. The exchange rate between the Indian Rupee and various foreign currencies, including the Euro, has fluctuated significantly in the recent past. Further, we do not currently enter into foreign currency hedges.

Interest rate risk

We are exposed to market risk due to changes in interest rates on our credit facilities that we entered into. As on March 31, 2016, we had ₹ 1,096.46 million of outstanding indebtedness, a majority of which bore interest at floating rates, which exposed us to market risk as a result of changes in interest rates. We undertake debt obligations to support working capital needs and capital expenditure. Upward fluctuations in interest rates increase the cost of debt and interest cost of outstanding variable rate borrowings. We do not currently use any derivative instruments to modify the nature of our debt so as to manage our interest rate risk.

Inflation

Inflationary factors such as increases in the cost of our products and overhead costs may adversely affect our operating results. Although we do not believe that inflation has had a material impact on our financial position or results of operations to date, a high rate of inflation in the future may have an adverse effect on our ability to maintain current margins if the selling prices of the products we sell do not increase with these increased costs.

Seasonality

We are impacted by seasonal variations in sales volumes, which may cause our revenues to vary significantly between different Fiscal quarters. Typically, we see an increase in our business during the third quarter of any given Fiscal, i.e., during the Diwali and holiday season.

Unusual or infrequent events or transactions

To the best of our knowledge, except as disclosed in this Draft Red Herring Prospectus, there are no events or transactions which may be described as "unusual" or infrequent.

Known trends or uncertainties

Our business has been impacted, and we expect, will continue to be impacted by the trends identified above in "***-Significant Factors Affecting our Results of Operations***" and the uncertainties described in "***Risk Factors***" on page 16. To the best of our knowledge, except as described in this Draft Red Herring Prospectus, there are no known factors, which we expect could have a material adverse effect on our results of operations.

Significant economic and regulatory changes

Except as described in "***Risk Factors***" and "***Key Regulations and Policies in India***" on pages 16 and 123, respectively, to the best of our knowledge, there have been no significant economic or regulatory changes that we expect could have a material adverse effect on our results of operations.

Future Relationship between Costs and Income

Other than as described above and in the section titled "***Risk Factors***" on page 16, to our knowledge, there are no known factors which will have a material adverse impact on our operations and finances.

New Products or Business Segments

Other than as described in the section titled "***Our Business***" on page 104, there are no new products or business sections in which we operate.

Competitive conditions

We are compete in the market for distribution of international luxury and premium brands in India. For more information see "***Our Business – Competition***" on page 121.

Suppliers

We rely on a limited number of suppliers in relation to our International Brands, for the supply of the products distributed by us. For more information, see "***Risk Factors***" on page 16.

Significant Developments after March 31, 2016

Except for the conversion of warrants held by BCCL into Equity Shares on September 20, 2016, the bonus issue dated September 14, 2016 and the addition of two new brands, i.e., *Coach* and *A|X Armani Exchange* to our portfolio of International Brands, there have been no significant developments after March 31, 2016, the date of the latest financial information included in this Draft Red Herring Prospectus. For more information, see "***Capital Structure***" on page 68. Further, to the best of our knowledge, no circumstances have arisen since March 31, 2016, which materially and adversely affect, or are likely to affect, our operations or earnings, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

FINANCIAL INDEBTEDNESS

Our Company avails credit facilities in the ordinary course of our business. Pursuant to a resolution dated September 7, 2016, passed by our shareholders, our Board has been authorised to borrow sums in excess of the aggregate of our paid-up share capital and free reserves, up to ₹ 617.50 million.

Set out below are details of borrowings of our Company and our material subsidiary, GLF, as on August 31, 2016.

A. Secured borrowings of our Company:

(₹ in million)

Category of Borrowing	Sanctioned Amount	Outstanding Amount as on August 31, 2016
Working capital facilities*	450.00	421.84
Term loans	167.50	88.73
Total	**617.50**	**510.57**

* *The working capital facilities include sub-limits for other facilities, including letter of guarantee, letter of credit, overdraft facilities and cash credit facilities.*

B. Secured borrowings of GLF:

(₹ in million)

Category of Borrowing	Sanctioned amount	Outstanding Amount as on August 31, 2016
Working capital facility*	270.00	163.07

* *The working capital facility includes sub-limits for other facilities, including cash credit and buyer's credit.*

Our Company has not availed of any unsecured borrowings.

GLF has obtained unsecured borrowings from GLB, an indirect Subsidiary of our Company, through agreements dated August 7, 2015 and December 10, 2015 for ₹ 500 million and ₹ 20 million, respectively.

Key terms of our secured borrowings are disclosed below.

- *Tenor and interest rate*: The tenor of the facilities availed by us typically range from 12 months to 84 months. For details of interest rates applicable to the borrowings, as on March 31, 2016, see "***Financial Statements – Annexure V – Restated Consolidated Statement of Long Term and Short Term Borrowings***".

- *Security*: Our secured borrowings are typically secured against:
  (i) hypothecation of the brand value of our brand *Satya Paul*, including the brand itself by way of assignment;
  (ii) mortgage of certain block assets owned by our Company, our Promoter, Mr. Sanjay Kapoor and his father, Mr. Suraj Prakash Kapoor and Genesis Overseas Private Limited, one of our Group Companies;
  (iii) equitable mortgage over certain immovable properties owned by the Company and GLF; and
  (iv) charge on the entire current assets and moveable fixed assets of our Company.

  In most cases, the security created in favour of a lender is on a *pari passu* basis with other lenders.

  Additionally, our Promoter, Mr. Sanjay Kapoor, and two members of the Promoter Group, as well as certain former directors have provided personal guarantees in the past to secure certain facilities availed by our Company. Further, our Company and our Promoter, Mr. Sanjay Kapoor, have provided a corporate guarantee and personal guarantee, respectively, with respect to working capital demand loan, cash credit and buyer's credit facility availed by GLF.

- *Events of Default:* Our borrowing arrangements typically contain standard events of default, including:
  (i) non-payment or default in payment of any amounts due under the loan facility;
  (ii) breach of any covenants, conditions, representations or warranties;
  (iii) initiation of proceedings relating to winding up, dissolution, reorganization or appointment of receivers or trustees;
  (iv) cross default under any arrangement for facilities extended by any other lender;
  (v) non-performance or non-compliance of the terms of the borrowing arrangements; and

(vi) unenforceability of any security or guarantee provided in respect of any of the loan facilities.

- *Restrictive covenants*: Our Company and GLF, under certain financing arrangements availed by them respectively, require the relevant lender's prior written consent for carrying out certain actions, including:
  (i) changing or altering capital structure;
  (ii) making any corporate investments or investment by way of share capital with any other concern, except during the normal course of business;
  (iii) effecting a change in shareholding;
  (iv) making a drastic change in the management set-up
  (v) changing the constitution of the respective borrower; and
  (vi) implement any scheme of expansion, modification or diversification.

- *Financial covenants*: Our Company and GLF, under certain financing arrangements, are required to maintain the following financial ratios:
  (i) Current ratio below 1.25
  (ii) Total outside liability/total net worth above 2.0
  (iii) EBITDA / net interest above or equal to 2.0
  (iv) Total debt / EBITDA less than or equal to 3.5

For further details of financial and other covenants required to be complied with in relation to our borrowing, see "***Risk Factors – Our obligations under our financing arrangements, including our debt service obligations, may adversely affect our business, financial condition, results of operations and prospects***" on page 28.

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, Directors, Subsidiaries, Promoters or Group Companies; (ii) actions taken by statutory or regulatory authorities against our Company, Directors, Promoters, Subsidiaries or Group Companies; and (iii) outstanding claims involving our Company, Directors, Promoters, Subsidiaries or Group Companies for any direct and indirect tax liabilities; (iv) inquiries, inspections or investigations initiated or conducted under the Companies Act against our Company, pending or taken, during the last five years immediately preceding the year of this Draft Red Herring Prospectus, (v) prosecutions filed (whether pending or not); (vi) fines imposed or compounding of offences by our Company and its Subsidiaries in the last five years immediately preceding the year of this Draft Red Herring Prospectus; (vii) pending defaults or non-payment of statutory dues by our Company (viii) litigation or legal action against our Promoters by any ministry or Government department or statutory authority during the last five years immediately preceding this Draft Red Herring Prospectus; (ix) material frauds committed against our Company, in each case in the five years preceding the date of this Draft Red Herring Prospectus; (x) outstanding dues to creditors of our Company as determined to be material by our Board of Directors in accordance with the SEBI ICDR Regulations; and (xi) outstanding dues to small scale undertakings and other creditors. Further, there have been no proceedings initiated against our Company for economic offences or defaults in respect of dues payable.

Pursuant to the SEBI ICDR Regulations and the Materiality Policy for the purposes of disclosure, all pending litigation involving our Company, Promoters, Directors, Subsidiaries and Group Companies, other than criminal proceedings, statutory or regulatory actions and taxation matters, would be considered 'material' if the monetary amount of claim by or against the entity or person in any such pending matter is in excess of 0.1% of our Company's consolidated revenues as per our restated consolidated financial information for Fiscal 2016 amounting to ₹ 4.40 million or any such litigation which is material from the perspective of the Company's business, operations, prospects or reputation.

Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus.

I. LITIGATION INVOLVING OUR COMPANY

A. Outstanding criminal proceedings involving our Company

Criminal proceedings against our Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against our Company.

Criminal proceedings by our Company

Our Company has initiated six proceedings under section 138 of the Negotiable Instruments Act, 1881, for the dishonor of cheques, of which five are against an erstwhile franchisee, towards dishonor of cheques issued by the franchisee towards payment of dues to the Company for non-payment of consideration for products supplied, and one against a former-employee of our Company on account of sums to be paid towards settlement of a claim of misappropriation of funds from the Company. These proceedings are pending before the Chief Metropolitan Magistrate, Tis Hazari court in New Delhi and the Chief Metropolitan Magistrate, Patiala House, New Delhi. The aggregate amount involved in these proceedings is ₹ 4.18 million, to the extent ascertainable.

B. Pending action by statutory or regulatory authorities against our Company

As on the date of this Draft Red Herring Prospectus, there is no pending action by any statutory or regulatory authority against our Company.

C. Tax proceedings against our Company

Direct tax proceedings

There are four direct tax proceedings pending against our Company and the aggregate amount involved under such proceedings (to the extent ascertainable) pursuant to such claims is ₹ 26.65 million. The nature of these proceedings pertain to alleged incorrect computations of income by our Company for certain assessment years.

Indirect Tax Proceedings

There is one indirect tax proceeding, in relation to a service tax audit, pending against our Company and its total financial implication on our Company pursuant to such claim is not ascertainable.

D. Other material outstanding litigation involving our Company

Material outstanding litigation against our Company

Lecoanet Hemant India Private Limited ("**Lecoanet**") instituted a civil suit against InterGlobe Aviation Limited ("**InterGlobe**") and our Company, before the Delhi High Court, on August 27, 2007, claiming ₹ 5 million, or such higher sum as may be determined / ascertained on rendition of accounts in favor of Lecoanet, from our Company as damages. Lecoanet has claimed damages on the grounds of alleged copying of its designs and infringement of copyright, by our Company, in the production of uniforms for the staff of InterGlobe.

Material outstanding litigation by our Company

Our Company, GLF and Burberry India Private Limited filed a special leave petition ("**SLP**"), dated November 9, 2011, before the Supreme Court of India ("**Supreme Court**"), with each of the Union of India, Director General of Service Tax, Central Board of Excise and Customs and the Commissioner of Service Tax as respondents, against an order of the Delhi High Court dated September 23, 2011, which held that service tax is payable on rent as there is value addition to the property that is rented out. Our Company has contended *inter alia* that there is no value addition in the leasing of property in view of the absence of a service element and consequently, rent should not be subject to the levy of service tax. The SLP was admitted by the Supreme Court on January 6, 2012, and the matter is currently pending for final orders before the Supreme Court.

E. Proceedings initiated against our Company for economic offences

As on the date of this Draft Red Herring Prospectus, there are no proceedings initiated against our Company for any economic offences.

F. Default and non – payment of statutory dues

Our Company does not owe any statutory dues and has not made any defaults or committed any acts involving non-payment of its statutory dues.

G. Material frauds against our Company

Except for the following instance of material fraud against our Company, there have been no material frauds committed against our Company in the five years preceding the date of this Draft Red Herring Prospectus.

During Fiscal 2012, an employee of our Company misappropriated inventory aggregating ₹ 1,614,865, which was provided for in the financial statements. Necessary legal action, including in respect of consequential losses, was initiated against such employee. Our Company has evaluated and instituted mitigating system to avoid such situations in the future and identify such incidents in a timely manner.

H. Outstanding litigation against any other persons or companies whose outcome could have an adverse effect on us

There are no outstanding litigation, suits, criminal or civil proceedings, statutory or legal proceedings including those for economic offences, tax liabilities, prosecution under any enactment in respect of Schedule V of the Companies Act 2013, show cause notices or legal notices against any other person or company whose outcome could have a material adverse effect on the operations, finances or our position.

I. Outstanding dues to small scale undertakings or any other creditors

As of March 31, 2016, we had 569 creditors. The aggregate amount outstanding to such creditors as on March 31, 2016 was ₹ 453.94 million. For further details, see http://www.genesiscolors.com.

As per the Materiality Policy, creditors to whom an amount exceeding ₹ 22.70 million, which is 5 % of our total consolidated trade payables for the period ending March 31, 2016, was outstanding, were considered 'material' creditors. Based on the above, there are four material creditors of the Company as on March 31, 2016, to whom an aggregate amount of ₹ 220.08 million or more was outstanding on such date.

Based on information available with the Company, there are no dues outstanding to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006, as of March 31, 2016.

Information provided on the website of our Company is not a part of this Draft Red Herring 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, http://www.genesiscolors.com, would be doing so at their own risk.

II. LITIGATION INVOLVING OUR SUBSIDIARIES

A. Outstanding criminal litigation involving our Subsidiaries

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings involving any of our Subsidiaries.

B. Pending action by statutory or regulatory authorities against any of our Subsidiaries

Proceedings against GLF and its subsidiaries (i.e. our indirect Subsidiaries)

The Directorate of Revenue Intelligence, Lucknow Zonal Unit ("**DRI**"), through its letter dated April 19, 2016, intimated GLF of initiation of an enquiry in relation to payment of customs duty on the import of branded goods of certain International Brands by GLF ("**Enquiry Letter**"). The DRI has alleged that since GLF was incurring expenses for promotion of such International Brands by way of advertising and marketing, under the provisions of agreements with the International Brands, customs duty was also payable in respect of such expenses incurred by it. The Enquiry Letter sought certain documents, including copies of agreements with the various International Brands. Our Promoter, Mr. Sanjay Kapoor on May 11, 2016, in his capacity as director of GLF, and Mr. Samit Guha, on June 9, 2016, June 16, 2016 and August 12, 2016, in his capacity as group CFO, Genesis group, received summons from the DRI for personal appearance. GLF has paid ₹ 6.00 million and GLM has paid ₹ 1.00 million as customs duty, under protest, in this regard, on July 20, 2016. The matter is currently pending.

C. Tax proceedings against our Subsidiaries

Tax Proceedings against GLF

There are 2 income tax proceedings pending against GLF and the aggregate amount involved under such proceedings, to the extent ascertainable, is ₹ 0.06 million. The nature of these proceedings pertain to the submission of additional information for certain assessment years, to the relevant authorities.

Tax Proceedings against GLF Lifestyle Brands Private Limited

There are 2 income tax assessment proceedings pending against GLF Lifestyle Brands Private Limited and the amount involved pursuant to such claims cannot be ascertained. The nature of these proceedings pertain to scrutiny of tax filings and submission of certain documents for certain assessment years, to the relevant authority.

D. Other Material outstanding litigation involving our Subsidiaries

Material outstanding litigation initiated against our Subsidiaries

Material outstanding litigation against GLF

1. Akari Enterprise LLC ("**Akari**") filed an arbitration petition dated January 3, 2015, against GLF, before the High Court of Delhi in connection with a consulting agreement dated August 4, 2011 entered into between Akari and GLF ("**Consulting Agreement**"), whereby Akari was to provide consultancy services for introducing luxury brands to GLF. Akari has claimed a sum of USD 0.1 million alleging non-payment of fee to Akari by GLF, under the Consulting Agreement, upon GLF entering into a distributorship agreement for India with G-Star, a brand allegedly introduced to GLF by Akari. The High Court of Delhi dismissed the petition by its order dated January 16, 2015 with direction to Akari to approach the Supreme Court for appointment of an arbitrator, under applicable provisions of the Arbitration and Conciliation Act, 1996. By its order dated August 16, 2016, in an arbitration petition filed by Akari before it, the Supreme Court of India appointed a sole arbitrator for the adjudication of the matter.

2. Etro S.p.A ("**Etro**") instituted a suit in the Court of Milan against GLF pursuant to two distributorship agreements dated November 6, 2009 (the "**Agreements**") entered into between GLF and Etro S.p.A. Etro has claimed a sum of EUR 1.4 million for *inter alia* GLF's alleged failure to reach the guaranteed minimum purchase requirements in accordance with the Agreements, and subsequent closure of two Etro retail stores in Mumbai and Bangalore. GLF has claimed that in accordance with applicable law, the decree of the Court of Milan is not enforceable in India, in view of Italy not being a reciprocating territory.

Material outstanding litigation initiated by our Subsidiaries

For details of material litigation initiated by our Subsidiary, GLF, please see "***- Material outstanding litigation by our Company***" on page 295.

III. LITIGATION INVOLVING OUR DIRECTORS

A. Outstanding criminal litigation involving our Directors

Criminal proceedings against our Directors

Mr. Bharadwaj Thiruvenkata Venkatavaraghavan

1. The Assistant Director, Directorate of Enforcement, Ministry of Finance, Government of India ("**ED**") issued summons on September 7, 2015 to Mr. Bharadwaj, in his capacity as managing director of Sequoia Capital Advisors India Private Limited, under the Prevention of Money Laundering Act, 2002, in relation to an investigation against Vasan Health Care Private Limited ("**VHCPL**"), since certain funds advised by Sequoia Capital Advisors India Private Limited, are shareholders of VHCPL. Though no specific allegations have been made formally against Mr. Bharadwaj, he was directed to personally appear before the ED on September 22, 2015 and also furnish certain information and data to the ED. Mr. Bhardwaj has personally appeared before the ED on several occasions and has also provided the information requested by the ED.

2. There are 27 ongoing proceedings under section 138 of the Negotiable Instruments Act, 1881 read with section 68 of the Code for Criminal Procedure, 1973, for dishonor of cheques, against Mr. Bharadwaj, in his capacity as director of Vasan Healthcare Private Limited. The aggregate amount involved, to the extent ascertainable, is ₹ 25.21 million.

B. Pending action by statutory or regulatory authorities against any of our Directors

Mr. Bharadwaj Thiruvenkata Venkatavaraghavan

1. The Ministry of Corporate Affairs, Government of India pursuant to order dated March 4, 2015 issued directions to the Serious Fraud Investigation Office ("**SFIO**") to undertake an investigation into the affairs of Suburban Diagnostics Private Limited ("**SDPL**"), an investee company of Sequoia Capital India Growth Investments II, a fund advised by Sequoia Capital India Advisors Private

Limited. The SFIO, thereafter, directed Mr. Bharadwaj, in his capacity as director of Sequoia Capital India Advisors Private Limited to provide, among other things, agreements executed with SDPL. The matter is currently pending.

2. The Assistant Director, Directorate of Enforcement, Ministry of Finance, Government of India issued summons on May 24, 2016 to Mr. Bharadwaj, in his capacity as managing director of Sequoia Capital Advisors India Private Limited, under section 37(1) and section 37(3) of FEMA, read with section 131(1) of the IT Act, in relation to an investigation against of Sequoia Capital Advisors India Private Limited. Though no specific allegations have been made formally against Mr. Bharadwaj, he was required to personally appear before ED on June 2, 2016 to give evidence and to produce books of accounts and other documents specified in the aforementioned summons. Mr. Bharadwaj has personally appeared before the ED and has also provided the information requested by the ED. The matter is currently pending.

Mr. Sanjay Kapoor

Except as disclosed in "***– Litigation Involving Our Subsidiaries – Pending action by statutory or regulatory authorities against any of our Subsidiaries – Proceedings against GLF"*** on page 296, there is no pending action by statutory or regulatory authorities against Mr. Sanjay Kapoor.

Mr. Samit Guha

Except as disclosed in "***– Litigation Involving Our Subsidiaries – Pending action by statutory or regulatory authorities against any of our Subsidiaries – Proceedings against GLF"*** on page 296, there is no pending action by statutory or regulatory authorities against Mr. Samit Guha.

C. Tax proceedings involving our Directors

Mr. Bharadwaj Thiruvenkata Venkatavaraghavan

The Commissioner of Income Tax, Madurai filed a complaint under section 200 of Code of Criminal Procedure, 1973 against VHCPL and on. Mr. Bharadwaj Thiruvenkata Venkatavaraghavan in his capacity as director of VHCPL, for delayed payment of tax deducted at source under the Income Tax Act, 1961. The matter is currently pending.

*For details of tax proceedings involving our Managing Director and Promoter, Mr. Sanjay Kapoor, see "**– Litigation involving our Promoters – Tax proceedings against our Promoters**"* on page 298.

D. Other material outstanding litigation involving our Directors

Mr. Atul Singh

A civil suit was filed by a property redeveloper, Chetki Properties against Bata India Limited ("**Bata**"), before the Civil Judge (Sr. Division) 2nd Court, 24 South Pargana, Alipore, Kolkata, in relation to an immovable property in Ballygunge, Kolkata, a portion of which is occupied by Bata for operating a store from a third party land lord. Such third-party landlord had granted certain rights, as owner of the property, for redevelopment to Chetki Properties, and there was no contractual arrangement between Bata and Chetki Properties in relation to the suit property. The suit also impleaded Mr. Atul Singh in his then capacity as independent director of Bata, for the recovery of ₹ 70.01 million from Bata. The matter is currently pending.

IV. LITIGATION INVOLVING OUR PROMOTERS

Tax proceedings involving our Promoters

Mr. Sanjay Kapoor

There are four income tax proceedings pending against our Promoter, Mr. Sanjay Kapoor, and the aggregate amount involved under such proceedings, to the extent ascertainable, is ₹ 0.91 million. The nature of these proceedings pertain to the scrutiny of the filings made in certain earlier assessment years.

Pending action by any statutory or regulatory authorities against our Promoters

Mr. Sanjay Kapoor

Except the proceeding against Mr. Sanjay Kapoor, as disclosed in "***Litigation Involving Our Subsidiaries – Pending action by statutory or regulatory authorities against any of our Subsidiaries – Proceedings against GLF***" on page 296, there are no pending actions by any statutory or regulatory authorities involving our Promoters.

V. LITIGATION INVOLVING OUR GROUP COMPANIES

Tax proceedings involving our Group Companies

V&B Lifestyle India Private Limited

There is one income tax scrutiny proceeding involving V&B Lifestyle India Private Limited, for the assessment year 2014-15, and the amount involved is unascertainable.

Burberry India Private Limited

There is one income tax proceeding involving Burberry India Private Limited, in relation to transfer pricing, for the assessment year 2012-13. The amount involved, to the extent ascertainable is ₹ 69.45 million.

Except as disclosed above and in "***Other Material outstanding litigation involving our Company - Material outstanding litigation by our Company***", our Group Companies are not involved in any material litigation.

VI. PAST INQUIRIES, INVESTIGATIONS OR INSPECTIONS

Except as disclosed below, there have been no inquiries, inspections or investigations initiated or conducted under the Companies Act or any previous company law in the last five years immediately preceding the year of issue of the Draft Red Herring Prospectus in the case of our Company and Subsidiaries:

1. Our Subsidiary, Genesis La Mode Private Limited, Mr. Sanjay Kapoor and Mr. Amresh Kumar Sood, in his role as a past director, filed a *suo moto* company application dated February 25, 2014 before RoC in respect of compounding of offences by imposition of requisite fee under section 621A(4)(a) of the Companies Act 1956 for entering into an agreement for sale and purchase with GLF without prior approval of the Central Government in violation of section 297(1) of the Companies Act 1956. The Regional Director (Northern Region), MCA, Noida, pursuant to compounding order dated June 20, 2014, directed for the offence to be compounded on payment of compounding fee of ₹ 5,000 by each of Genesis La Mode Private Limited, Mr. Sanjay Kapoor and Mr. Amresh Kumar Sood.

2. Our Subsidiary, GLF, along with Mr. Sanjay Kapoor and Mr. Ankur Jain, filed a company application dated February 25, 2014 before the RoC in respect of compounding of offences by imposition of requisite fee under section 621A(4)(a) of the Companies Act 1956 for entering into an agreement for sale and purchase with Genesis La Mode Private Limited without prior approval of the Central Government in violation of section 297(1) of the Companies Act, 1956. The Regional Director (Northern Region), MCA, Noida, pursuant to compounding order dated June 20, 2014, directed for the offence to be compounded on payment of compounding fee of ₹ 5,000 by each of GLF, Mr. Sanjay Kapoor and Mr. Ankur Jain.

3. Our Company, individually, and then along with Mr. Sanjay Kapoor, Mr. Jyoti Mohan Narula, Mr. Puneet Nanda, Mr. Naresh Malhotra, Mr. Vikram Suhas Godse, Mr. Mukesh Aghi and Mr. Vishal Kirti Keshav Marwaha filed applications dated July 26, 2010 and February 25, 2011 before the RoC in respect of compounding of offences by imposition of requisite fee under section 621A(4)(a) of the Companies Act, 1956 for entering into a contract with Burberry India Private Limited without obtaining prior approval of the Central Government in violation of section 297(1) of the Companies Act 1956. The Company Law Board, New Delhi bench, pursuant to compounding order dated August 30, 2011, directed

for the offence to be compounded on payment of compounding fee of ₹ 2,000 by each of the Company, Mr. Sanjay Kapoor, Mr. Jyoti Mohan Narula, Mr. Puneet Nanda, Mr. Naresh Malhotra, Mr. Vikram Suhas Godse, Mr. Mukesh Aghi and Mr. Vishal Kirti Keshav Marwaha.

4. Our Company, along with Mr. Sanjay Kapoor, Mr. Jyoti Mohan Narula and Mr. Puneet Nanda filed a company petition before the RoC, on April 27, 2011, in respect of compounding of offences by imposition of requisite fee under section 621A(4)(a) of the Companies Act 1956. This petition was filed for entering into a contract, for sale and purchase of goods, with Gee Design Private Limited, a related party of our Company without obtaining prior approval of the Central Government in violation of section 297(1) of the Companies Act, 1956. The Company Law Board, New Delhi bench, pursuant to compounding order dated August 30, 2011, directed for the offence to be compounded on payment of compounding fee of ₹ 2,000 by each of our Company, Mr. Sanjay Kapoor, Mr. Jyoti Mohan Narula and Mr. Puneet Nanda.

Material developments since the last balance sheet date

Except as stated in "***Management's Discussion and Analysis of Financial Condition and Results of Operation – Significant Developments after March 31, 2016***" on page 290, no circumstances have arisen since March 31, 2016, the date of the last restated financial information disclosed in this Draft Red Herring Prospectus, which materially and adversely affect or are likely to affect, our operations or earnings taken as a whole, the value of our consolidated assets or our ability to pay our material liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

Our Company can undertake the Offer and our Company, Subsidiaries and Joint Ventures, respectively, can undertake its respective current business activities, including on the basis of the list of 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. Unless otherwise stated, these approvals are valid as of the date of this Draft Red Herring Prospectus.

I. Incorporation details of our Company

1. Certificate of incorporation dated November 23, 1998 issued to our Company by the RoC in the name of 'Genesis Retail Private Limited'.

2. Fresh certificate of incorporation dated September 14, 2001 issued to our Company by the RoC on account of the change in name from 'Genesis Retail Private Limited' to 'Genesis Colors Private Limited'.

3. Fresh certificate of incorporation dated March 20, 2015 issued to our Company by the RoC pursuant to a change in the location of our registered office from New Delhi to Gurgaon.

4. Pursuant to the conversion of our Company to a public limited company, our name was changed to 'Genesis Colors Limited' from 'Genesis Colors Private Limited' and the RoC issued a fresh certificate of incorporation pursuant to change of name upon conversion to a public limited company on September 16, 2016.

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 305.

II. 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. We have received the following Government and other approvals pertaining to our business:

A. Approvals for the business of our Company

(i) Our Company has obtained the import-export code (0501058591) dated July 15, 2015, with effect from January 29, 2002 issued by the Additional Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India.

(ii) We have obtained license under the Factories Act, 1948, for our Registered and Corporate Office and our manufacturing facility located at Manesar, Haryana.

B. Tax related approvals

(i) The permanent account number of our Company is AABCG4825H.

(ii) The tax deduction account number of our Company is DELG04510C.

(iii) The service tax registration number of our Company is AABCG4825HST002.

(iv) The excise registrations of our Registered and Corporate Office is AABCG4825HEM005, Manesar Unit is AABCG4825HEM003 and our Delhi warehouse is AABCG4825HEM004.

C. Labour related approvals

(i) Under the provisions of the EPF Act, our Company has been allotted EPF code number HR/GGN/27509.

(ii) Under the Employee State Insurance Act, our Company has been allotted the ESI registration number 13/32207/19.

D. Approvals in relation to our operations

Various approvals, licenses and registrations under several central or state-level acts, rules and regulations are required for our operations, which differ on the basis of the location as well as the nature of operations carried out at such locations. In addition to any approvals required under applicable labour laws and registrations for import and export of goods, the key approvals typically required for the operation of our warehouses, offices and the EBOs operated by our indirect Subsidiaries and Joint Ventures are:

Shops and establishments' registrations: In states where our offices, warehouses and EBOs (operated by our indirect Subsidiaries and Joint Ventures) are operated, registrations under the respective shops and establishments acts of those states, wherever enacted and in force, would be required. The term of such registrations and renewal requirements as well as processes may differ under the various applicable state legislations and may be subject to periodic renewals, as applicable.

Trade licenses from relevant municipal authorities: We are required to obtain trade licenses in respect of the EBOs operared by our indirect Subsidiaires, from the respective municipal authorities of areas where such EBOs are located. Such licenses may be subject to renewals, as applicable.

Legal metrology registration: We are required to obtain certificates of registration as importers / packers, issued by the Legal Metrology Division at the Department of Consumer Affairs under the Ministry of Consumer Affairs, Food and Public Distribution, for units where we undertake packing of articles for further distribution and sale, as applicable.

Tax registrations: Various registration are required to be obtained from the state commissioners or departments under central or state-level tax legislations, including for value added tax, entry tax and sales tax, as applicable.

As of the date of this Draft Red Herring Prospectus, we have obtained all the aforementioned key approvals, as applicable, and all such approvals are valid and subsisting, except in respect of a trade license to be obtained from the relevant local authority, for an EBO operated by our Subsidiary, Genesis La Mode Private Limited, at Gurgaon, Haryana, for which we are in the process of making an application.

III. FIPB Approvals obtained by our Joint Ventures

Our Joint Ventures are engaged in 'single brand product retailing' and are subject to restrictions on foreign direct investment in accordance with the Consolidated FDI Policy. Details of approvals obtained from the FIPB, the details of which are provided below.

(i) Approval dated December 7, 2009 from the GoI, Ministry of Commerce and Industry, Department of Industrial Policy and Promotion for setting up our joint venture, Burberry India Private Limited, with Burberry International Holdings Limited, holding 51% of the equity share capital of Burberry India Private Limited;

(ii) Approval dated February 10, 2012 from the GoI, Ministry of Commerce and Industry, Department of Industrial Policy and Promotion for setting up our joint venture, Canali India Private Limited, with Canali Holding S.p.A, holding 51% of the equity share capital of Canali India Private Limited; and

(iii) Approval dated July 5, 2013, from the GoI, Ministry of Commerce and Industry, Department of Industrial Policy and Promotion for setting up our joint venture, V&B Lifestyle India Private Limited, with Villeroy & Boch AG., holding 50% of the equity share capital of V&B Lifestyle India Private Limited.

IV. INTELLECTUAL PROPERTY APPROVALS

Trademarks

Our Company owns the following trademarks registered under the Trademarks Act:

S. No.	Description	Class	Registration/ Reference No.	Date of Registration	Date of Expiry
1.	BW!TCH	25	1492406	September 29, 2006	September 28, 2016#
2.	Bw!tch Cast a spell	25	1746100	October 21, 2008	October 21, 2018
3.	TIE BAR	25	1280582	April 26, 2004	April 25, 2024
4.	TIE BAR	24	1280583	April 26, 2004	April 25, 2024
5.	TIE BAR	14	1280584	April 26, 2004	April 25, 2024
6.	TIE BAR	18	1280585	April 26, 2004	April 25, 2024
7.	Renaissance Paul Saon (label)	24	499059	October 10, 1988	October 10, 2019
8.	Renaissance Paul Saon (label)	25	499061	October 10, 1988	October 10, 2019
9.	SPUL (Label)	25	500079	October 28, 1988	October 28, 2019
10.	SIGNATURE SERIES	25	500078	October 28, 1988	October 28, 2019
11.	SATYA PAUL	24	1551825	April 23, 2007	April 22, 2017
12.	U BY SATYA PAUL*	24	1074051	January 16, 2012	January 15, 2022
13.	U BY SATYA PAUL*	25	1074052	January 16, 2012	January 15, 2022
14.	U BY SATYA PAUL*	18	1074050	January 16, 2012	January 15, 2022
15.	U BY SATYA PAUL*	14	1074049	January 16, 2012	January 15, 2022
16.	U BY SATYA PAUL*	3	1074048	January 16, 2012	January 15, 2022
17.	SATYA PAUL	40	1284387	May 17, 2004	May 17, 2024
18.	SIGNATURE SERIES	24	499058	October 10, 1988	October 10, 2019
19.	Satya Paul	25	1551824	April 23, 2007	April 22, 2017
20.	S Pul (Word)	3	500077	October 28, 1988	October 28, 2019
21.	Avant Carde (device label)	24	499815	October 24, 1988	October 24, 2019
22.	MUSEUM PIECE COLLECTION	24	499060	October 10, 1988	October 10, 2019
23.	satya SATYA PAUL	35	1853225	August 21, 2009	August 20, 2019
24.	satya SATYA PAUL	24	1853222	August 21, 2009	August 20, 2019
25.	SPUL	24	500080	October 28, 1988	October 28, 2018
26.	Satya Paul*	14	521016	December 8, 1989	December 8, 2019
27.	Avant Garde*	25	500082	October 28, 1988	October 28, 2018
28.	COLORS of TIE BAR	25	18885106	November 17, 2009	November 16, 2019
29.	COLORS of TIE BAR	18	18885105	November 17, 2009	November 16, 2019
30.	COLORS of TIE BAR	35	18885107	November 17, 2009	November 16, 2019

 # Our Company has made an application, dated April 25, 2016, for the renewal of this registered trademark to the Trade Marks Registry at New Delhi

** The proprietor of these trademarks has been listed as Mr. Puneet Nanda in the trademark certificates. However, our Company has written to the Registrar of Trade Marks, Trade Marks Registry at New Delhi, for bringing on record the name of our Company as the assignee of the relevant trademarks, pursuant to the Deed of Assignment dated May 16, 2002 between Mr. Puneet Nanda and our Company ("Deed of Assignment"), under which Mr. Puneet Nanda assigned the rights, title and interests in certain trademarks to our Company in lieu of consideration paid by our Company. Attested copies of the Deed of Assignment have been submitted to Registrar of Trade Marks, Trade Marks Registry at New Delhi.*

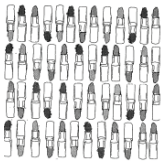
Our Company has made applications for registration of the following trademarks under the Trademarks Act:

S. No.	Description	Class	Application Number	Date of Application
1.	919 Milan	3	3057105	September 16, 2015
2.	919 Milan	8	3057103	September 16, 2015
3.	919 Milan	18	3057104	September 16, 2015
4.	919 Milan	21	3057102	September 16, 2015
5.	CLUB SP	14	2982450	June 10, 2015
6.	CLUB SP	16	2982451	June 10, 2015
7.	CLUB SP	18	2982452	June 10, 2015
8.	CLUB SP	25	2982453	June 10, 2015
9.	GENESIS COLORS	16	2935185	April 2, 2015
10.	GENESIS COLORS	35	2935186	April 2, 2015
11.	GENESIS LUXURY	35	2935188	April 2, 2015
12.	GENESIS LUXURY	16	2935187	April 2, 2015
13.	GENESIS LUXE CLUB	35	2979565	June 4, 2015
14.	GENESIS LUXE CLUB	36	2979566	June 4, 2015

S. No.	Description	Class	Application Number	Date of Application
15.	GENESIS LUXE CLUB	16	2979567	June 4, 2015
16.	SATYA	18	2970154	May 23, 2015
17.	SATYA	24	2970155	May 23, 2015
18.	SATYA	25	2970156	May 23, 2015
19.	SATYA PAUL ACCESSORIES	14	2969067	May 21, 2015
20.	SATYA PAUL ACCESSORIES	16	2969068	May 21, 2015
21.	SATYA PAUL ACCESSORIES	18	2969069	May 21, 2015
22.	SATYA PAUL ACCESSORIES	25	2969070	May 21, 2015
23.	SATYA PAUL ACCESSORIES	35	2969071	May 21, 2015
24.	SATYA PAUL HOME	4	2969072	May 21, 2015
25.	SATYA PAUL HOME	6	2969073	May 21, 2015
26.	SATYA PAUL HOME	11	2969074	May 21, 2015
27.	SATYA PAUL HOME	14	2969075	May 21, 2015
28.	SATYA PAUL HOME	16	2969077	May 21, 2015
29.	SATYA PAUL HOME	20	2969078	May 21, 2015
30.	SATYA PAUL HOME	21	2969079	May 21, 2015
31.	SATYA PAUL HOME	24	2969080	May 21, 2015
32.	SATYA PAUL HOME	27	2969081	May 21, 2015
33.	SATYA PAUL HOME	35	2969082	May 21, 2015
34.	SATYA PAUL HOME	24	3110108	November 28, 2015
35.	MAYA	25	2379825	August 14, 2012

Design

Our Company has obtained registration number 255694, under class 05-05 in respect of application of such design to textile fabric, on August 6, 2013, of the following design, under the Designs Act, 2000:



Our Company has made an application dated August 2, 2013, under class 02-99 for the pattern of a saree, for registration of the above design under the Designs Act, 2001.

Copyright

Our Company has obtained registration of the following copyrights from the Deputy Registrar of Copyrights, Copyright Office:

S. No.	Description	Registration Number	Date of Registration
1.	TIE BAR (With device O ties)	A-76164/2006	March 27, 2006
2.	satya SATYA PAUL	A-97749/2013	February 26, 2013
3.	COLORS of TIE BAR	A-97750/2013	February 26, 2013
4.	SATYA PAUL	A-76165/2006	March 27, 2006

Our Company has made an application dated November 29, 2012, for registration of copyright for the published artistic work titled 'Maya', in the English language, under the Copyrights Act, 1957.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Corporate Approvals

- Our Board has authorized the Fresh Issue by a resolution dated September 20, 2016, subject to the approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act 2013.
- Our shareholders have, pursuant to a special resolution passed on September 20, 2016 under Section 62(1)(c) of the Companies Act 2013, authorized the Fresh Issue.
- Our Board has taken on record the Offer for Sale by the Selling Shareholders and the Board has approved this Draft Red Herring Prospectus pursuant to its resolution dated September 22, 2016.
- The IPO Committee of our Board has, on September 28, 2016, approved this Draft Red Herring Prospectus.

Approvals from the Selling Shareholders

The Selling Shareholders have specifically confirmed and approved the transfer of the Equity Shares pursuant to the Offer for Sale as set out below:

Sr. No.	Name of the Selling Shareholder	Date of Board Resolution/ Consent Letter	Number of Equity Shares offered for sale
1.	HEP Mauritius	September 23, 2016	859,219
2.	Seminary Tie-Up	September 26, 2016	130,006
3.	Mayfield	September 26, 2016	556,316
4.	ICP	September 21, 2016	161,065
5.	Pranav Ansal & Son HUF	September 28, 2016	70,047
6.	Ms. Kusum Ansal	September 28, 2016	70,044
7.	Ms. Sheetal Ansal	September 28, 2016	70,044

Each Selling Shareholder specifically confirms that, as required under Regulation 26(6) of the SEBI Regulations, it has held the Equity Shares proposed to be offered and sold by it in the Offer for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus and, to the extent that the Equity Shares being offered by such Selling Shareholder in the Offer have not been held by it for a period of at least one year prior to the filing of this Draft Red Herring Prospectus and have resulted from a bonus issue, such bonus issue has been on Equity Shares held for a period of at least one year prior to the filing of this Draft Red Herring Prospectus. Further, in this regard, the Company confirms that the bonus shares have been issued by capitalizing the free reserves of the Company (and not by utilization of revaluation reserves or unrealized profits of the Company). Therefore, the Equity Shares offered by the Selling Shareholder in the Offer 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 [●] and [●], respectively.

Prohibition by the SEBI, the RBI or Governmental Authorities

None of our Company, our Subsidiaries, our Promoters, our Promoter Group, our Directors, Group Companies or 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 Selling Shareholder, severally and not jointly, specifically confirms that it has not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority. Further, each Selling Shareholder, severally and not jointly, specifically confirms that it has not been declared as a wilful defaulter, as defined under the SEBI ICDR Regulations. There are no violations of securities laws committed by any of the Selling Shareholders in the past or are currently pending against any of them.

None of our Directors are in any manner associated with the securities market, 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 Subsidiaries, 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, Mr. Sanjay Kapoor, 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 Regulation 26(2) of the SEBI ICDR Regulations as described below:

"*An issuer not satisfying the condition stipulated in sub-regulation (1) may make an initial public offer if the issue is made through the book-building process and the issuer undertakes to allot, at least seventy five percent of the net offer to public, to qualified institutional buyers and to refund full subscription money if it fails to make the said minimum allotment to qualified institutional buyers.*"

We are an unlisted company not complying with the conditions specified in Regulation 26(1) of the SEBI ICDR Regulations and are therefore required to meet the conditions detailed in Regulation 26(2) of the SEBI ICDR Regulations.

We undertake to comply with Regulation 26(2) of the SEBI ICDR Regulations as at least 75% of the Offer is proposed to be Allotted to QIBs and in the event that we fail to do so, the full application monies shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations.

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 forthwith. 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, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.

Our Company is in compliance with conditions specified in Regulation 4(2) of the SEBI ICDR Regulations to the extent applicable.

All costs, charges, fees and expenses associated with and incurred in connection with this Offer will, in accordance with applicable law, be borne by our Company and the Selling Shareholders in proportion to the Equity Shares being offered by each of our Company and the Selling Shareholders in this 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 GLOBAL CO-ORDINATORS AND BOOK RUNNING LEAD MANAGERS, BEING ICICI SECURITIES LIMITED AND EDELWEISS FINANCIAL SERVICES LIMITED AND THE BOOK RUNNING LEAD MANAGER, BEING AMBIT 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, THE GLOBAL CO-ORDINATORS AND BOOK RUNNING LEAD MANAGERS AND THE BOOK RUNNING LEAD MANAGER ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE GLOBAL CO-ORDINATORS AND BOOK RUNNING LEAD MANAGERS, BEING ICICI SECURITIES LIMITED AND EDELWEISS FINANCIAL SERVICES LIMITED AND THE BOOK RUNNING LEAD MANAGER, BEING AMBIT PRIVATE LIMITED, HAVE FURNISHED TO THE SEBI A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 28, 2016 WHICH READS AS FOLLOWS:

WE, THE GLOBAL CO-ORDINATORS AND BOOK RUNNING LEAD MANAGERS AND THE BOOK RUNNING LEAD MANAGER 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 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 PROPOSED 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 – NOTED FOR COMPLIANCE;**

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;

6. **WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO EQUITY SHARES INELIGIBLE FOR COMPUTATION OF PROMOTERS' CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS;**

7. **WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE 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 – NOT APPLICABLE;**

8. **WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT OFFER FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION; COMPLIED WITH TO THE EXTENT APPLICABLE;**

9. **WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE 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 – 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;**

10. **WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE – NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT 2013, EQUITY SHARES IN THE OFFER WILL BE ISSUED IN DEMATERIALISED FORM ONLY;**

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;**

12. **WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS:**

a. **AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY; AND**

b. **AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY 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 WHILE MAKING THE OFFER - NOTED FOR COMPLIANCE;**

14. **WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS' EXPERIENCE, ETC. - COMPLIED WITH TO THE EXTENT APPLICABLE;**

15. **WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY;**

16. **WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY THE GLOBAL CO-ORDINATORS AND BOOK RUNNING LEAD MANAGERS AND THE BOOK RUNNING LEAD MANAGER (WHO ARE RESPONSIBLE FOR PRICING THIS OFFER)', AS PER FORMAT SPECIFIED BY THE SEBI THROUGH CIRCULAR;**

17. **WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS – COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD 18 IN THE FINANCIAL STATEMENTS OF THE COMPANY INCLUDED IN THE DRAFT RED HERRING PROSPECTUS AND AS CERTIFIED BY B S R & CO. LLP, BY WAY OF CERTIFICATE DATED SEPTEMBER 28, 2016;**

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 Draft Red Herring Prospectus does not, however, absolve any person who has authorized the issue of this Draft Red Herring Prospectus from any liabilities under Section 34 or Section 36 of the Companies Act 2013 or from the requirement of obtaining such statutory and/or other clearances as may be required for the purpose of the proposed Offer. SEBI further reserves the right to take up at any point of time, with the GCBRLMs and BRLM, any irregularities or lapses in this Draft Red Herring 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 the Prospectus with the RoC in terms of Sections 26, 30 and 32 of the Companies Act, 2013.

Price Information of past issues handled by the GCBRLMs and BRLM

ICICI Securities Limited

1. *Price information of past issues (during the current financial year and two financial years preceding the current financial year) handled by ICICI Securities Limited*

Sr. No.	Issue name	Issue size (₹ million)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th Calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th Calendar days from listing	+/- % change in closing price, [+/ % change in closing benchmark]- 180th Calendar days from listing
1.	Wonderla Holidays Limited	1,812.50	125.00	09-May-14	160.00	+72.92%, [+11.60%]	+78.96%, [+11.86%]	+162.32%, [+21.57%]
2.	Shemaroo Entertainment Limited	1,200.00	170.00 (1)	01-Oct-14	180.00	-5.74%, [+2.81%]	-5.88%, [+3.79%]	+5.85%, [+6.88%]
3.	VRL Logistics Limited	4,678.78	205.00	30-Apr-15	288.00	+50.90%, [+3.08%]	+85.49%, [+1.90%]	+100.90%, [+0.97%]
4.	PNC Infratech Limited	4,884.41	378.00	26-May-15	387.00	+0.32%, [+0.26%]	+14.66%, [-6.36%]	+42.72%, [-5.88%]
5.	Manpasand Beverages Limited	4,000.00	320.00	09-Jul-15	300.00	+23.20%, [+2.83%]	+36.53%, [-2.11%]	+58.34%, [-6.45%]
6.	Sadbhav Infrastructure Project Limited	4,916.57	103.00	16-Sep-15	111.00	-2.28%, [+3.55%]	-5.63%, [-3.15%]	-14.56%,[-4.56%]
7.	Teamlease Services Limited	4,236.77	850.00	12-Feb-16	860.00	+15.34%, [+7.99%]	+5.38%, [+12.43%]	+35.35%, [24.31%]
8.	Quick Heal Technologies Limited	4,512.53	321.00	18-Feb-16	305.00	-31.56%, [+5.74%]	-20.05%, [+9.72%]	-24.21%, [20.17%]
9.	Equitas Holdings Limited	21,766.85	110.00	21-Apr-16	145.10	+34.95%, [-1.63%]	+57.91%, [+7.79%]	-
10.	Thyrocare Technologies Limited	4,792.14	446.00	09-May-16	665.00	+36.85%, [+5.09%]	+22.57%, [10.75%]	-
11.	Ujjivan Financial Services Limited	8,824.96	210.00	10-May-16	231.90	+72.38%, [+4.88%]	115.38%, [10.44%]	-
12.	Quess Corp Limited	4,000.00	317.00	12-Jul-16	500.00	+73.60%, [+0.64%]	-	-
13.	Larsen & Toubro Infotech Limited	12,363.75	710.00 (2)	21-Jul-16	667.00	-6.39%, [+1.84%]	-	-
14.	Advanced Enzyme Technologies Limited	4,114.88	896.00 (3)	01-Aug-16	1,210.00	+56.24%, [+1.24%]	-	-
15.	RBL Bank Limited	12,129.67	225.00	31-Aug-16	274.20	-	-	-

(1) Discount of ₹ 17 per equity share offered to retail investors. All calculations are based on Issue Price of ₹ 170.00 per equity share.
(2) Discount of ₹ 10 per equity share offered to retail investors. All calculations are based on Issue Price of ₹ 710.00 per equity share.
(3) Discount of ₹ 86 per equity share offered to Eligible Employees. All calculations are based on Issue Price of ₹ 896.00 per equity share.

Notes:

1. All data sourced from www.nseindia.com
2. Benchmark index considered is NIFTY
3. 30th, 90th, 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th, 90th, 180th calendar day is a holiday, in which case the closing data of the next trading day has been considered

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 ICICI Securities Limited*

Financial year	Total no. of IPOs	Total funds raised (₹ in Million)	Nos. of IPOs trading at discount – 30th calendar day from listing			Nos. of IPOs trading at premium – 30th calendar day from listing			Nos. of IPOs trading at discount – 180th calendar day from listing			Nos. of IPOs trading at premium – 180th calendar day from listing		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2016-2017	7	67,992.25	-	-	1	3	2	-	-	-	-	-	-	-
2015-2016	6	27,229.06	-	1	1	1	-	3	-	-	2	2	2	-
2014-2015	2	3,012.50	-	-	1	1	-	-	-	-	-	1	-	1

Edelweiss Financial Services Limited

1. *Price information of past issues (during the current financial year and two financial years preceding the current financial year) handled by Edelweiss Financial Services Limited*

Sr. No.	Issue name	Issue size (₹ million)	Issue price(₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th Calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th Calendar days from listing	+/- % change in closing price, [+/ % change in closing benchmark]- 180th Calendar days from listing
1	Thyrocare Technologies Limited	4,792.14	446.00	May 09, 2016	665.00	36.85%[5.09%]	22.57%[10.75%]	Not applicable
2	Equitas Holdings Limited	21,766.85	110.00	April 21, 2016	145.10	34.64%[-2.05%]	57.91%[7.79%]	Not applicable
3	Healthcare Global Enterprises Limited	6,496.40	218.00	March 30, 2016	210.20	-15.3%; [1.45%]	-19.98%[4.65%]	-1.28%[12.77%]
4	Alkem Laboratories Limited@	13,477.64	1,050.00	December 23, 2015	1,380.00	30.34%; [-7.49%]	28.60% [-2.06%]	31.91%[4.74%]
5	Coffee Day Enterprises Limited	11,500.00	328.00	November 2, 2015	317.00	-21.42%; [-1.19%]	-20.76%; [-6.15%]	-20.98%; [-2.50%]
6	Prabhat Dairy Limited^	3,561.88	115.00	September 21, 2015	113.00	11.78% ; [3.57%]	30.83% [-1.79%]	-5.48%; [-4.67%]
7	Sadbhav Infrastructure Project Limited	4,916.57	103.00	September 16, 2015	111.00	-2.28%, [3.55%]	-5.63%; [-3.15%]	-14.56%; [-4.56%]
8	Navkar Corporation Limited	6,000.00	155.00	September 9, 2015	152.00	0.97%, [3.97%]	26.00%; [-0.68%]	6.29%; [-4.26%]
9	Inox Wind Limited*	1,0205.34	325.00	April 9, 2015	400.00	28.54%, [-6.68%]	42.42%, [-3.05%]	11.20%, [-7.51%]
10	Monte Carlo Fashions Limited	3,504.30	645.00	December 19, 2014	584.00	-26.20%, [3.96%]	-23.57%, [5.60%]	-20.88%, [-2.16%]

***Source**: www.nseindia.com*

@ Alkem Laboratories Limited - Discount of ₹100 per equity share offered to eligible employees. All calculations are based on offer price of ₹1,050.00 per equity share.

**Inox Wind Ltd - Discount of ₹15 per equity share offered to retail investors and eligible employees. All calculations are based on issue price of ₹325.00 per equity share.*

^ Prabhat Dairy Ltd - Discount of ₹5 per equity share offered to retail investors. All calculations are based on issue price of ₹ 115.00 per equity share.

Notes:

1. *Based on date of listing.*
2. *% of change in closing price on 30th/ 90th / 180th calendar day from listing day is calculated vs Issue price. % change in closing benchmark index is calculated based on closing index on listing day vs closing index on 30th/ 90th / 180th calendar day from listing day.*
3. *Wherever 30th/ 90th / 180th calendar day from listing day is a holiday, the closing data of the next trading day has been considered.*
4. *The Nifty 50 index is considered as the Benchmark Index*
5. *Not applicable. – Period not completed.*
6. *Disclosure in Table-1 restricted to 10 issues.*

2. *Summary statement of price information of past issues (during the current financial year and two financial years preceding the current financial year) handled by Edelweiss Financial Services Limited*

Financial year	Total no. of IPOs	Total funds raised (₹ in Million)	Nos. of IPOs trading at discount – 30th calendar day from listing			Nos. of IPOs trading at premium – 30th calendar day from listing			Nos. of IPOs trading at discount – 180th calendar day from listing			Nos. of IPOs trading at premium – 180th calendar day from listing		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2016-2017^	2	26,558.99	-	-	-	-	*2*	-	-	-	-	-	-	-
2015-2016	7	56,157.83	-	-	3	-	2	2	-	-	4	-	1	2
2014-2015	3	8,835.40	-	1	-	2	-	-	-	-	1	2	-	-

^The information is as on the date of this Draft Red Herring Prospectus

Notes:

1. *Based on date of listing.*
2. *Wherever 30th and 180th calendar day from listing day is a holiday, the closing data of the next trading day has been considered.*
3. *The Nifty 50 index is considered as the Benchmark Index*

For the financial year 2016-17 – none of the issues completed 180 days
For the financial year 2015-16 – 180 days period completed for 7 issues
For the financial year 2014-15 total 3 issues were completed. However, disclosure under Table-1 is restricted to 10 issues.

Ambit Private Limited

1. *Price information of past issues (during the current financial year and two financial years preceding the current financial year) handled by Ambit Private Limited*

Sr. No.	Issue name	Issue size (₹ million)	Issue price(₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th Calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th Calendar days from listing	+/- % change in closing price, [+/ % change in closing benchmark]- 180th Calendar days from listing

1	GNA Axles Limited	1,304.10	207.00	September 26, 2014	248.50	NA	NA	NA

Source: www.bseindia.com, www.nseindia.com for the price information and prospectus for issue details

Notes:

i. Benchmark Index considered is BSE Sensex

ii. In case 30th/90th/180th day is not a trading day, closing price on BSE of a trading day immediately prior to the 30th/90th/180th day, is considered.

iii. Since the listing date of GNA Axles Limited was September 26, 2016, 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 Ambit Private Limited

Financial year	Total no. of IPOs	Total funds raised (₹ in Million)	Nos. of IPOs trading at discount – 30th calendar day from listing			Nos. of IPOs trading at premium – 30th calendar day from listing			Nos. of IPOs trading at discount – 180th calendar day from listing			Nos. of IPOs trading at premium – 180th calendar day from listing		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2016-2017^	1	1,304.10	-	-	-	-	-	-	-	-	-	-	-	-
2015-2016	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2014-2015	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Notes:

i. *Since the listing date of GNA Axles Limited was September 26, 2016, information relating to closing prices and benchmark index as on 30th/180th calendar day from listing date is not available*

ii. ^ The *information* is as on the date of the document

Track record of past issues handled by the GCBRLMs and BRLM

For details regarding the track record of the GCBRLMs and BRLM, as specified under Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, see the websites of the GCBRLMs and BRLM mentioned below.

GCBRLMs/BRLM	Website
ICICI Securities Limited	http://www.icicisecurities.com
Edelweiss Financial Services Limited	http://www.edelweissfin.com
Ambit Private Limited	http://www.ambit.co

Caution – Disclaimer from our Company, our Directors, the Selling Shareholders, the GCBRLMs and BRLM

Our Company, our Directors and the GCBRLMs and BRLM accept no responsibility for statements made otherwise than in this Draft Red Herring 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.genesiscolors.com, or any website of any of the members of our Promoter Group, Subsidiaries, Group Companies or any affiliate of our Company or the Selling Shareholders, would be doing so at his or her own risk. Each Selling Shareholder, their respective directors, affiliates, associates and officers accept no responsibility for any statements made or undertakings provided other than those made by the respective Selling Shareholders, and only in relation to them and/or to the Equity Shares offered by such Selling Shareholder through the Offer for Sale.

The GCBRLMs and BRLM accept no responsibility, save to the limited extent as provided in the Offer Agreement entered into among the GCBRLMs, BRLM the Selling Shareholders and our Company dated September 28, 2016, and the Underwriting Agreement to be entered into among the Underwriters, the Selling Shareholders and our Company.

All information shall be made available by our Company, the Selling Shareholders, the GCBRLMs and BRLM 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 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 GCBRLMs, BRLM and their respective associates may engage in transactions with, and perform services for our Company, the Selling Shareholders and our 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 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 Selling Shareholders, the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares, and will not issue, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire 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), 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. This Draft Red Herring 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 this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this 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 this Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus, nor any 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 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, 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 outside of the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

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.

Disclaimer Clause of the BSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to the BSE. The disclaimer clause as intimated by the BSE to us shall be included in the Red Herring Prospectus prior to filing with the RoC.

Disclaimer Clause of the NSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to the NSE. The disclaimer clause as intimated by the NSE to us shall be included in the Red Herring Prospectus prior to filing with the RoC.

Filing

A copy of this 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, will be delivered for registration to the RoC in accordance with Section 32 of the Companies Act 2013, and a copy of the Prospectus required to be filed under Section 26 of the Companies Act 2013 will be delivered for registration to the RoC 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

Application has been made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares being offered and sold in the Offer and [●] 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. 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, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period.

The Selling Shareholders undertake to provide such reasonable support and extend reasonable cooperation as may be requested by our Company, to the extent such support and cooperation is required from such party to facilitate the process of listing and commencement of trading of the Equity Shares on the Stock Exchanges within six working days from the Bid/Offer Closing Date.

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 (a) the Selling Shareholders, our Directors, the Chief Financial Officer, the Company Secretary and Compliance Officer, the Auditors, 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, architect, engineering consultant, the GCBRLMs, BRLM and Registrar to the Offer have been obtained; and (b) the Syndicate Members, Bankers to the Offer/Anchor Escrow Bank and Refund Bank to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC, as required under Section 26 and 32 of the Companies Act 2013. Further, such consents shall not be withdrawn up to the time of delivery of this Draft Red Herring Prospectus and the Prospectus with the SEBI.

Our Company has received written consent from B S R & Co. LLP, our Auditors, to include its name as required under Section 26(1)(a)(v) of the Companies Act 2013 in this Draft Red Herring Prospectus and as "expert" as defined under Section 2(38) of the Companies Act 2013 in respect of the reports of the Auditor on the restated consolidated and standalone financial information for the Fiscals ended March 31, 2016, 2015, 2014, 2013 and 2012, each dated September 20, 2016 included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Expert Opinion

Except for the examination reports of our Auditors on the restated consolidated and standalone financial information for the Fiscals ended March 31, 2016, 2015, 2014, 2013 and 2012, respectively, included in this Draft Red Herring Prospectus, on pages 159 and 215, our Company has not obtained any expert opinion.

Offer Expenses

The total expenses of the Offer are estimated to be approximately ₹ [●] million. The expenses of this Offer include, among others, listing fees, underwriting fees, selling commission, fees payable to the GCBRLMs and BRLM, fees payable to legal counsels, fees payable to the Registrar to the Offer, Bankers to the Offer, processing fee to the SCSBs for processing ASBA Forms, brokerage and selling commission payable to Registered Brokers, Collecting RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges. The estimated break-down of the Offer expenses are as follows:

(₹ in million)

Sr. No.	Activity Expense	Amount* (in ₹ Million)	Percentage of Total Estimated Offer Expenses*	Percentage of Offer Size*
1.	Fees of the GCBRLMs and BRLM, including, underwriting commission, brokerage and selling commission	[●]	[●]	[●]
2.	Commission and processing fee for SCSBs **	[●]	[●]	[●]
3.	Brokerage and selling commission for Registered Brokers, Collecting RTAs and CDPs***	[●]	[●]	[●]
4.	Advertising and marketing expenses, printing and stationery, distribution, postage etc.	[●]	[●]	[●]
5.	Fees payable to the Registrar to the Offer	[●]	[●]	[●]
6.	Listing fees, SEBI filing fees, book-building software and other regulatory expenses	[●]	[●]	[●]
7.	Miscellaneous	[●]	[●]	[●]
	Total Estimated Offer Expenses	[●]	[●]	[●]

**Will be incorporated at the time of filing of the Prospectus*

***SCSBs will be entitled to a processing fee of ₹ [●] (plus applicable service tax) per ASBA Form, for processing the ASBA Forms procured by members of the Syndicate, Brokers, sub-syndicate/agents, Registered Brokers, Collecting RTAs or CDPs and submitted to the SCSBs. The Selling Commission payable to the SCSBs will be determined on the basis of the bidding terminal as captured in the bid book of the BSE or NSE.*

**** Registered Brokers, Collecting RTAs and CDPs will be entitled to a commission of ₹ [●] (plus applicable service tax) per valid ASBA Form submitted to them and uploaded on the electronic bidding system of the Stock Exchanges. The commissions and processing fees shall be payable within [●] Working Days post the date of the receipt of the final invoices of the respective intermediaries by the Company.*

Other than listing fees, which will be borne by our Company, all costs, fees and expenses associated with and incurred in connection with to the Offer shall be shared among our Company and the Selling Shareholders on a pro-rata basis, in proportion to the number of Equity Shares issued and Allotted by our Company through the Fresh Issue and sold by each of the Selling Shareholders through the Offer for Sale. Upon completion of the Offer,

the Selling Shareholders shall reimburse our Company, on a pro-rata basis, in proportion to the respective Offered Shares sold pursuant to the Offer, for any expenses (other than listing fees) incurred by our Company on behalf of the Selling Shareholders. All such amounts payable by the Selling Shareholders in relation to the Offered Shares shall be deducted from the proceeds of the Offer prior to such funds being transferred to the Selling Shareholders.

Fees, Brokerage and Selling Commission

The total fees payable to the GCBRLMs, BRLM and Syndicate Members (including underwriting and selling commissions), and reimbursement of their out of pocket expenses, will be as stated in the engagement letter dated September 28, 2016, and the Syndicate Agreement to be executed among our Company, the Selling Shareholders and the members of the Syndicate, copies of which shall be available for inspection at our Registered and Corporate 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 agreement dated September 28, 2016 signed among our Company, the Selling Shareholders and the Registrar to the Offer, a copy of which shall be made available for inspection at our Registered Office.

Particulars regarding Public or Rights Issues during the Last Five Years

Other than as disclosed in "***Capital Structure***" on page 68, 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 Draft Red Herring 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

Except as disclosed in "***Capital Structure***" on page 68, 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 68, our Company has not made any capital issues during the three years immediately preceding the date of this Draft Red Herring Prospectus. None of our Subsidiaries or Group Companies have made any capital issues during the three years preceding the date of this Draft Red Herring Prospectus.

Performance vis-à-vis Objects

Except as disclosed in "***Capital Structure***" on page 68, our Company has not undertaken any public, including any rights issues to the public in the 10 years immediately preceding the date of this Draft Red Herring Prospectus.

Performance vis- à-vis Objects: Last Issue of Subsidiaries, Group Companies and Associate Companies

None of our Subsidiaries, Group Companies or Associate Companies have made any public, including rights issues to the public in the 10 years immediately preceding the date of this Draft Red Herring Prospectus.

Outstanding Debentures, Bonds or Redeemable Preference Shares

Our Company does not have any outstanding debentures, bonds or redeemable preference shares, as on the date of this Draft Red Herring Prospectus.

Partly Paid-Up Shares

As on the date of this Draft Red Herring 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 Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances

The agreement dated September 28, 2016 between the Registrar to the Offer, the Selling Shareholders and our Company, 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 GCBRLMs and BRLM 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 GCBRLM or BRLM where the Bid cum Application Form was submitted by the Anchor Investor.

Our Company, GCBRLMs, BRLM 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 Ms. Meenu Juneja, Company Secretary, as the Compliance Officer and she may be contacted in case of any pre-Offer or post-Offer related problems, at the address set forth hereunder.

Ms. Meenu Juneja
51-52, Udyog Vihar, Phase – IV
Gurgaon – 122 001, Haryana, India
Tel: +91 124 418 1040
Fax: +91 124 418 1112
E-mail: complianceofficer@genesiscolors.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 the Offer for Sale.

Further, our Board has constituted a Stakeholders Relationship Committee comprising our Directors, Ms. Nalini Gupta, Mr. Samit Guha and Mr. Sanjay Kapoor, which is responsible for redressal of grievances of the security holders of our Company. For more information, see "***Our Management***" on page 138.

Disposal of investor grievances by listed Group Companies

As on the date of this Draft Red Herring Prospectus, none of our Subsidiaries or our Group Companies are listed on any stock exchange, and therefore there are no investor complaints pending against any of them.

Changes in Auditors

Name of Auditor	Date of Change	Reason
B S R & Associates LLP (formerly known as B S R & Associates)*	February 20, 2014	Resignation
B S R & Co LLP*	February 20, 2014	Appointment

* Member entities of B S R & Affiliates, a network registered with the Insitute of Chartered Accountants of India

Capitalization of Reserves or Profits

Except as disclosed in "***Capital Structure***" in page 68, our Company has not capitalized its reserves or profits at any time during the five years immediately preceding the date of this Draft Red Herring Prospectus.

Revaluation of Assets

Our Company has not revalued its assets at any time during the last five years preceding the date of filing this Draft Red Herring Prospectus.

SECTION VII – OFFER RELATED INFORMATION
OFFER STRUCTURE

The Offer is of up to [●] Equity Shares of face value of ₹ 10 each, at an Offer Price of ₹ [●] per Equity Share for cash, including a premium of ₹ [●] per Equity Share, aggregating up to ₹ [●] million and is being made through the Book Building Process. The Offer comprises a Fresh Issue of [●] Equity Shares by our Company aggregating to ₹ 3,800 million and an Offer for Sale of up to 1,916,741 Equity Shares aggregating to ₹ [●] million by the Selling Shareholders, including up to 859,219 Equity Shares aggregating to ₹ [●] million by HEP Mauritius Limited, up to 130,006 Equity Shares aggregating to ₹ [●] million by the Seminary Tie-Up, up to 556,316 Equity Shares aggregating to ₹ [●] million by Mayfield, up to 161,065 Equity Shares aggregating to ₹ [●] million by ICP, up to 70,047 Equity Shares aggregating to ₹ [●] million by Pranav Ansal & Son HUF, up to 70,044 Equity Shares aggregating to ₹ [●] million by Ms. Kusum Ansal and up to 70,044 Equity Shares aggregating to ₹ [●] million by Ms. Sheetal Ansal. In terms of Rule 19(2)(b) of the SCRR, the Offer will constitute at least [●]% of the post-Offer paid up Equity Share capital of our Company.

The Offer is being made through Book Building Process.

In view of the restrictions on foreign investment in our Company, allocation in this Offer shall be subject to a ceiling on the allocation/ Allotment to non-resident investors, such that total foreign investment in our Company does not exceed 49% of our paid-up Equity Share capital, post-Offer. Allocation to non-residents in all categories will be subject to the aforementioned restriction and the allocation to Anchor Investors, if any, and the Basis of Allotment will accordingly be determined by our Company and the Institutional Selling Shareholders, in consultation with the GCBRLMs, BRLM and the Designated Stock Exchange. For details, see "*Restriction on Foreign Ownership of Securities*" on page 326.

	QIBs*	Non-Institutional Investors	Retail Individual Investors
Number of Equity Shares available for allocation**	At least [●] Equity Shares	Not more than [●] Equity Shares or Offer less allocation to QIBs and Retail Individual Investors	Not more than [●] Equity Shares or Offer less allocation to QIBs and Non-Institutional Investors
Percentage of Offer size available for allocation	At least 75% of the Offer will be Allotted to QIBs. However, 5% of the QIB Category, excluding the Anchor Investor Portion, will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the 5% reservation portion will also be eligible for allocation in the remaining QIB Category. The unsubscribed portion in the Mutual Fund portion will be available for allocation to QIBs	Not more than 15% of the Offer or Offer less allocation to QIBs and Retail Individual Investors	Not more than 10% of the Offer or the Offer less allocation to QIBs and Non-Institutional Investors
Basis of Allotment if respective category is oversubscribed	Proportionate as follows (excluding the Anchor Investor Portion): (a) [●] Equity Shares will be available for allocation on a proportionate basis to Mutual Funds; and (b) [●] Equity Shares will be available for allocation on a proportionate basis to QIBs including Mutual Funds receiving allocation as per (a) above	Proportionate	Allotment to each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Category, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. For more information, see "***Offer Procedure***" on page 327.
Mode of Bidding	Through ASBA process only (except Anchor Investors)		
Minimum Bid	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹ 200,000	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹ 200,000	[●] Equity Shares

	QIBs*	Non-Institutional Investors	Retail Individual Investors
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the Offer, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the Offer, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceed ₹ 200,000
Mode of Allotment	Compulsorily in dematerialized form		
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter		
Allotment Lot	[●] Equity Shares and in multiples of one Equity Share thereafter		[●] 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, 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, which is a foreign corporate or foreign individual for Equity Shares such that the Bid Amount exceeds ₹ 2,00,000 in value	Resident Indian individuals, HUFs (in the name of the Karta) and Eligible NRIs applying for Equity Shares such that the Bid Amount does not exceed ₹ 2,00,000 in value
Terms of Payment****	***In case of Anchor Investors:*** Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids ***In case of all other Bidders***: Full Bid Amount shall be blocked by the SCSBs in the bank account of the Bidders (other than Anchor Investors) that is specified in the Bid cum Application Form at the time of the submission of the Bid cum Application Form		

** Our Company and the Institutional Selling Shareholders, in consultation with the GCBRLMs and BRLM may allocate up to 60% of the QIB Category to Anchor Investors at the Anchor Investor Offer Price, 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 will 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 will be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the price at which allocation is made to Anchor Investors.*

This Offer is being made in accordance with Rule 19(2)(b) of the SCRR, through the Book Building Process wherein at least 75% of the Offer will Allotted to QIBs on a proportionate basis, provided that the Anchor Investor Portion may be allocated on a discretionary basis. Further, not more than 15% of the Offer will be 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 more than 10% of the Offer will be 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, would be met with spill-over from any other category or categories, as applicable, at the discretion of our Company and the Institutional Selling Shareholders, in consultation with the GCBRLMs, BRLM 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 shall be payable by the Anchor Investors at the time of submission of the Bid cum Application Form, provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price, shall be payable by the Anchor Investor Pay-in Date as mentioned in the CAN.*

Bidders will be required to confirm and will be deemed to have represented to our Company, the 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 and the Selling Shareholders in consultation with the GCBRLMs and BRLM, 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 GCBRLMs and BRLM, 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 GCBRLMs and BRLM, 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 the Prospectus after it is filed and/or submitted with the RoC and the Stock Exchanges.

Except in relation to Anchor Investors, Bids and any revision in Bids will be 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 (which for QIBs may be a day prior to the Bid/Offer Closing Date for non-QIBs), Bids will be 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 GCBRLMs and BRLM to the Stock Exchanges. Due to limitation of time available for uploading Bids on the Bid/Offer Closing Date, Bidders are advised 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. If a large number of Bids are 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 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 will be 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 shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges.

Our Company and the Institutional Selling Shareholders, in consultation with the GCBRLMs and BRLM, reserve the right to revise the Price Band during the Bid/Offer Period, in accordance with the SEBI ICDR Regulations, provided that the Cap Price will be less than or equal to 120% of the Floor Price and the Floor Price will 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 will be 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, will be widely disseminated by notification to the Stock Exchanges by issuing a press release and by indicating the change on the websites of the GCBRLMs, BRLM and terminals of the Syndicate Members. 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.

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 Memorandum of Association, the Articles of Association, the SEBI Listing Regulations, the terms of the Red Herring Prospectus and the Prospectus, the Bid cum Application Form, the Revision Form, 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, FIPB 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 allotted in the Offer will be subject to the provisions of the Companies Act, the Memorandum of Association and the Articles of Association and will rank *pari passu* with the existing Equity Shares of our Company, including in respect of dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For more information, see "***Main Provisions of the Articles of Association***" on page 373.

Mode of Payment of Dividend

Our Company will pay dividend, if declared, to our equity shareholders, as per the provisions of the Companies Act, the SEBI Listing Regulations, our Memorandum of Association and the Articles of Association, and any guidelines or directives that may be issued by the GoI in this respect. 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 158 and 373 of this Draft Red Herring Prospectus, respectively.

Face Value and Price Band

The face value of each Equity Share is ₹ 10. At any given point of time there will be only one denomination for the Equity Shares.

The Price Band and the Minimum Bid Lot will be decided by our Company and the Institutional Selling Shareholders, in consultation with the GCBRLMs and BRLM and published at least five Working Days prior to the Bid/Offer Opening Date, in [●] edition of [●] (a widely circulated English national daily newspaper) and [●] edition of [●] (a widely circulated Hindi national daily newspaper, Hindi also being the regional language in the place where our Registered and Corporate Office is located), and shall be 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 shall be pre-filled in the Bid-cum-Application Forms available at the website of the Stock Exchanges.

Rights of the Equity Shareholder

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 and 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 Memorandum of Association and Articles of Association.

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 373.

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 one Equity Share. For the method of Basis of Allotment, see "***Offer Procedure***" on page 327.

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, as amended, 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.

Further, any person who becomes a nominee by virtue of Section 72 of the Companies Act 2013, as amended, 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 OPENS ON*	[●]
BID/OFFER CLOSES ON**	
FINALIZATION OF BASIS OF ALLOTMENT	[●]
INITIATION OF REFUNDS FOR ANCHOR INVESTORS/UNBLOCKING OF FUNDS	[●]
CREDIT OF EQUITY SHARES TO DEPOSITORY ACCOUNTS	[●]
COMMENCEMENT OF TRADING	[●]

** Our Company and the Institutional Selling Shareholders, in consultation with the GCBRLMs and BRLM may consider participation by Anchor Investors. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date.*

*** Our Company and the Institutional Selling Shareholders, may in consultation with the GCBRLMs and BRLM, decide to close the Bid/ Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date.*

This timetable, is indicative in nature and does not constitute any obligation or liability on our Company, the 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, the timetable may be subject to change for various reasons, including extension of Bid/Offer period by our Company due to revision of the Price Band, 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 confirms that it shall extend reasonable cooperation required by our Company, the GCBRLMs and BRLM for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/Offer Closing Date.

Minimum Subscription

If our Company (i) does not receive the minimum subscription of 90% of the Fresh Issue, including through the devolvement to the Underwriters, as applicable; or (ii) if our Company is unable to Allot a minimum of 75% to QIBs, our Company shall forthwith refund the entire subscription amount received within the timelines prescribed under applicable laws, failing which, the directors of our Company who are officers in default shall jointly and severally 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) of the SCRR. Further in terms of Regulation 26(4) of the SEBI ICDR Regulations, our Company will ensure that the number of Bidders to whom the Equity Shares are Allotted in the Offer will be not less than 1,000.

The requirement for minimum subscription is not applicable to the Offer for Sale in accordance with SEBI ICDR Regulations.

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, Minimum Promoters' Contribution and Anchor Investor lock-in in the Offer, as detailed in *"**Capital Structure**"* on page 68 and as provided in our Articles as detailed in "***Main Provisions of the Articles of Association***" on page 373, there are no restrictions on transfers and transmission of 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.

RESTRICTION ON FOREIGN OWERSHIP OF SECURITIES

Foreign investment in Indian securities is regulated through the FEMA and the circulars and notifications issued thereunder. Unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy, subject to certain applicable pricing and reporting requirements.

Paragraph 3.8.2 of the current Consolidated FDI Policy defines downstream investment as indirect foreign investment by an eligible Indian entity into another Indian company by way of subscription or acquisition. The Consolidated FDI Policy also provides that foreign investment through an investing Indian company would not be considered for calculation of the indirect foreign investment in case of companies which are 'owned and controlled' by resident Indian citizens and/or Indian companies which are owned and controlled by resident Indian citizens. A company is considered to be 'owned and controlled' by resident Indian citizens (i) if more than 50% of the capital in the company is beneficially owned by resident Indian citizens and/or Indian companies, which are ultimately owned and controlled by resident Indian citizens; and (ii) such Indian citizens have the right to appoint a majority of the directors or to control management or policy decisions including by virtue of their shareholding or management rights or shareholders agreements or voting agreements. In view of the above, our Company is currently 'owned and controlled' by resident Indian citizens and downstream investment by our Company is considered as domestic investment.

Our Company and one of our Subsidiaries, GLF, is engaged in wholesale trading, for which FDI of up to 100%, under the automatic route is permitted, subject to certain conditions prescribed by the Consolidated FDI Policy. However, our Joint Ventures, namely, Burberry India Private Limited, V&B Lifestyle India Private Limited and Canali India Private Limited, and our indirect Subsidiaries, namely, Genesis La Mode Private Limited, GLF Lifestyle Brands Private Limited and GML India Fashion Private Limited are engaged in the "single brand product retail trading" sector, which is subject to certain restrictions on foreign investment. These include, among others, a cap on foreign investment permitted under the automatic route, i.e. 49% of the paid-up share capital of the company. While the current foreign investment in our Joint Ventures is pursuant to respective approvals received from FIPB, there is no direct or indirect foreign investment in our indirect subsidiaries, as explained above.

In view of the above, each of our Company and GLF is required to be Indian 'owned and controlled' and accordingly, among other resstrictions, the total foreign investment in our Company cannot not exceed 49% of our paid-up share capital, at any time.

In view of such restrictions on foreign investment in our Company, allocation in this Offer shall be subject to a ceiling on the allocation/ Allotment to non-resident investors, such that total foreign investment in our Company does not exceed 49% of our paid-up Equity Share capital, post-Offer. Allocation to non-residents in all categories will be subject to the aforementioned restriction and the allocation to Anchor Investors, if any, and the Basis of Allotment will accordingly be determined by our Company and the Institutional Selling Shareholders, in consultation with the GCBRLMs, BRLM and the Designated Stock Exchange.

FIIs and FPIs may invest in the capital of a listed Indian company under the portfolio investment scheme which limits the individual holding of an FII or FPI below 10% of the capital of the company and the aggregate limit for FPI investment to 24% of the capital of the company. This aggregate limit of 24% can be increased to the sectoral cap or statutory ceiling, as applicable, by the Indian company through a resolution by its board of directors followed by a special resolution by its shareholders and subject to prior intimation to RBI.

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 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, the GCBRLMs and BRLM. 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 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 the Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus.

PART A

Book Building Procedure

The Offer is being made through the Book Building Process in accordance with Regulation 26(2) of the SEBI ICDR Regulations wherein at least 75% of the Offer will be available for allocation to QIBs on a proportionate basis, provided that our Company and the Institutional Selling Shareholders, in consultation with the GCBRLMs and BRLM, may allocate up to 60% of the QIB Category to Anchor Investors, on a discretionary basis, of which at least one-third will be available for allocation to domestic Mutual Funds, in accordance with the SEBI ICDR Regulations. 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). Further, 5% of the QIB Category (excluding the Anchor Investor Portion) will be available for allocation on a proportionate basis to Mutual Funds only, subject to valid Bids being received from the domestic Mutual Funds at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the QIB Category (other than Anchor Investor Portion), the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining QIB Category (other than Anchor Investor Portion) for proportionate allocation to QIBs. The remainder will be available for allocation on a proportionate basis to all QIBs including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not more than 15% of the Offer will be 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 more than 10% of the Offer will be 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 in the QIB Category, would be allowed to be met with spill-over from any other category or categories, as applicable, at the discretion of our Company and the Institutional Selling Shareholders, in consultation with the GCBRLMs, BRLM and the Designated Stock Exchange, on a proportionate basis, 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 do not have the details of the Bidders' depository account, including DP ID, Client ID and PAN, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available with the Designated Intermediaries at relevant Bidding Centers and at our Registered and Corporate Office. The Bid cum Application Forms will also be available for download on the websites of the NSE (www.nseindia.com) and the BSE (www.bseindia.com) at least one day prior to the Bid/Offer Opening Date.

For Anchor Investors, the Bid cum Application Forms will be available at the offices of the GCBRLMs and BRLM.

Bidders (other than Anchor Investors) must compulsorily use the ASBA process to participate in the Offer. Anchor Investors are not permitted to participate in this Offer through the ASBA process.

Bidders (other than Anchor Investors) must provide bank account details and authorisation by the ASBA bank 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 does not contain such detail are liable to be rejected.

Further, such Bidders shall 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 maybe liable for rejection. Bidders must 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 (including FIIs), and Eligible NRIs, FVCIs and registered bilateral and multilateral institutions applying on a repatriation basis^	Blue
Anchor Investors**	-

** Excluding electronic Bid cum Application Forms*

***Bid cum Application Forms for Anchor Investors will be made available at the office of the GCBRLMs and BRLM.*

^ Electronic Bid cum Application forms will also be available for download on the website of the NSE (www.nseindia.com) and the BSE (www.bseindia.com).

Designated Intermediaries (other than SCSBs) shall submit/deliver the Bid cum Application Form to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Anchor Escrow Bank.

Who can Bid?

In addition to the category of Bidders set forth under the section "***General Information Document for Investing in Public Issues – Category of Investors Eligible to Participate in an Issue***" on page 340, 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 GCBRLMs, BRLM and the Syndicate Members, Promoters, Promoter Group and persons related to Promoter/Promoter Group

The GCBRLMs, BRLM and the Syndicate Members 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 GCBRLMs, BRLM and the Syndicate Members 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 GCBRLMs, BRLM and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

The Promoters, Promoter Group, GCBRLMs, BRLM and any persons related to the GCBRLMs or BRLM (except Mutual Funds sponsored by entities related to the GCBRLMs or BRLM) 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 are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Bids by FPI (including FIIs)

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.

Any FII who holds a valid certificate of registration shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995. An FII or a sub-account may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in this Offer, until the expiry of its registration with SEBI as an FII or a sub-account, or if it has obtained a certificate of registration as an FPI, whichever is earlier.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the 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. An FII or sub-account may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Offer, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI 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).

Bids by SEBI registered Venture Capital Funds, Alternative Investment Funds and Foreign Venture Capital Investors

The FVCI Regulations and the SEBI AIF Regulations *inter-alia* prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

Accordingly, the holding by any individual VCF or FVCI registered with SEBI in any company should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one investee company. A category III AIF cannot invest more than 10% of the corpus in one investee company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations 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 Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the investee company's paid-up share capital and reserves. 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, 2000 (the "**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 or by limited companies, corporate bodies, registered societies, eligible FPIs (including FIIs), AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250 million (subject to applicable 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 and with the Selling Shareholders reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company and the Institutional Selling Shareholders, in consultation with the GCBRLMs and BRLM, 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 and the Institutional Selling Shareholders, in consultation with the GCBRLMs and BRLM, 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 337.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid, without assigning any reason therefor.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders, the GCBRLMs and BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation or as specified in this Draft 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 will, after registering the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in [●] edition of [●] (a widely circulated English national daily newspaper) and [●] edition of [●] (a widely circulated Hindi national daily newspaper, Hindi also being the regional language in the place where our Registered and Corporate Office is located). Our Company shall, in the pre- Offer advertisement state the Bid/Offer Opening Date, the Bid/Offer Closing Date and the QIB Bid/Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.

Signing of Underwriting Agreement and filing of Prospectus with the RoC

Our Company and the Selling Shareholders intend to enter into an Underwriting Agreement with the Underwriters on or immediately after the finalisation of the Offer Price. After signing the Underwriting Agreement, the Company will file the Prospectus with the RoC. The Prospectus would have details of the Offer Price, Anchor Investor Offer Price, Offer size and underwriting arrangements and would be 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 can revise their Bid(s) during the Bid/ Offer Period and withdraw their Bid(s) until Bid/ Offer Closing Date. Anchor Investors are 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 bank account holder, ensure that the Bid cum Application Form is signed by the 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. Bidders should 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. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;

20. 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).

21. 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;

22. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with;

23. 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;
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. Instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
14. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Bidders);
15. Do not submit the General Index Register (GIR) number instead of the PAN;
16. 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
17. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account;
18. Do not submit more than five Bid cum Application Forms per ASBA Account
19. 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
20. 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;
21. 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; and
22. 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).

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Payment into Anchor Escrow Account

Our Company and the Institutional Selling Shareholders, in consultation with the GCBRLMs and BRLM, in their absolute discretion, will decide the list of Anchor Investors to whom the Allotment Advice will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid in the Offer through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS or NEFT). The payment instruments for payment into the Anchor Escrow Accounts should be drawn in favor of:

(i) In case of resident Anchor Investors: "[●]"

(ii) In case of non-resident 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 [●] among NSDL, the Company and the Registrar to the Offer.

- Agreement dated [●] 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) 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 GCL SOP 2016, 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 the Selling Shareholders

Each Selling Shareholder, severally and not jointly, specifically confirms and undertakes the following in respect of itself and the Equity Shares being offered by it pursuant to the Offer for Sale:

(i) The Equity Shares offered pursuant to the Offer for Sale are free and clear of any pre-emptive rights, liens, mortgages, charges, pledges or encumbrances and have been held by the Selling Shareholders for a period of at least one year prior to the date of this Draft Red Herring Prospectus, provided that, to the extent that the Equity Shares being offered have resulted from a bonus issue, the bonus issue has been on Equity Shares held for a period of at least one year prior to the filing of the DRHP;

(ii) The Selling Shareholders are the legal and beneficial owners of and have full title to their respective

Equity Shares being offered through the Offer for Sale.

(iii) The Selling Shareholders will not have recourse to the proceeds of the Offer for Sale, until approval for trading of the Equity Shares from all Stock Exchanges where listing is sought has been received;

(iv) The Selling Shareholder will deposit the Equity Shares offered by it in the Offer in an escrow account opened with the Registrar to the Offer at least two Working Days days prior to filing of the Red Herring Prospectus with the RoC;

(v) The Selling Shareholder shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid in the Offer, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Offer;

(vi) The Selling Shareholder will provide such reasonable support and extend such reasonable cooperation as may be required by our Company, the GCBRLMs and BRLM in redressal of such investor grievances that pertain to the Equity Shares held by it and being offered pursuant to the Offer; and

(vii) The Selling Shareholders will take all such steps as may be required to ensure that the Equity Shares being sold by them in the Offer for Sale are available for transfer in the Offer for Sale.

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 the Offer for Sale.

Utilization of Net Proceeds

Our Board certifies that:

(i) details of all monies utilised out of the Fresh Issue referred to in sub item (i) shall be disclosed and continue to be disclosed until the time any part of the Net Proceeds remains unutilised, under an appropriate separate head in the balance-sheet of the Issuer indicating the purpose for which such monies had been utilised; and

(ii) details of all unutilised monies out of the Fresh Issue referred to in sub-item (i) shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested.

Our Company and the Selling Shareholders, respectively, specifically confirm and declare that all monies received from the Fresh Issue and 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.

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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).

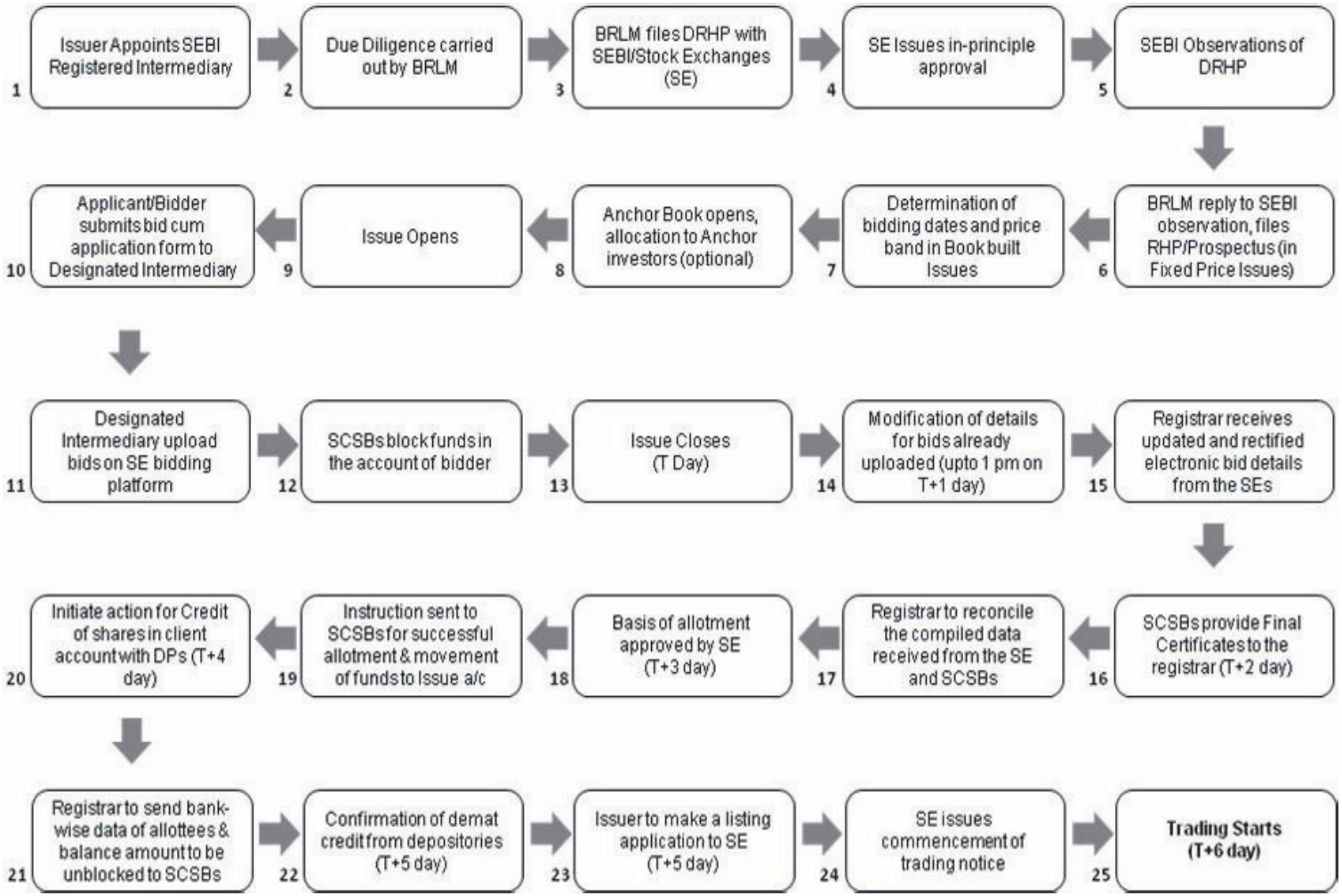
In case of a Book Built Issue, the Issuer may close the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Offer Period may be extended by at 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, FII's, 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 registered with SEBI, provided that any FII who holds a valid certificate of registration shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals Bidding only under the Non Institutional Investors (NIIs) category;
- FPIs other than Category III foreign portfolio investors Bidding under the QIBs category;
- FPIs which are Category III foreign portfolio investors, Bidding under the 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, FIIs, their sub-accounts (other than sub-accounts which are foreign corporate(s) or foreign individuals bidding under the QIB), FPIs on a repatriation basis	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 'BIDDER'S UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE/ FIRST BIDDER	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
Date :	I/We authorize the SCSB to do all actions necessary to make the Application in the line 1) 2) 3)	

TEAR HERE

LOGO

XYZ LIMITED
INITIAL PUBLIC ISSUE - R

Acknowledgement Slip for Broker/SCSB/DP/RTA

Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Amount paid (₹ in figures) Bank & Branch

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

Name of Sole / First Bidder

ASBA Bank A/c No.

Bank & Branch

Acknowledgement Slip for Bidder

Bid cum Application Form No.

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

Application Form – For Non – Residents

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.

DPID / CLID

PAN of Sole / First Bidder

Amount paid (₹ in figures)

Bank & Branch

ASBA Bank A/c No.

Stamp & Signature of SCSB Branch

Received from Mr./Ms.

Telephone / Mobile

Email

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - NR

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

ASBA Bank A/c No.

Bank & Branch

Bid cum Application Form No.

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

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 Rs. 10,000 to Rs.15,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum application value.

(e) **Allotment:** The Allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. For details of the Bid Lot, Bidders may to the RHP/Prospectus or the advertisement regarding the Price Band published by the Issuer.

4.1.4.1 **Maximum and Minimum Bid Size**

(a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Investors, Employees and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed Rs. 200,000.

In case the Bid Amount exceeds Rs. 200,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category, with it not being eligible for Discount then such Bid may be rejected if it is at the Cut-off Price.

(b) For NRIs, a Bid Amount of up to Rs. 200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding ₹ 200,000 may be considered under the Non-Institutional Category for the purposes of allocation.

(c) Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds Rs. 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Bidders and QIBs are not allowed to Bid at 'Cut-off Price'.

(d) RII may revise 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 Rs. 200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Bidders who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.

(f) For Anchor Investors, if applicable, the Bid Amount shall be least Rs.10 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 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 and FII sub-accounts, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.

ii. For Bids from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.

(c) The following Bids may not be treated as multiple Bids:

i. Bids by Reserved Categories Bidding in their respective Reservation Portion as well as bids made by them in the Net 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, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

iv. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Category.

4.1.5 **FIELD NUMBER 5 : CATEGORY OF BIDDERS**

(a) The categories of Bidders identified as per the SEBI ICDR Regulations 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, FIIs, 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 (except 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 or NEFT.

(c) The Anchor Escrow Bank(s) shall maintain the monies in the Anchor Escrow Account 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 OfferAccount, 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					☐
(OR) Option 3					☐

OLD BID

5. TO (Revised Bid) (Only Retail Individual Bidders can bid at "Cut-off")

Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures)	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					☐

REVISED BID

6. PAYMENT DETAILS

PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐

Additional Amount Paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THE BID REVISION FORM AND THAT ACCORDING PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDER'S UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID REVISION FORM GIVEN OVERLEAF.

7A. SIGNATURE OF SOLE/ FIRST BIDDER

Date :

7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)

I/We authorise the SCSB to do all acts as are necessary to make the Application in the form

1)

2)

3)

BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)

TEAR HERE

LOGO

XYZ LIMITED

BID REVISION FORM - INITIAL PUBLIC ISSUE - R

Acknowledgement Slip for Broker/SCSB/ DP/RTA

Bid cum Application Form No.

PAN of Sole / First Bidder

DP ID / CLID

Additional Amount Paid (₹)

Bank & Branch

ASBA Bank A/c No.

Received from Mr./Ms.

Telephone / Mobile

Email

Stamp & Signature of SCSB Branch

REVISED BID

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 (₹)			

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

ASBA Bank A/c No.

Bank & Branch

Bid cum Application Form No.

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

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 Indtermediaries may not accept incomplete or inaccurate Revision Forms.

(b) In case of revision, Bid options should be provided by Bidders/Applicants in the same order as provided in the Bid cum Application Form.

(c) In case of revision of Bids by RIIs, Employees and Retail Individual Shareholders, such Bidders/Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed Rs. 200,000. In case the Bid Amount exceeds Rs. 200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the 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 Rs. 200,000, the Bid will be considered for allocation under the Non-Institutional Portion in terms of the RHP/Prospectus. If, however, the RII does not either revise the Bid or make additional payment and the 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 Rs. 200,000, the Bid may be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the Bidder/Applicant does not either revise the Bid or make additional payment and the 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 Rs. 10,000 to Rs.15,000. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.

(c) Applications by RIIs**,** Employees and Retail Individual Shareholders, must be for such number of shares so as to ensure that the application amount payable does not exceed Rs. 200,000.

(d) Applications by other investors must be for such minimum number of shares such that the application amount exceeds Rs. 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the application form and the Prospectus, or as advertised by the Issuer, as the case may be.

(e) An application cannot be submitted for more than the 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 and FII sub-accounts, Bids bearing the same PAN may be treated as multiple applications by a Bidder/Applicant and may be rejected.

ii. For applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.

(i) The following applications may not be treated as multiple Bids:

i. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Net 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, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4.3.3 **FIELD NUMBER 5 : CATEGORY OF APPLICANTS**

(a) The categories of applicants identified as per the SEBI ICDR Regulations 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 unblock the respective bank accounts.

(b) On the basis of instructions from the Registrar to the Offer, the SCSBs may transfer the requisite amount against each successful 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 Collecting RTAs 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 Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to

i. the Bids accepted by the Designated Intermediary;

ii. the Bids uploaded by the Designated Intermediary; and

iii. the Bid cum application forms accepted but not uploaded by the Designated Intermediaries.

(b) The BRLM and their affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.

(c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.

(d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) BRLM and their affiliate Syndicate Members (only in the specified locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.

(e) All bids by QIBs, NIIs & RIIs Bids can be rejected on technical grounds listed herein.

5.5.1 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 Anchor 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 Anchor 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 Rs. 20 to Rs. 24 per share, issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the equity shares of the issuer at various prices and is collated from bids received from various investors.

Bid Quantity	Bid Amount (Rs.)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%

Bid Quantity	Bid Amount (Rs.)	Cumulative Quantity	Subscription
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., Rs. 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 Rs. 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 Rs.10 crores;
- a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than Rs. 10 crores and up to Rs. 250 crores subject to minimum allotment of Rs. 5 crores per such Anchor Investor; and
- a minimum number of five Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than Rs. 250 crores and an additional 10 Anchor Investors for every additional Rs. 250 crores or part thereof, subject to minimum allotment of Rs. 5 crores per such Anchor Investor.

(b) A physical book is prepared by the Registrar on the basis of the Bid cum Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the issuer in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

(c) **In the event that the** 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 Anchor Escrow Bank shall transfer the funds represented by allocation of Equity Shares to Anchor Investors from the Anchor 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 Rs. 5 lakhs but which may extend to Rs. 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 Rs. 50,000 but which may extend to Rs. 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/ Offer Closing 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 Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable. In case of under-subscription in the Offer, 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. **NECS**—Payment of refund may be done through NECS for Bidders/Applicants having an account at any of the centers specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the Bidder/Applicant as obtained from the Depository;

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 any one 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 Anchor 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 the Draft Red Herring Prospectus, the description as ascribed to such term in the Draft Red Herring 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/Anchor Escrow Bank(s)/Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Offer with whom the Anchor Escrow Account(s) for Anchor Investors may be opened, and as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Bidders/Applicants under the Issue
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

Term	Description
Bid/Offer Period	Except in the case of Anchor Investors (if applicable), the period between the Bid/ Offer Opening Date and the Bid/Offer Closing Date inclusive of both days and during which prospective Bidders/Applicants (other than Anchor Investors) can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid/ Offer Period for QIBs one working day prior to the Bid/Offer Closing Date in accordance with the SEBI 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 circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
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 circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Cut-off Price	Offer Price, finalised by the Issuer in consultation with the Book Running Lead Manager(s), which can be any price within the Price Band. Only 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)

Term	Description
Designated Date	The date on which funds are transferred by the Anchor Escrow Bank from the Anchor Escrow Account 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 Collecting RTAs, who are authorized to collect Bid cum Application Forms from the Bidders, in relation to the Offer
Designated RTA Locations	Such locations of the Collecting RTAs where Bidders can submit the Bid cum Application Forms to Collecting RTAs. The details of such Designated RTA Locations, along with names and contact details of the Collecting RTAs 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
Anchor Escrow Account	Account opened with the Anchor Collection Bankand in whose favour the Anchor Investors may transfer money through NEFT/RTGS/direct credit in respect of the Bid Amount when submitting a Bid
Cash Escrow Agreement	Agreement to be entered into among the Issuer, the Registrar to the Offer, the Book Running Lead Manager(s), the Anchor 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
Anchor 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
FII(s)	Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
Fixed Price Issue/Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, in terms of which the Offer is being made
Floor Price	The lower end of the Price Band, at or above which the Offer Price and the Anchor Investor Offer Price may be finalised and below which no Bids may be accepted, subject to any revision thereto
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issuer/Company	The Issuer proposing the initial public offering/further public offering as applicable
Maximum 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

Term	Description
Mutual Funds Portion	5% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the RHP/Prospectus and Bid cum Application Form
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Offer	The Offer less reservation portion
Non-Institutional Investors or NIIs	All Bidders/Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporates or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Offer being such number of Equity Shares available for allocation to 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
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 Anchor 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

Term	Description
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
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 no. 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 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. In case of inconsistency or conflict between Part A and Part B, the provisions of Part B shall be applicable; however, Part B shall stand deleted, not have any force and be deemed to be removed from the Articles of Association upon the commencement of listing and trading of the Equity Shares of the Company on any recognised stock exchange in India, without any further corporate or other action by the Company or its shareholders.

*In the event IPO is not completed prior to September 30, 2017 (the "**Long Stop Date**"), our Company and Mr. Sanjay Kapoor shall take all steps necessary to ensure that Part A of the Articles shall be removed from the Articles of the Company, and Part B of the Articles, with necessary amendments thereto, shall continue with full force and effect.*

PART A OF THE ARTICLES OF ASSOCIATION

Application of the Table F

Article 1.1 provides that the "Regulations contained in Table 'F' of Schedule I to the Companies Act, 2013 (the "**Act**"), shall apply to the Company in so far as the same are not provided for or are not inconsistent with these Articles."

Share Capital and Variation of Rights

Article 4.1 provides that "Subject to applicable provisions of the Act, the Board of Directors shall have the power, from time to time, to reclassify, subdivide, consolidate and increase and with power from time to time, to issue any shares of the original capital or any new capital with and subject to any preferential, qualified or special rights, privileges, or conditions may be, thought fit and upon the sub-division of shares to apportion the right to participate in profits, in any manner as between the shares resulting from sub-division."

Article 4.6 provides that "Subject to the provisions of Sections 48 of the Act and other applicable law, if at any time the share capital of the company is divided into different classes of shares, the rights attached to the shares of any class may be varied with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or by means of a special resolution passed at a separate meeting of the holders of the issued shares of that class,—

4.6.1.1 if provision with respect to such variation is contained in the memorandum or articles of the company; or

4.6.1.2 in the absence of any such provision in the memorandum or articles, if such variation is not prohibited by the terms of issue of the shares of that class."

Increase, reduction and alteration in capital

Article 4.12 provides that "Subject to section 61 of the Act, the Company may, by ordinary resolution, alter its Memorandum of Association of the Company for the purpose to:

4.12.1.1 increase its authorised share capital by such amount as it thinks expedient;

4.12.1.2 consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares, provided that no consolidation and division which results in changes in the voting percentage of shareholders shall take effect unless it is approved in the manner specified in the Act:

4.12.1.3 convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

4.12.1.4 sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the memorandum, so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;

4.12.1.5 cancel shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled."

Article 4.16 provides that "Subject to provisions of Section 66 of the Act, the Company may, by a special resolution, reduce the Share Capital in any manner."

Article 4.17 provides that "Subject to the provisions of Sections 68 to 70 of the Act, the Company shall have the power to buy-back its own shares, whether or not there is any consequent reduction of Capital. If and to the extent permitted by law, the Company shall also have the power to re-issue the shares so bought back."

Further Issue of Share Capital

Article 4. 13 provides that "Where at any time the Company proposes to increase its subscribed capital by the issue of further shares, then such shares shall be offered—

4.13.1 to persons who, at the date of the offer, are holders of equity shares of the Company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions, namely:—

4.13.1.1. the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;

4.13.1.2 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 above 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;

4.13.1.3 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 and to such person(s) as they may think, in their sole discretion, fit;

4.13.2 to employees under a scheme of employees' stock option, subject to special resolution passed by members of the Company and subject to such conditions as specified in the Companies (Share Capital and Debentures) Rules, 2014 ; or

4.13.2.1 to any persons, if it is authorised by a special resolution, whether or not those persons include the persons referred to in Article 4.13.1.1 or Article 4.13.1.2, either for cash or for a consideration other than cash, subject to the compliance with the applicable provisions of the Act."

Capitalization of Reserves and Profits

Article 4.14 provides that "The Company in general meeting may, upon the recommendation of the Board, resolve-

4.14.1.1 that it is desirable to capitalize, any part of the amount, including but not limited to issue of bonus shares, 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

4.14.1.2 that such sum be accordingly set free for distribution in the manner specified in clause (4.14.1.3) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

4.14.1.3 Subject to applicable law, the sum aforesaid shall not be paid in cash but shall be applied, either in or towards—

(a) paying up any amounts for the time being unpaid on any Shares held by such members respectively;

(b) paying up in full, unissued Shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);

(d) a securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid up bonus shares;

(e) the Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

Commission for placing shares

Article 4.2 provides that "Subject to applicable provisions of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing, or agreeing to subscribe (whether absolutely or conditionally) for any shares in or debentures of the Company or procuring or agreeing to procure subscription (whether absolute or conditional) for any shares in or debentures of the Company. Such commission shall not exceed the maximum permissible rate as prescribed under Section 40 of the Act. Such commission may be paid in cash or by the allotment of Securities. Company shall not pay any commission to any underwriter on securities which are not offered to public for subscription. The commission may be paid or satisfied (subject to the provisions of the Act and these Articles) in cash or in share, debentures or debenture stock of the Company, (whether fully paid or otherwise) or in any combination thereof."

Calls on Shares

Article 7.1 provides that "The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times."

Article 7.2 provides that "No Call shall exceed one-fourth of the nominal value of the Share of the Company."

Article 7.4 provides that "Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his or her shares."

Article 7.5 provides that "A call may be revoked or postponed at the discretion of the Board."

Article 7.7 provides that "The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof."

Article 7.8 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 thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine."

Article 7.9 provides that "The Board shall be at liberty to waive payment of any such interest wholly or in part."

Article 7.10 provides that "Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable."

Article 7.11 provides that "Fourteen days' notice at least of every call made payable otherwise than on allotment shall be given by the Company in the manner hereinafter provided for the giving of notices specifying the time and place of payment, and the person to whom such call shall be paid. Provided that before the time for payment of such call the Board may by notice given in the manner hereinafter provided revoke the same. The Board may, from time to time at their discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the members who, the Board may deem fairly entitled to such extension; but no member shall be entitled to any such extension, except as a matter of grace and favour."

Article 7.13 provides that "The Board may, if it thinks fit, subject to the provisions of the Act receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him or her."

Article 7.14 provides that "Upon the amount so paid or satisfied in advance, or so much thereof as from time to time and at any time thereafter exceeds the amount of the calls then made upon and due in respect of the Shares in respect of which such advance has been made, the Company may pay interest at such rate, as the Shareholder paying such sum in advance and the Board agree upon, provided that the money paid in advance of calls shall not confer a right to participate in profits or Dividend. The Directors may at any time repay the amount so advanced."

Article 7.15 provides that "The member making such advance shall not, however, be entitled to any voting rights in respect of the moneys so advanced by him until the same would, but for such payment, become presently payable."

Article 7.16 provides that "The provisions of these Articles shall *mutatis mutandis* apply to the calls on debentures of the Company."

Forfeiture, Surrender and lien

Article 8.1 provides that "If any member fails to pay any money due from him in respect of any call made or amount or instalment as provided in these Articles on or before the day appointed for payment of the same, or any such extension thereof as aforesaid or any interest due on such call or amount or instalment or any expenses that may have been incurred thereon, the Directors or any person authorised by them for the purpose may, at any time thereafter, during such time as such money remains unpaid, or a judgement or a decree in respect thereof remains unsatisfied in whole or in part, serve a notice in the manner hereinafter provided for the serving of notices on such member or any of his legal representatives or any of the persons entitled to the share by transmission, requiring payment of the money payable in respect of such share, together with such interest and all expenses (legal or otherwise) incurred by the Company by reason of such non-payment."

Article 8.3 provides that "If the requirements of any such notice as aforesaid are not complied with, every or any share in respect of which the notice is given may, at any time thereafter before payment of all calls or amounts or installments, interest and expenses due in respect thereof, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends and bonuses declared in respect of the forfeited shares and not actually paid before the forfeiture."

Article 8.9 provides "The Board may, subject to the provision of the Act, accept a surrender of any share from or by any member desirous of surrendering those on such terms as they think fit."

Article 8.11 provides that "The Company shall have a first and paramount lien upon all the shares or debentures not being fully paid-up shares or debentures, registered in the name of each member (whether solely or jointly with another or others) and upon the proceeds of sale thereof, for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/ debentures and no equitable interest in any shares shall be created except upon the footing and condition that this Article hereof is to have full effect. Any such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed, the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien, if any, on such shares/debentures. The Board may at any time declare any shares or debentures to be exempt, wholly or partially from the provisions of this Article."

Article 8.12 provides that "For the purpose of enforcing such lien, the Directors may sell, the shares subject thereto in such manner as they think fit and transfer the same to the name of the purchaser, without any consent and notwithstanding any opposition on the part of the indebted member or any other person or persons interested therein and a complete title to the shares which shall be sold and transferred shall be acquired by the purchaser, by virtue of such sale and transfer, against such indebted member and all persons claiming with or under him whether he may be indebted to the Company in point of fact or not. But no such sale shall be made until notice in writing stating the amount due or specifying the liability of engagement and demanding payment or fulfillment or discharge thereof and of the intention to sell in default shall have been served upon such member or his heirs, executors, administrators, representatives or persons and default shall have been made by him or them in payment, fulfillment or discharge of such debts, liabilities or engagements for seven days after such notice."

Transfer and Transmission of Shares

Articles 9.1 provides that "The Company shall maintain a 'Register of Transfers' and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any share held in a material form in the Company."

Article 9.2 provides that **"**In accordance with Section 56 of the Act, the instrument of transfer shall be in writing and in compliance with applicable law with respect to all transfer of shares held in physical form and registration thereof. Subject to the provisions of the Act, no transfer shall be registered unless a proper instrument of transfer has been delivered to the Company. Every instrument of transfer (which shall be in the form specified in the Rules) shall be duly stamped, dated and shall be executed by or on behalf of the transferor and the transferee and in the case of a share held by two or more holders or to be transferred to the joint names of two or more transferees by all such joint holders or by all such joint transferees, as the case may be, several executors or administrators of a deceased member proposing to transfer the shares registered in the name of such deceased member shall all sign the instrument of transfer in respect of the share as if they were the joint-holders of the share. The instrument of transfer shall specify the name, address and occupation, if any, of the transferee. A common form of transfer shall be used for transfer of shares. In case of transfer of shares where the Company has not issued any certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act shall apply."

Article 9.3 provides that "In the case of the death of any one or more of the members named in the Register as the joint-holders of any share, the survivor or survivors shall be the only persons recognised by the Company as

having any title to or interest in such share, but nothing herein contained shall be taken to release the estate of the deceased joint-holder from any liability on the shares held by him jointly with any other person."

Article 9.5 provides that "Subject to the provisions of these Articles, any person to whom the right to any share has been transmitted in consequence of the death or insolvency of any member or otherwise by operation of law may, with the consent of the Board (which they shall not be under any obligation to give) and upon his producing such evidence that he sustains the character in respect of which he proposes to act under the Article and of his title as the Directors think sufficient be registered as a member in respect of such shares . This clause is hereinafter referred to as the 'transmission clause'. A transfer of the share or other interest in the Company of a deceased member thereof made by his legal representative shall, although the legal representative is not himself a member be as valid as if he had been a member at the time of effecting the transmission."

Article 9.7 provides that "A person entitled to shares by transmission may, until the Directors otherwise determine, receive and give discharge for any dividends, bonuses or other moneys payable in respect of the share, but he shall not be entitled to vote at any meetings of the Company and to any of the rights and privileges of a member, unless and until he shall have become a member in respect of the shares."

Article 9.10 provides that "Subject to section 58 and 59 and other applicable provisions of the Act, the Board may, at its absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer or transmission 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 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 of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the 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 9.11 provides that "The Transferor shall be deemed to remain the holder of the shares until the name of the transferee shall be entered in the Register of Members."

Convening General Meetings

Article 11.2 provides that "The Directors may call Extraordinary General Meetings of the Company whenever they think fit and such meetings shall be held at such place and time as the Directors think fit."

Article 11.4 provides that –

11.4.1 "The Board of Directors of the Company shall on the requisition of such number of members of the Company as is specified in 11.4.4 herein below forthwith proceed duly to call an Extraordinary General Meeting of the Company

11.4.2 The requisition shall set-out the matters for the consideration of which the meeting is to be called shall be signed by the requisitionists and shall be sent to the Registered Office of the Company.

11.4.3 The requisition may consist of several documents in like form each signed by one or more requisitionists.

11.4.4 The number of members entitled to requisition a meeting in regard to any matter shall be such number of them as hold both on the date of such requisition and on the date of receipt of the requisition not less than one-tenth of such of the paid-up capital of the Company as at that date carries the right of voting in regard to that matter."

Voting Rights and Proxy

Article 14.1 provides that "No member shall be entitled to exercise any voting right on any question either personally or by proxy or upon poll (including voting by electronic means) in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has or has exercised any right of lien."

Article 14.6 provides that "Subject and without prejudice to any special privileges or restrictions or conditions for the time being attached to or affecting the preference or other special classes of shares, if any, issued by and for the time being forming part of the capital of the Company every member, entitled to vote under the provisions of these presents and not disqualified by the provisions of Articles or by any other Article shall on a show of hands have one vote and upon a poll every member, present in person or proxy or agent duly authorised by a power-of-attorney or representative duly authorised and not disqualified as aforesaid, shall have voting rights in proportion to his share of the paid-up equity capital of the Company subject however to any limits imposed by law. But no member shall have voting right in respect of any moneys paid in advance as provided by these Articles."

Article 14.9 provides that "Any member entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person (whether a member or not) as his proxy to attend and vote instead of himself but a proxy so appointed shall not have any right to speak at the meeting and shall not be entitled to vote except on a poll. A person shall (a) not act as proxy for more than 50 Members and holding in aggregate not more than 10% of the total share capital of the Company; (b) not act as proxy for more than one Member, if that Member holds more than 10% of the total share capital of the Company."

Article 14.10 provides that "The instrument appointing a proxy shall be in writing and shall be signed by the appointer or his attorney duly authorised in writing. If the appointer is a Body Corporate such instrument shall be under its seal or be signed by an officer or an attorney duly authorised by it, or by the persons authorised to act as the representative of such company as per the provision of the Act and these Articles. Any instrument appointing a proxy to vote at a meeting shall be deemed to include the power to demand or join in the demand for a poll on behalf of the appointer, where a poll has not been ordered to be carried out electronically."

Article 14.11 provides that "No instrument of proxy shall be treated as valid and no person shall be allowed to vote or act as proxy at any meeting under an instrument of proxy, unless such instrument of proxy and power-of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority shall have been deposited at the Registered Office of the Company at least forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the persons named in such instrument proposes to vote. An instrument appointing a proxy or an attorney permanently or for a certain period once registered with the Company need not be again registered before each successive meeting and shall be in force until the same shall be revoked. Notwithstanding that a power-of-attorney or other authority has been registered in the records of the Company, the Company may by notice in writing addressed to the member or to attorney at least seven days before the date of a meeting require him to produce the original power-of attorney or authority and unless the same is thereupon deposited with the Company the attorney shall not be entitled to vote at such meeting unless the Directors in their absolute discretion excuse such non-production and deposit."

Article 14.14 provides that "A vote given in pursuance of an instrument of proxy shall be valid, notwithstanding the previous death of the principal or the revocation of the proxy or any power-of-attorney under which such proxy was signed or the transfer of the shares in respect of which the vote is given provided no intimation in writing of the death, revocation or transfer shall have been received at the Registered Office of the Company before the vote is given."

Article 14.15 provides that "No objection shall be made to the validity of any vote except at the meeting or adjourned meeting or poll at which such vote shall be tendered and every vote whether given personally or by proxy, and not disallowed at such meeting or poll, shall be deemed valid for all purposes of such meeting or poll whatsoever."

Dividends

Article 15.1 provides that "The Company in General Meeting may declare a dividend to be paid to the members according to their respective rights and interests in the profits, and may fix the time for the payment thereof."

Article 15.3 provides that "No larger dividend shall be declared than is recommended by the Directors, but the Company in General Meeting may declare a smaller dividend."

Article 15.7 provides that the "Directors may, from time to time, declare and pay to the members such interim dividend as in their judgment the position of the Company justifies."

Article 15.8 provides that "No member shall be entitled to receive payment of any dividend in respect of any share or shares on which the Company has a lien, or whilst any amount due or owing from time to time to the Company, either alone or jointly with any other person or persons, in respect of such share or shares, or on any other account whatsoever, remains unpaid, and the Directors may retain, apply and adjust such dividend in or towards satisfaction of all debts, liabilities, or engagements in respect of which the lien exists, and of all such money due as aforesaid."

Board of Directors, their Qualification and Remuneration

Article 17.1 provides that "The number of Directors shall not be less than four and not more than fifteen Directors, with at least one woman Director. The Company shall, subject to the provisions of the Act, have the power to increase the number of Directors beyond 15 after passing a special resolution."

Article 17.1.2 provides that "Subject to the Act and other applicable law, any Shareholder who, together with Affiliates, holds ten per cent. (10%) or more of the outstanding Equity Share Capital of the Company, shall have the right to nominate one (1) Director on the Board.

For the purposes of this Article:

(a) "Affiliates" means (i) in relation to a person being an individual, the relatives of such individual as defined under Section 2(77) of the Act; or (ii) in relation to a person being a company or body corporate, any other person which Controls, or is under the Control of, or under common Control with, such person; and

(b) "Control" shall have the meaning set forth under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended."

Proceedings of Board of Directors

Article 19.2 provides that "The Board of Directors shall be entitled to hold its meeting through video conferencing or other permitted means, and in conducting the Board meetings through such video conferencing or other permitted means the procedures and the precautions as laid down in the relevant Rules shall be adhered to. With regard to every meeting conducted through video conferencing or other permitted means, the scheduled venue of the meetings shall be deemed to be in India, for the purpose of specifying the place of the said meeting and for all recordings of the proceedings at the meeting."

Article 19.4 provides that "The quorum for a meeting of the Board shall be one-third of its total strength (any fraction contained in that one third being rounded off as one), or two directors whichever is higher and the directors participating by video conferencing or by other permitted means shall also counted for the purposes of this Article. Provided that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of the Directors who are not interested, being not less than two, shall be the quorum during such time."

Article 19.7 provides that "The Chairman may, and manager or Secretary on the requisition of a Director shall, at any time, summon a meeting of the Board."

Article 19.8 provides that "Questions arising at any meeting of the Directors shall be decided by a majority of votes, and in case of an equality of votes, the Chairman thereat shall have a second or casting vote."

Borrowing Powers of Directors

Article 21.2 provides that

21.2.1 "The Board of Directors shall not, except with the consent of the Company in General Meeting by way of special resolution, borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.

21.2.2 No debt by the Company in excess of limit imposed by this Article shall be valid or effectual unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by that Article has been exceeded.

21.2.3 Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company, shall be under the Control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company."

Shares at the Disposal of the Directors

Article 22 provides that "Subject to the provisions of Section 62 and other applicable provisions of the Act and these Articles, the shares in the capital of the Company for the time shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to such Persons in such proportion and on such terms and conditions and either at a premium or at par or at a discount (subject to the compliance with the provision of Section 53 of the Act) and at such time as they may, from time to time, think fit and with sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any Shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may be so allotted may be issued as fully paid up Shares and is so issued, shall be deemed to be fully paid up shares. Provided that option or right to call shares shall not be given to any person or persons without the sanction of the Company in the General Meeting."

Indemnity to and Protection of Directors and Officers

Article 26.1 provides that

26.1.1. "The Board shall be entitled to meet out of the funds of the Company to defend, every officer of the Company as defined by Section 2(59) of the Act, or any person (whether an officer of the Company or not) employed by the Company, against all claims made on them (including losses, expenses, fines, penalties or such levies), in or about the discharge of their respective duties.

26.1.2. Every officer of the Company, as defined by Section 2(59) of the Act, or any person (whether an officer of the Company or not) employed by the Company, shall be entitled to direct the Company to meet all claims, losses, expenses, fines, penalties or such other levies, expended by them, respectively in or about the discharge of their respective duties, out of the funds of the Company against all such liabilities, including attorney fees, incurred by them in defending any proceedings under the Act, or other laws applicable to the Company, and/or its subsidiaries in any jurisdiction.

26.1.3 The Company may take and maintain any insurance as the Board may think fit on behalf of its directors (present and former), other employees and the Key Managerial Personnel, for insurers to directly meet all claims, losses, expenses, fines, penalties or such other levies, or for indemnifying any or all of them against any such liability for any acts in relation to the Company for which they may be liable."

Winding Up

Article 28 provides that "If upon the winding-up of the Company, the surplus assets shall be more than sufficient to repay the whole of the paid-up capital, the excess shall be distributed amongst the members in proportion to the capital paid or which ought to have been paid-up on the shares at the commencement of the winding-up held by them respectively, other than the amounts paid in advance of calls. If the surplus assets shall be insufficient to repay the whole of the paid-up capital, such surplus assets shall be distributed so that as nearly as may be the losses shall be borne by the members in proportion to the capital paid-up or which ought to have been paid-up at the commencement of the winding-up on the shares held by them respectively, other than the amounts paid by them in advance of calls. But this Article is without prejudice to the rights of the holders of any shares issued upon special terms and conditions and shall not be construed so as to or be deemed to confer upon them any rights greater than those conferred by the terms and conditions of issue."

PAT B OF THE ARTICLES OF ASSOCIATION

Part B of the Articles of Association provide for, among other things, the rights of 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 131.

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 Draft 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 will be attached to the copy of the Red Herring Prospectus delivered to the RoC for registration, and also the documents for inspection referred to hereunder may be inspected at our Registered and Corporate 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.

Material Contracts to the Offer

1. Offer Agreement dated September 28, 2016 entered into among our Company, the Selling Shareholders, the GCBRLMs and BRLM.
2. Registrar Agreement dated September 28, 2016, entered into among our Company, the Selling Shareholders and the Registrar to the Offer.
3. Anchor Escrow Agreement dated [●] entered into among our Company, the Selling Shareholders, the GCBRLMs, BRLM, the Syndicate Members, Anchor Escrow Bank(s), and the Registrar to the Offer.
4. Share Escrow Agreement dated [●] entered into among the Selling Shareholders, our Company and a share escrow agent.
5. Syndicate Agreement dated [●] entered into among the members of the Syndicate, our Company, the Selling Shareholders and the Registrar to the Offer.
6. Underwriting Agreement dated [●] entered into among our Company, the Selling Shareholders, the GCBRLMs, BRLM and Syndicate Members.

Other Material Contracts in relation to our Company

1. Share Subscription and Shareholders' Agreement dated May 22, 2008 as amended by amendment agreements dated September 28, 2009, July 27, 2011 and November 30, 2012 among the Sequoia Investors, Mayfield, ICP, our Company, Mr. Sanjay Kapoor, Mr. Jyoti Mohan Narula, Mr. Puneet Nanda and Mr. Deepak Mohan Narula.
2. Share Subscription, Share Purchase and Shareholders' Agreement dated September 17, 2009 as amended by agreements dated July 27, 2011, November 30, 2012 and September 28, 2016 among HEP Mauritius, our Company and Mr. Sanjay Kapoor.
3. Share cum Warrant Subscription Agreement dated September 18, 2012, as amended by agreement dated January 3, 2013, among Bennett, Coleman & Company Limited, our Company, Mr. Sanjay Kapoor, Mr. Jyoti Mohan Narula and Mr. Puneet Nanda.
4. Share Purchase and Shareholders' Agreement dated May 3, 2013 among Mr. Sanjay Kapoor, Pranav Ansal & Son HUF, Ms. Sheetal Ansal and Ms. Kusum Ansal and our Company.
5. Share Purchase and Shareholders' Agreements dated October 18, 2013 among Mr. Sanjay Kapoor, Felex Enterprises Private Limited, now, Seminary Tie-Up Private Limited and our Company.
6. Investment agreement dated June 21, 2011 among the Company, Mr. Sanjay Kapoor, Mr. Jyoti Mohan Narula, GLF and L Capital GLF Limited and as amended on July 27, 2011, October 8, 2012.
7. Agreement dated September 14, 2016 among our Company, GLF, the Sequoia Investors, ICP, Mayfield, HEP Mauritius, BCCL, Mr. Pranav Ansal, Ms. Sheetal Ansal, Ms. Kusum Ansal, Seminary Tie-Up Private Limited, Splendor Distributions Ltd and Mr. Sanjay Kapoor.

Material Documents

1. Certified copies of our Memorandum of Association and Articles of Association as amended until date.
2. Certificates of incorporation dated November 23, 1998, September 14, 2001 and September 16, 2016.
3. Board resolution and shareholders' resolution of our Company, dated September 20, 2016 and September 20, 2016, respectively, authorizing the Offer and other related matters.
4. Consent letters of each of the Selling Shareholders authorizing their respective portions of the Offer for Sale.
5. Copies of annual reports for the five Fiscal years, i.e., Fiscals 2016, 2015, 2014, 2013 and 2012.
6. Genesis Colors Limited Stock Option Plan – 2016.
7. The examination reports of the Auditors, B S R & Co. LLP, Chartered Accountants, on our restated financial information included in this Draft Red Herring Prospectus.
8. Consent of the Auditors, B S R & Co. LLP, Chartered Accountants, as referred to, in their capacity and

for inclusion of their examination reports on our restated financial information in the form and context in which it appears in this Draft Red Herring Prospectus.

9. Consent of Ajay Wadhwa and Associates for inclusion of the statement of tax benefits in the form and context in which it appears in this Draft Red Herring Prospectus.
10. Consents of Bankers to our Company, the GCBRLMs, BRLM, Syndicate Members, Registrar to the Offer, Bankers to the Offer, Anchor Escrow Banks, Refund Banks, legal counsel, Directors of our Company, Company Secretary and Compliance Officer, Chief Financial Officer as referred to act, in their respective capacities.
11. In-principle listing approvals dated [●] and [●] from BSE and NSE, respectively.
12. SEBI final observation letter dated [●].
13. Tripartite Agreement dated [●] among our Company, National Securities Depository Limited and the Registrar to the Offer.
14. Tripartite Agreement dated [●] among our Company, CDSL and the Registrar to the Offer.
15. Due diligence certificate to SEBI from the GCBRLMs and BRLM, dated September 28, 2016.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, 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 Draft Red Herring 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 Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

(Mr. Sanjay Kapoor)
(Managing Director)

(Ms. Nalini Gupta)
(Non-Executive Director)

(Mr. Vishal Kirti Keshav Marwaha)
(Nominee Director)

(Mr. Vikram Suhas Godse)
(Nominee Director)

(Mr. Bharadwaj Thiruvenkata Venkatavaraghavan)
(Nominee Director)

(Mr. Atul Singh)
(Independent Director and Chairman)

(Mr. Arun Seth)
(Independent Director)

(Mr. Tejpreet Singh Chopra)
(Independent Director)

(Mr. Samit Guha)
(Whole time Director and Chief Financial Officer)

Date: September 28, 2016

Place: Gurgaon

DECLARATION BY HEP MAURITIUS LIMITED

HEP Mauritius Limited certifies that all statements about or in relation to itself and the Equity Shares offered by it through the Offer for Sale in this Draft Red Herring Prospectus, are true and correct. HEP Mauritius 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 in this Draft Red Herring Prospectus.

For and on behalf of HEP Mauritius Limited

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Name: Ashraf Ramtoola

Designation: Director

Date: September 28, 2016

DECLARATION BY PRANAV ANSAL & SON HUF

Pranav Ansal & Son HUF certifies that all statements about or in relation to itself and the Equity Shares offered by it through the Offer for Sale in this Draft Red Herring Prospectus, are true and correct. Pranav Ansal & Son HUF 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 Draft Red Herring Prospectus.

For and on behalf of Pranav Ansal & Son HUF

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Name: Pranav Ansal

Designation: Karta

Date: September 28, 2016

DECLARATION BY KUSUM ANSAL

Ms. Kusum Ansal certifies that all statements about or in relation to herself and the Equity Shares offered by her through the Offer for Sale in this Draft Red Herring Prospectus, are true and correct. Ms. Kusum Ansal 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 Draft Red Herring Prospectus.

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Ms. Kusum Ansal

Date: September 28, 2016

DECLARATION BY SHEETAL ANSAL

Ms. Sheetal Ansal certifies that all statements about or in relation to herself and the Equity Shares offered by her through the Offer for Sale in this Draft Red Herring Prospectus, are true and correct. Ms. Sheetal Ansal 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 Draft Red Herring Prospectus.

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Ms. Sheetal Ansal

Date: September 28, 2016

DECLARATION BY SEMINARY TIE-UP PRIVATE LIMITED

Seminary Tie-Up Private Limited certifies that all statements about or in relation to itself and the Equity Shares offered by it through the Offer for Sale in this Draft Red Herring Prospectus, are true and correct. Seminary Tie-Up Private 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 in this Draft Red Herring Prospectus.

For and on behalf of Seminary Tie-Up Private Limited

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Name: Braham Dutt Bhardwaj

Designation: Director

Date: September 28, 2016

DECLARATION BY MAYFIELD FVCI, LTD.

Mayfield FVCI, Ltd. certifies that all statements about or in relation to itself and the Equity Shares offered by it through the Offer for Sale in this Draft Red Herring Prospectus, are true and correct. Mayfield FVCI, Ltd. 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 Draft Red Herring Prospectus.

For and on behalf of Mayfield FVCI, Ltd.

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Name: Suchitra Joysuree

Designation: Director

Date: September 28, 2016

DECLARATION BY ICP HOLDINGS I

ICP Holdings I certifies that all statements about or in relation to itself and the Equity Shares offered by it through the Offer for Sale in this Draft Red Herring Prospectus, are true and correct. ICP Holdings I 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 Draft Red Herring Prospectus.

For and on behalf of ICP Holdings I

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Name: Maheshwar Doorgakant

Designation: Director

Date: September 28, 2016