



CREST VENTURES LIMITED

Our Company was incorporated as “Sharyans Resources Limited” on October 16, 1982 with the Registrar of Companies, West Bengal, as a public limited company under the Companies Act, 1956. Our Company received a certificate for commencement of business on November 23, 1982 from Registrar of Companies, West Bengal. Pursuant to an order dated July 20, 1996, passed by the Company Law Board, Kolkata, the registered office of our Company was shifted from state of West Bengal to state of Maharashtra. The name of our Company was then changed to “Crest Ventures Limited” vide a Certificate of Incorporation dated September 1, 2014 issued by the Deputy Registrar of Companies, Mumbai, Maharashtra. Our Company has received a certificate of registration no. N- 13.01888 dated December 14, 2007 from RBI, under section 45-IA of the Reserve Bank of India Act, 1934, as amended.

Registered Office: 4th Floor, Kalpataru Heritage, 127, M.G. Road, Fort, Mumbai – 400 001, Maharashtra, India

Telephone: +91-22-40512500; **Facsimile:** +91-22-40512555

Corporate Office: 111, Maker Chambers IV, 11th Floor, Nariman Point, Mumbai – 400021, Maharashtra, India

Telephone: +91-22-43347000; **Facsimile:** +91-22-43347002/3

Contact Person: Mr. Rohan Gavas, Company Secretary and Compliance Officer;

E-mail: rights@crest.co.in; **Website:** www.crest.co.in

Corporate Identity Number: L99999MH1982PLC102697

PROMOTERS OF OUR COMPANY: MR. VIJAY CHORARIA AND FINE ESTATES PRIVATE LIMITED

FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF CREST VENTURES LIMITED (THE “COMPANY” OR THE “ISSUER”) ONLY

ISSUE OF [●] EQUITY SHARES WITH A FACE VALUE OF ₹ 10 EACH (“RIGHTS EQUITY SHARES”) FOR CASH AT A PRICE OF ₹ [●] PER RIGHTS EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER RIGHTS EQUITY SHARE AGGREGATING UPTO ₹ 4,500 LACS TO OUR ELIGIBLE EQUITY SHAREHOLDERS ON A RIGHTS BASIS IN THE RATIO OF [●] FULLY PAID-UP RIGHTS EQUITY SHARE(S) FOR EVERY [●] FULLY PAID-UP EQUITY SHARE(S) HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, I.E. [●] (“THE ISSUE”). THE ISSUE PRICE FOR THE RIGHTS EQUITY SHARE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARE. FOR FURTHER DETAILS, PLEASE SEE THE SECTION TITLED “TERMS OF THE ISSUE” ON PAGE 155 OF THE DLOF.

GENERAL RISKS

Investments in equity and equity related securities involve a high degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The securities being offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”) nor does SEBI guarantee the accuracy or adequacy of the Draft Letter of Offer. Investors are advised to refer to the section titled “Risk Factors” on page 9 of the DLOF before making an investment in the Issue.

ISSUER’S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that the Draft Letter of Offer contains all information with regards to the Company and the Issue, which is material in the context of the Issue, that the information contained in the Draft Letter of Offer 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 the Draft Letter of Offer as a whole or any such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The existing Equity Shares of our Company are listed on BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”) together with the BSE, the “Stock Exchanges”. Our Company has received in-principle approvals from BSE and NSE for listing of the Rights Equity Shares to be allotted in the Issue pursuant to letters dated [●] and [●]. For the purposes of the Issue, the Designated Stock Exchange is BSE.

LEAD MANAGER

REGISTRAR TO THE ISSUE



Inga Capital Private Limited

Naman Midtown, 21st Floor, ‘A’ Wing
Senapati Bapat Marg, Elphinstone (West)
Mumbai – 400 013
Maharashtra, India

Telephone: +91 – 22 – 4031 3489

Fax: +91 – 22 – 4031 3379

Email: crest.rights@ingacapital.com

Website: www.ingacapital.com

Investor Grievance Email: investors@ingacapital.com

Contact Person: Mr. Ashwani Tandon

SEBI Registration Number: INM000010924

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

Fax: + 91- 22- 2596 – 0329

Email: cvl.rights@linkintime.co.in

Website: www.linkintime.co.in

Investor Grievance Email: cvl.rights@linkintime.co.in

Contact Person: : Mr. Dinesh Yadav

SEBI Registration Number: INR000004058

ISSUE PROGRAMME

ISSUE OPENS ON

**LAST DATE FOR RECEIVING REQUESTS
FOR SPLIT APPLICATION FORMS**

ISSUE CLOSES ON

[●]

[●]

[●]

TABLE OF CONTENTS

SECTION I – GENERAL	1
DEFINITIONS AND ABBREVIATIONS	1
NOTICE TO OVERSEAS SHAREHOLDERS	6
CERTAIN CONVENTIONS, USE OF FINANCIAL AND CURRENCY OF PRESENTATION	7
FORWARD LOOKING STATEMENTS	8
SECTION II – RISK FACTORS	9
SECTION III – INTRODUCTION	22
SUMMARY OF THE ISSUE	22
SUMMARY OF THE FINANCIAL INFORMATION	23
GENERAL INFORMATION	29
CAPITAL STRUCTURE	33
OBJECTS OF THE ISSUE	48
SECTION IV – STATEMENT OF TAX BENEFITS	52
SECTION V – HISTORY AND CERTAIN CORPORATE MATTERS	62
SECTION VI – OUR MANAGEMENT	64
SECTION VII – FINANCIAL INFORMATION	68
ACCOUNTING RATIOS AND CAPITALISATION STATEMENT	134
STOCK MARKET DATA FOR EQUITY SHARES	136
MATERIAL DEVELOPMENTS	139
SECTION VIII – LEGAL AND OTHER INFORMATION	140
OUTSTANDING LITIGATIONS AND DEFAULTS	140
GOVERNMENT AND OTHER STATUTORY APPROVALS	143
OTHER REGULATORY AND STATUTORY DISCLOSURES	144
SECTION IX – OFFERING INFORMATION	155
TERMS OF THE ISSUE	155
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION	192
DECLARATION	194

SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

Definition

In the Draft Letter of Offer, unless the context otherwise indicates, requires or implies, the terms defined and abbreviations expanded below shall have the same meaning as stated in this section. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments and modifications notified thereto.

Company and Business Related Terms

Term	Description
“We”, “us”, “our”,	Unless the context otherwise indicates or implies, refers to Our Company and our Subsidiaries.
“Articles” or “Articles of Association” or “AoA”	The Articles of Association of our Company, as amended.
“Associates”	1. Classic Mall Development Company Private Limited; 2. Starboard Hotels Private Limited; 3. Edelweiss Fund Advisors Private Limited; 4. Escort Developers Private Limited; 5. Ramayana Realtors Private Limited; 6. Classic Housing Projects Private Limited; 7. Tamarind Global Services Private Limited; and 8. Kara Property Ventures LLP.
“Auditor” or “Statutory Auditor”	The statutory auditors of our Company, being M/s. Chaturvedi & Shah, Chartered Accountants.
“Board” or “Board of Directors” or “our Board”	The Board of Directors of our Company, as duly constituted from time to time including any committees thereof.
Director(s)	Unless the context requires otherwise, the director(s) of our Company
Equity Shares	Equity shares of our Company of ₹ 10 each, fully paid up
Group Companies/ Group Entities	The companies, firms, ventures, etc. covered under the applicable accounting standards (i.e. Accounting Standard 18 issued by the Institute of Chartered Accountants of India) on a consolidated basis, or other companies as considered material by our Board. Pursuant to resolution of the Board of the Directors dated February 8, 2016 the Company has adopted a policy to define the materiality requirement for a company to be considered as a Group Company of our Company.
Kara Ventures	Kara Property Ventures LLP, a limited liability partnership formed under the Limited Liability Partnership Act, 2008 having its registered office at 4 th Floor, Kalpataru Heritage, 127, M.G. Road, Mumbai – 400 001
Leverage Ratio	Total outside liabilities divided by Owned funds
“Memorandum” or “Memorandum of Association” or “MoA”	The Memorandum of Association of our Company, as amended.
“Our Company” or “the Company” “the Issuer Company”, “the Issuer” or “Crest”	Crest Ventures Limited, a public limited company incorporated under the Companies Act, 1956.
Owned Funds	shall mean “owned fund” as defined under the Master Circular - "Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015" dated July 1, 2015 as may be updated from time to time
Promoters	Mr. Vijay Choraria and Fine Estates Private Limited

Term	Description
Promoter Group	The persons and entities constituting our promoter group pursuant to Regulation 2(1) (zb) of the SEBI ICDR Regulations.
Registered Office	The registered office of our Company located at 4 th Floor, Kalpataru Heritage, 127, M.G. Road, Fort, Mumbai – 400 001, Maharashtra, India
Registrar of Companies / RoC	Registrar of Companies, Mumbai, Maharashtra located at 100, 5 th Floor, Everest, near Marine Lines Railway Station, Marine Drive, Mumbai - 400002
Subsidiaries	1. Intime Spectrum Commodities Private Limited; 2. Crest Wealth Management Private Limited; 3. Prebon Yamane (India) Limited; 4. Caladium Properties Private Limited; 5. Crest Residency Private Limited

Issue Related Terms

Term	Description
Abridged Letter of Offer	The abridged letter of offer to be sent to the Equity Shareholders with respect to the Issue in accordance with the SEBI ICDR Regulations
“Allot” or “Allotment” or “Allotted”	The allotment of Rights Equity Shares pursuant to the Issue whether by way of CAF or on a plain paper.
Allottee(s)	Persons to whom Rights Equity Shares will be allotted pursuant to the Issue.
Application	Unless the context otherwise requires, refers to an application for Allotment of Equity Shares in the Issue
Application Money	Aggregate amount payable in respect of the Securities applied for in the Issue at the Issue Price
“ASBA” or “Application Supported by Blocked Amount”	The application (whether physical or electronic) used by ASBA Investors authorizing the SCSB to block the amount payable on application in ASBA Account
ASBA Account	Account maintained with an SCSB which will be blocked by such SCSB to the extent of the Application amount of the ASBA Investor/ Applicant.
ASBA Applicant/ ASBA Investor	Equity Shareholders proposing to subscribe to the Issue through ASBA process and: (a) who are holding our Equity Shares in dematerialized form as on the Record Date and have applied for their Rights Entitlements and/ or additional Equity Shares in dematerialized form; (b) who have not renounced their Rights Entitlements in full or in part; (c) who are not Renouncees; and (d) who are applying through blocking of funds in a bank account maintained with SCSBs. All QIBs and other Investors whose application value exceeds ₹ 200,000 complying with the above conditions must participate in this Issue through the ASBA process only notwithstanding anything contained hereinabove, all renouncees (including renouncees who are individuals) shall apply in the Issue only through non-ASBA process.
Banker(s) to the Issue/Escrow Collection Bank(s)	[●]
Composite Application Form/ CAF	The form used by an Investor to make an application for the Allotment of Rights Equity Shares in the Issue
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the Lead Manager, the Registrar to the Issue and the Stock Exchanges, a list of which is available on www.sebi.gov.in
Designated Stock Exchange	BSE
Depository	NSDL and CDSL or any other depository registered with the SEBI under Securities and Exchange Board of India (Depositories and Participants)

Term	Description
	Regulations, 1996 as amended from time to time read with the Depositories Act, 1996.
Designated Branches	Such branches of the SCSBs, which shall collect the CAF or Application from ASBA Investors, a list of which is available on the website of SEBI at www.sebi.gov.in or at such other website as may be prescribed by SEBI from, time to time.
Draft Letter of Offer/ DLOF	The draft letter of offer dated March 16, 2016 filed with SEBI for its observations which does not contain complete particulars of the Issue.
Equity Shareholders/ Eligible Equity Shareholder(s)	A holder/beneficial owner of our Equity Shares as on the Record Date
Investor	The Equity Shareholders(s) on the Record Date, applying in the Issue, and the Renouncees who have submitted an Application to subscribe to the Issue
Inga / Lead Manager	Inga Capital Private Limited
Issue/ Rights Issue	The Issue of [●] Equity Shares of face value of ₹ 10 each for cash at a price of [●] per Rights Equity Share including a share premium of [●] per Rights Equity Share aggregating up to ₹ 4,500 lacs to our Eligible Equity Shareholders on a rights basis in the ratio of [●] Rights Equity Shares for every [●] Equity Shares held by them on the Record Date.
Issue Agreement	The agreement entered into on March 16, 2016 amongst our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Closing Date	[●]
Issue Opening Date	[●]
Issue Price	₹ [●] per Rights Equity Shares
Issue Size	The issue of [●] Rights Equity Shares aggregating to ₹ 4,500 lacs
Issue Proceeds	The gross proceeds of the Issue available to our Company.
Listing Agreement	The listing agreement(s) entered into by our Company with the Stock Exchanges as repealed by the Uniform Listing Agreement
Letter of Offer / LOF	The letter of offer dated [●], to be filed with the Stock Exchanges after incorporating the observations received from the SEBI on the Draft Letter of Offer.
Net Proceeds	The Issue Proceeds less the Issue related expenses. For further details, please see section “ <i>Objects of the Issue</i> ” on page 48 of the Draft Letter of Offer.
Non-ASBA Investor	Investors other than ASBA Investors who apply in the Issue otherwise than through the ASBA process.
QIBs or Qualified Institutional Buyers	Qualified Institutional Buyers as defined under Regulation 2(1)(zd) of the SEBI ICDR Regulations.
Record Date	[●]
Refund Banker	[●]
Registrar or Registrar to the Issue	Link Intime India Private Limited
Renouncee(s)	Any person(s) who has/ have acquired Rights Entitlements from Equity Shareholders
Retail Individual Investors	Individual Investors who have applied for Rights Issue Equity Share for an amount not more than ₹ 2 lacs (including HUFs applying through their Karta)
Rights Entitlement	The number of Rights Issue Equity Share that an Investor is entitled to in proportion to the number of Equity Shares held by the Investor on the Record Date
Rights Equity Shares	Equity Shares of the Company to be allotted pursuant to the Rights Issue.
SAF(s)	Split Application Form(s)
Self Certified Syndicate Banks or SCSBs	A Self Certified Syndicate Bank, registered with SEBI, which acts as a banker to the Issue and which offers the facility of ASBA. A list of all SCSBs is available at www.sebi.gov.in

Term	Description
Stock Exchanges	The BSE and the NSE.
Uniform Listing Agreement	The uniform listing agreement entered into between the Stock Exchange and our Company, pursuant to the SEBI Listing Regulations read along with SEBI Circular No. CIR/CFD/CMD/6/2015 dated October 13, 2015.
Working Days	All days, other than Saturday, Sunday or a public holiday on which commercial banks in Mumbai are open for business, provided however, for the purpose of the time period between the Issue Closing Date and listing of the Securities on the Stock Exchanges, “Working Days” shall mean all days excluding 2 nd and 4 th Saturday, Sundays and bank holidays in Mumbai in, in accordance with the SEBI circular no. CIR/CFD/DIL/3/2010 dated April 22, 2010.

Conventional and General Terms/ Abbreviations/ Industry Related Terms

Abbreviation	Full Form
₹/Rs./ Rupees/INR	Indian Rupees
A/c	Account
AGM	Annual General Meeting.
AS or Accounting Standards	Accounting Standards as notified under Companies (Accounting Standards) Rules, 2006
AY	Assessment Year
BSE	BSE Limited
CIN	Company Identity Number
CSDL	Central Depository Services (India) Limited
Companies Act or Act	Companies Act, 1956 and / or Companies Act, 2013, as applicable
Companies Act, 1956	Companies Act, 1956 and the rules made thereunder to the extent not repealed
Companies Act, 2013	Companies Act, 2013 and the rules made thereunder, to the extent in force pursuant to notification of the notified sections.
DIN	Directors Identification Number.
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPS	Earnings per share, which is the profit after tax for a fiscal year divided by the weighted average of outstanding number of equity shares at the end of the fiscal year
FDI	Foreign Direct Investment
FEMA	The Foreign Exchange Management Act, 1999, as amended
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended.
FII	Foreign Institutional Investors, as defined under the FII Regulations and registered with SEBI under applicable laws in India.
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended.
Fiscal or Financial Year or FY	Period of twelve months ended March 31 of that particular year, unless otherwise stated.
FVCI	Foreign Venture Capital Investor registered under the FVCI Regulations.
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended.
GDP	Gross Domestic Product
GoI or Government of India or Central Government	The Government of India.
HUF	Hindu Undivided Family.
IFRS	International Financial Reporting Standards.
Indian GAAP	Generally accepted accounting principles in India.

Abbreviation	Full Form
IT Act/ Income Tax Act	Income Tax Act, 1961, as amended.
NAV	Net Asset Value
NBFC	Non – Banking Financial Company
NCR	National Capital Region
NEFT	National Electronic Funds Transfer.
NIF	National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India.
NR or Non Resident	A person resident outside India, as defined under FEMA, including an Eligible NRI and FII.
NRE Account	Non-Resident External Account.
NRI	A person resident outside India, as defined under FEMA and who is a citizen of India or a person of Indian origin, such term as defined under the Foreign Exchange Management (Deposit) Regulations, 2000.
NRO Account	Non-Resident Ordinary Account.
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
p.a.	Per annum.
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
RBI	Reserve Bank of India.
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended.
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended.
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended.
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended.
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015
Securities Act	U.S. Securities Act of 1933.
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended.
Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.

The words and expressions used but not defined herein shall have the same meaning as is assigned to such terms under the Companies Act, as amended, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and the rules and regulations made thereunder.

NOTICE TO OVERSEAS SHAREHOLDERS

The distribution of the Draft Letter of Offer and the Issue of Equity Shares on a Rights basis to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession the Draft Letter of Offer may come are required to inform them about and observe such restrictions. Our Company is making the Issue to the Eligible Equity Shareholders and will dispatch the Letter of Offer/Abridged Letter of Offer and CAFs to such shareholders who have provided an Indian address to our Company. Those overseas shareholders who have not updated our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to dispatch the Letter of Offer / Abridged Letter of Offer and CAFs, shall not be sent the Letter of Offer / Abridged Letter of Offer and CAFs.

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose, except that the Draft Letter of Offer has been filed with SEBI for observations. Accordingly, the rights or Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer/ Abridged Letter of Offer and CAFs or any offering materials or advertisements in connection with the Issue may not be distributed, in any jurisdiction. Receipt of the Draft Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, the Draft Letter of Offer must be treated as sent for information only and should not be acted upon for subscription to Rights Equity Shares and should not be copied or redistributed. Accordingly, persons receiving a copy of the Draft Letter of Offer should not, in connection with the Issue or the Rights Entitlements, distribute or send the Draft Letter of Offer in or into jurisdictions where to do so would or might contravene local securities laws or regulations. If the Draft Letter of Offer is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe the Equity Shares or the Rights Entitlements referred to in the Draft Letter of Offer. Envelopes containing a CAF should not be dispatched from any jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Equity Shares in the Issue must provide an Indian address.

Any person who makes an application to acquire rights and the Equity Shares offered in the Issue will be deemed to have declared, represented, warranted and agreed that he is authorised to acquire the rights and the Equity Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction. Our Company, the Registrar, the Lead Managers or any other person acting on behalf of us reserve the right to treat any CAF as invalid where we believe that CAF is incomplete or acceptance of such CAF may infringe applicable legal or regulatory requirements and we shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such CAF. Neither the delivery of the Draft Letter of Offer nor any sale hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or that the information contained herein is correct as at any time subsequent to the date of the Draft Letter of Offer.

The contents of the Draft Letter of Offer should not be construed as legal, tax or investment advice. Prospective investors may be subject to adverse foreign, state or local tax or legal consequences as a result of the offer of Equity Shares. As a result, each investor should consult its own counsel, business advisor and tax advisor as to the legal, business, tax and related matters concerning the offer of Equity Shares. In addition, neither our Company nor the Lead Manager is making any representation to any offeree or purchaser of the Equity Shares regarding the legality of an investment in the Equity Shares by such offeree or purchaser under any applicable laws or regulations.

CERTAIN CONVENTIONS, USE OF FINANCIAL AND CURRENCY OF PRESENTATION

Certain Conventions

References in the Draft Letter of Offer to “India” are to the Republic of India and the “Government” or the “Central Government” is to the Government of India and to the ‘US’ or ‘U.S.’ or the ‘United States’ are to the United States of America and its territories and possessions.

Unless stated otherwise, all references to page numbers in the Draft Letter of Offer are to the page numbers to the Draft Letter of Offer.

Financial Data

Unless stated otherwise, financial data in the Draft Letter of Offer with respect to our Company is derived from our Company’s audited financial statements which has been prepared in accordance with Indian GAAP and the Companies Act. Our fiscal year commences on April 1 of each year and ends on March 31 of the succeeding year, so all references to a particular “fiscal year” or “Fiscal” are to the 12 month period ended on March 31 of that year. Our audited consolidated and audited standalone financial statements for the Fiscal 2015 along with audited consolidated and audited standalone financial statements for the Fiscal 2014 and the Unaudited and limited reviewed consolidated and standalone financial results for the nine months period ended December 31, 2015 (the “Financial Statements”) that appear in the Draft Letter of Offer have been prepared by our Company in accordance with Indian GAAP, applicable standards and guidance notes specified by the Institute of Chartered Accountants of India, applicable accounting standards prescribed by the Institute of Chartered Accountants of India and other applicable statutory and / or regulatory requirements.

We publish our financial statements in Indian Rupees.

In the Draft Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off, and unless otherwise specified, all financial numbers in parenthesis represent negative figures. Numerical values have been rounded off to two decimal places.

Currency of Presentation

All references in the Draft Letter of Offer to “Rupees”, “₹”, “Rs.”, “Indian Rupees” and “INR” are to Indian Rupees, the official currency of India.

Unless stated otherwise, throughout the Draft Letter of Offer, all figures have been expressed in lacs. One lac represents 1,00,000.

FORWARD LOOKING STATEMENTS

Certain statements contained in the Draft Letter of Offer that are not statements of historical fact constitute ‘forward looking statements’. Investors can generally identify forward-looking statements by terminology such as ‘aim’, ‘anticipate’, ‘believe’, ‘continue’, ‘can’, ‘could’, ‘estimate’, ‘expect’, ‘intend’, ‘may’, ‘objective’, ‘plan’, ‘potential’, ‘project’, ‘pursue’, ‘shall’, ‘should’, ‘will’, ‘would’, ‘future’, ‘forecast’, ‘target’, ‘guideline’ or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements. Forward-looking statements are not guarantees of performance and are based on certain assumptions, discuss future expectations, describe plans and strategies contain projections of results of operations or of financial condition or state other forward-looking information.

All statements regarding our Company’s expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our Company’s business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in the Draft Letter of Offer that are not historical facts. These forward-looking statements contained in the Letter of Offer (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from our Company’s expectations include, among others:

- General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
- Changes in laws and regulations relating to the industries in which we operate particularly the regulations of RBI;
- Performance of real estate market in India;
- Variety of taxes and surcharges applicable to companies in India;
- Our ability to attract and retain senior management team;
- Our ability to manage growth or implement our strategies effectively; and
- Changes in political and social conditions in India or in countries that we may enter, the monetary policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed in the section titled “Risk Factors” on page 9 of the Draft Letter of Offer. The forward-looking statements contained in the Draft Letter of Offer are based on the beliefs of management, as well as the assumptions made by, and information currently available to, management of our Company. Whilst our Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure investors that such expectations will prove to be correct. Given these uncertainties, prospective investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as of the date of the Draft Letter of Offer or the respective dates indicated in the Draft Letter of Offer, and our Company, Lead Manager along with its affiliates, employees and directors, undertake no obligation to update or revise any of them, whether as a result of new information, future events or otherwise.

If any of these risks and uncertainties materialise, or if any of our Company’s underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements. In accordance with SEBI/ Stock Exchanges requirements, our Company and the Lead Manager will ensure that prospective Investors in India are informed of material developments until the time of the grant of listing and trading permissions by the Stock Exchanges for the Equity Shares allotted pursuant to the Issue.

SECTION II – RISK FACTORS

An investment in the equity shares involves a high degree of risk. The risks described below together with other information contained in the Draft Letter of Offer should be carefully considered by the prospective investors before making an investment decision. Prospective investors should carefully consider all the information contained in the section titled “Financial Information” on page 68 of the Draft Letter of Offer for the information related to the financial performance of our Company. The risks described below are not the only risks which are relevant to our Company or investments in Equity Shares. Additional risks not presently known to us or that we currently deem immaterial may also adversely affect our business operations. Our business, financial condition or results of operations could be materially and adversely affected by any of these risks, the trading price of the Equity Shares could decline, and all or part of your investment may be lost. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. Before making an investment decision, Investors must rely on their own independent examination of the Issue and Company.

The Draft Letter of Offer also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and “Forward Looking Statements” on page 8 of the Draft Letter of Offer.

INTERNAL RISK FACTOR

1. We are involved in various legal proceedings, which if determined against us, could have an adverse impact on our results of operations.

We are involved in various legal proceedings which are pending at different levels of adjudication before various courts, tribunals and other authorities. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and quantifiable and include amounts claimed jointly and severally from our Company and other parties. Any unfavourable decision in connection with such proceedings, individually or in the aggregate, could adversely affect our business and results of operations. A summary of material outstanding legal proceedings as of date of the Draft Letter of Offer, to the extent quantifiable, are set out below:

(₹ in lacs)		
Entity involved in the litigation	Civil Cases	Financial implications
Litigations by and against our Company	2	Not ascertainable
Litigations filed by and against our Subsidiaries	1	1,159.58

For further details, please see section titled “*Outstanding Litigations and Defaults*” on page 140 of the Draft Letter of Offer. We cannot assure you that these legal proceedings will be decided in our favour. Such legal proceedings could divert management time and attention, and consume financial resources in their defence or prosecution. In addition, should any developments arise, such as changes in Indian law or rulings against us by the regulators, courts or tribunals, we may need to make provisions in our financial statements, which could increase our expenses and current liabilities and thereby adversely impact our profitability.

2. We have in the past entered into related party transactions and we may continue to do so in the future. In the event, contracts or arrangements with related parties are not approved by the Board of Directors and the shareholders of the Company, as the case may be, our Company’s ability to enter into such contracts and / or arrangements may be impaired, which may have an adverse effect on our business, results of operations and financial condition.

We have in past entered and will continue to enter into transactions with certain entities promoted / and or controlled by our Promoters and other related parties. For further details of the related party transactions, see the section “*Financial Information*” on page 68 of the Draft Letter of Offer.

Further, pursuant to the Companies Act, 2013, all related party transactions require the consent of the Board of Directors of the Company and in certain cases the approval of the shareholders. In the event, contracts or arrangements with related parties are not approved by the Board of Directors and the shareholders of the Company, as the case may be, Company's ability to enter into such contracts and / or arrangements may be impaired, which may have an adverse effect on our business, results of operations and financial condition.

Furthermore, it is likely that we may enter into related party transactions in the future as well with certain entities promoted / and or controlled by our Promoters and other related parties. While we believe that all such transactions have been / would be conducted on an arm's length basis, there can be no assurance that we might not have achieved / may not achieve more favourable terms had such transactions not been entered into/may enter into with related parties. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our business, results of operations and financial condition.

3. *Our real estate revenues are dependent on various factors and are therefore difficult to predict and can vary significantly from period to period, which may affect our cash flow and resultantly our financial condition and results of operations.*

Under our existing business model, revenues are derived primarily from the sale of commercial and residential units which are dependent on various factors such as the sales volume and rate of progress of construction and development, the price at which such developments are sold, the extent to which they qualify for revenue recognition under our accounting policies, rights of third parties that could impair our ability to sell properties and general economic and real estate conditions in southern and central India. Our accounting policy requires us to recognize revenues and profitability only post certain milestones are met which may result in wide fluctuations in the financials of our Company. While we make sales of properties, our ability to recognize revenue and profits will depend on the successful execution of projects and the customers paying us the remaining amounts due under contract, after the payment of initial deposit. The completion dates for our projects are estimates based on current expectations and management estimates and could change.

4. *We require certain approvals and licenses in the ordinary course of our business and are required to comply with certain rules and regulations to operate our business, and the failure to obtain or retain or renew such approvals and licenses or comply with such rules and regulations, in a timely manner or at all may adversely affect our business, financial condition and results of operations.*

Our business requires us to obtain and renew from time to time, certain approvals, licenses, registrations and permits. In addition, we require certain approvals, licenses, registrations and permissions under various regulations, guidelines, circulars and statutes regulated by authorities such as the RBI, the Stock Exchange and certain other regulatory and government authorities, for operating our business. In particular, we are required to obtain a certificate of registration for carrying on certain of our business activities from RBI and other such regulatory authorities that are subject to numerous conditions. If we fail to maintain such registrations and licenses or comply with applicable conditions, our certificate of registration for carrying on a particular activity may be suspended and/or cancelled and we will not then be able to carry on such activity. . In addition, we may not be in compliance with certain conditions prescribed by such approvals or licenses. For further information, see section "Government and Other Statutory Approvals" on page 143 of the Draft Letter of Offer. There can be no assurance that the licenses, permits and approvals from third parties required for the operation will be issued or granted in a timely manner or at all to allow the uninterrupted operations. If we fail to obtain or retain any of these approvals or licenses, or renewals thereof, in a timely manner, may adversely affect the continuity of our business and may hinder our operations in the future. Further, these approvals and licenses could be subject to several conditions, and we cannot assure you that we would be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, and this may lead to cancellation, revocation or suspension of relevant approvals or licenses, which may result in the interruption of our operations and may adversely affect our business, financial condition and results of operations.

5. *We have a number of contingent liabilities and commitments and our profitability could be adversely affected if any of these contingent liabilities or commitments materialise.*

As at March 31, 2015, we had contingent liabilities and commitments as per AS 29 not provided for amounting to ₹ 1,278.26 lacs on consolidated basis, details of which are set forth in the table below:

(₹ in lacs)	
Particulars	As at March 31, 2015
Bank Guarantee	Nil
Corporate Guarantee	50.00
Others	720.00
Taxation matters in respect of which appeal is pending	44.09
SEBI Liability	464.17
TOTAL	1278.26

The contingent liabilities and commitments have arisen in the normal course of our business and are subject to the prudential norms as prescribed by the RBI. If any of these contingent liabilities materialize, our financial condition, results of operations and cash flows could be adversely affected. For further details, see section, “*Financial Information*” on page 68 of the Draft Letter of Offer.

6. *We have experienced negative cash flows in prior periods and may continue to do so in the future, which could have a material adverse effect on our business, prospects, financial condition, cash flows and results of operations.*

We have experienced negative net cash flows in the past, the details of which are provided below on consolidated basis:

(₹ in lacs)		
Particulars	For the year ended March 31	
	2015	2014
Net cash flows generated from/ (used in) operating activities	(1,217.58)	283.05
Net cash flows generated from/ (used in) investing activities	5,403.25	(1,144.53)
Net cash flows generated from/ (used in) financing activities	(3,792.90)	587.80

For details on the negative cash flows, please refer to see section, “*Financial Information*” on page 68 of the Draft Letter of Offer. We may incur negative cash flows in the future which may have a material adverse effect on our business, prospects, results of operations and financial condition.

7. *Our agreements with various lenders for financial arrangements contain restrictive covenants for certain activities and if we are unable to get their approval, it might restrict our scope of activities and impede our growth plans.*

Our Company has entered into agreements and arrangements with certain banks and financial institutions for long-term and short-term borrowings and are subject to certain restrictive covenants. These agreements include restrictive covenants which mandate certain restrictions in terms of our business operations such as change in capital structure, formulation of any scheme of amalgamation or reconstruction, declaring dividends, further expansion of business, which require our Company to obtain prior approval of the lenders for any of the above activities. Our Company cannot assure that our lenders will provide us with these approvals in the future. Defaults under one or more of our Company’s financing agreements may limit our flexibility in operating our business, which could have an adverse effect on our cash flows, results of operations and financial condition.

Further, our ability to make payments on our indebtedness will depend on our future performance and our ability to generate cash, which to a certain extent is subject to general economic, financial, competitive, legislative, legal, regulatory and other factors, many of which are beyond our control. If our future cash flows from operations and other capital resources are insufficient to pay our debt obligations, meet our contractual obligations, or to fund our other liquidity needs, we may be forced to sell assets or attempt to restructure or refinance our existing indebtedness. Any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations. The terms of existing or future debt instruments may restrict us from adopting some of these alternatives. In addition, any failure to make payments of interest and principal on our outstanding indebtedness on a timely basis would likely result in a reduction of our creditworthiness. Further, during any period in which we are in default, we may be unable to raise, or face difficulties raising, further financing. Any

of these circumstances or other consequences could adversely affect our business, prospects, results of operations and financial condition.

8. Our risk management policies and procedures may leave us exposed to unidentified risks or unanticipated levels of risk.

The policies and procedures, we employ to identify, monitor and manage risks may not be fully effective. Some methods of risk management are based on the use of observed historical market behaviour. As a result, these methods may not predict future risk exposures, which could be significantly greater than the historical measures indicate. Other risk management methods depend on evaluation of information regarding markets, clients or other matters that are publicly available or otherwise accessible by us. This information may not be accurate, complete, up-to-date or properly evaluated. Management of operational, legal and regulatory risk requires, among other things, policies and procedures to properly record and verify a large number of transactions and events. We cannot assure you that our policies and procedures will effectively and accurately record and verify this information.

We seek to monitor and control our risk exposure through a variety of separate but complementary financial, credit, operational and legal reporting systems. Nonetheless, the effectiveness of our ability to manage risk exposure cannot be completely or fully assured. For example, unexpectedly large or rapid movements or disruptions in one or more markets or other unforeseen developments could have a material adverse effect on our results of operations and financial condition. The consequences of these developments could include losses due to adverse changes in collateral values, decreases in the liquidity of trading positions, higher volatility in earnings, increases in our credit risk to customers as well as to third parties and increases in general systemic risk.

9. Some of the Company's records relating to certain filings with the Registrar of Companies may be either incorrect or not required under the provisions of Companies Act.

The Company has made some filings with the Registrar of Companies to fulfil its contractual obligations even if the same may not be necessarily required under the provisions of the Companies Act. While the forms have been approved by the Registrar of Companies, the Company cannot assure you that it will not have to incur additional costs for rectification of such filings.

10. Defaults on loans provided by our Company could adversely affect our business, financial condition and results of operations.

Our business involves lending money and accordingly we are subject to default risks including default or delay in repayment of principal and/or interest on our loans. Borrowers may default on their obligations to us as a result of various factors including bankruptcy, lack of liquidity, lack of business and operational failure. If borrowers fail to repay loans in a timely manner or at all, our financial condition and results of operations will be adversely impacted.

In addition, we may not receive updated information regarding any change in the financial condition of our borrowers or may receive inaccurate or incomplete information as a result of any fraudulent misrepresentation on the part of borrowers. Furthermore, unlike several developed economies, a nationwide credit bureau has only recently become operational in India, so there is less financial information available about the creditworthiness of the borrowers. It is therefore difficult to carry out precise credit risk analyses. We may face defaults and/or failure in repayment of our dues in connection with loans and/or finance provided by us.

11. If our Company is unable to comply with the Leverage Ratio requirements stipulated by the RBI, our business, results of operations and cash flows may be materially and adversely affected.

Pursuant to Master Circular – "Non-Systemically Important Non-Banking Financial (Non- Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015, issued by the RBI, we are required to maintain Leverage Ratio not exceeding 7 at any point of time.

Although we have been maintaining a Leverage Ratio within the regulatory requirement, our Company cannot assure you that it will be able to maintain the Leverage Ratio within the regulatory requirements in future. This could result

in non –compliance with applicable Leverage Ratios, which could have a material adverse effect on our business, results of operations and cash flows.

12. We are subject to annual financial inspections by the RBI. Non -compliance with the RBI's observations made during the annual financial inspections could adversely affect our reputation, business, financial condition, results of operations and cash flows.

The RBI conducts an annual financial inspection of our books of accounts and other records relating to our financial position every year under Section 45N of the RBI Act. Inspection by the RBI is a regular exercise and is carried out periodically by the RBI for banks, financial institutions and NBFCs.

In the past, the RBI had made certain observations during the annual financial inspections in connection with our operations. We have taken the necessary actions to comply with such observations. If we fail to comply with the RBI's observations made during the annual financial inspections, it could adversely affect our reputation, business, financial condition, results of operations and cash flows.

13. Our inability to procure parcels of land, on terms that are acceptable to us or at all, may affect our future development activities.

We have acquired and may continue to acquire parcels of land at various locations and over a period of time, for future development. In some cases, these parcels of land are not consolidated and/or contiguous which are subsequently consolidated to form a contiguous landmass, upon which we undertake development. However, we may not be able to acquire such parcels of land, at all or on terms that are acceptable to us, which may affect our ability to consolidate parcels of land into a contiguous mass. Failure to acquire such parcels of land may cause delays or force us to abandon or modify the planned development of the land, which in turn may result in a failure by us to realize the value of our investment in acquiring such parcels of land. Accordingly, our inability to acquire parcels of land may adversely affect our business, financial condition and results of operations. In the event we are not successful in acquiring these lands, this could cause us to change, delay or abandon entire projects, which in turn could cause our business to suffer.

14. Our business and profitability is significantly dependent on the performance of the real estate market in India.

We believe that the business of our Company depends on the performance of the real estate market in India. Most of our projects are located in Chennai and one major project in Raipur, which could be adversely affected if market conditions deteriorate in these specific areas. Further, the real estate business is significantly affected by changes in government policies, economic conditions, demographic trends, employment levels, availability of financing, interest rates and demand for real estate, or the public perception that any of these factors are likely to become unfavourable. These factors can adversely affect the demand for, and pricing of, our completed projects and ongoing projects, as well as adversely affects the value of our projects, and, as a result, may materially and adversely affect our financial condition and results of operations.

In addition, the condition of the real estate sector in India, particularly market prices for land, finished units and projects, has a significant impact on our revenues and results of operations. The real estate market in Chennai, Raipur and its outskirts in particular, may perform differently from, and may be subject to market conditions and regulatory developments that may be different from, real estate market in other parts of India.

15. We are currently undertaking most of our projects in cooperation with third parties which exposes us to risks inherent to such projects.

Most of our projects are undertaken in cooperation with other parties. The success of our business collaboration depends significantly on the satisfactory performance by our collaborators of their contractual and other obligations in such instances. As we do not control our partners, we face the risk that they may not perform their obligations in time or at all.

If a collaborator fails to perform its obligations satisfactorily, the project may be unable to perform adequately or be successfully complete as per intended timetable, at the intended cost, or at all. If the interests of our collaborators conflict with our interests, our business may be adversely affected. Arrangements governing such projects may permit

us only partial control over the operations of the project under certain circumstances. In such circumstance, we may become liable for its obligations, which could result in material adverse effect on our business, reputation, financial condition and results of operations. Further, with respect to parties with whom we have entered into or may in future enter into collaboration, we cannot assure you that they will not face financial or legal difficulties, which could mean that we would bear increased or possibly sole responsibility for the relevant projects.

16. Delays in the completion of our ongoing projects and any projects undertaken in future or inability to comply with our construction contract schedules could result in cost over-runs.

Property developments typically require substantial capital outlay during the construction period which may take an extended period of time to complete, and before a potential return can be generated. The time and costs required to complete a property development may be subject to substantial increases due to many factors, including shortages of, or price increases with respect to, construction materials, equipment, technical skills and labour, acquisition of land, construction delays, unanticipated cost increases, changes in the regulatory environment, adverse weather conditions, third party performance risks, environmental risks, changes in market conditions, delays in obtaining the requisite approvals and permits from the relevant authorities and other unforeseeable problems and circumstances. Any of these factors may lead to delays in, or prevent the completion of a project and result in costs substantially exceeding those originally budgeted for. The cost overruns may not be adequately compensated by contractual indemnities and which may affect our financial condition and results of operations.

Further, there is a long lag between the time we acquire land and/or development rights and the time when we can construct and develop such project and sell our inventories. The actual timing of the completion of a project may be different from its forecasted schedule. Given that the real estate market both for land and developed properties is relatively illiquid, there may be high transaction costs as well as little or insufficient demand for land or developed properties at the expected sale price, as the case may be, which may limit our ability to respond promptly to market events, such as changes in the prices of the raw materials we utilize in our projects. Further, our profitability could be materially and adversely affected if we purchase land at high prices and we have to sell our developed projects during weaker economic periods at prices lower than those estimated originally. The risk of owning undeveloped land and unsold inventories can be substantial and the market value of the same can fluctuate significantly as a result of changing economic and market conditions.

17. If we are unable to retain the services of our senior management team or replace them with equally experienced employees, it could have a material adverse effect on our business.

Our ability to sustain our rate of growth depends significantly upon our ability to manage key issues such as selecting and retaining key operations personnel, developing managerial experience to address emerging challenges and ensuring a high standard of client service. In order to be successful, we must attract, train, motivate and retain highly skilled and experienced employees. There is significant competition for senior management in the financial services industry from existing Indian and foreign banks and NBFCs, as well as new banks and NBFCs entering the market. If we are unable to retain the services of our senior management team or replace those with equally experienced employees, our ability to expand our business will be impaired and it could have a material adverse effect on our business operations.

Further, failure to train and motivate our employees properly may result in an increase in employee attrition rates, divert management resources and subject us to incurring additional human resource related expenditure. Hiring and retaining qualified and skilled managers are critical to our future, as our business model depends on our credit-appraisal and asset valuation mechanism, which are personnel-driven operations.

18. Our inability to manage growth could disrupt our business and reduce our profitability. Any inability on our part to manage our growth or implement our strategies effectively could have a material adverse effect on our business, results of operations and financial condition.

Our growth strategies are subject to and involve risks and difficulties, many of which are beyond our control and, accordingly, there can be no assurance that we will be able to implement our strategy or growth plans, or complete them within the budgeted cost and timelines. Further, on account of changes in market conditions, industry dynamics, technological improvements, changes in regulatory or trading policies or changes therein and any other relevant

factors, our growth strategy and plans may undergo changes or modifications, and such changes or modifications may be substantial, and may even include limiting or foregoing growth opportunities if the situation so demands. Additionally, there can be no assurance that debt or equity financing or our internal accruals will be available or sufficient to meet the funding of our growth plans. Any inability on our part to manage our growth or implement our strategies effectively could have a material adverse effect on our business, results of operations and financial condition.

19. Our Subsidiaries and Associates contribute to significant portion of our consolidated revenue. Any disassociation, decline in revenue, profits or cash flow of our subsidiaries could adversely affect our results of operations on consolidated basis.

We derive significant portion of our consolidated revenue through our Subsidiaries, Prebon Yamane (India) Limited, Caladium Properties Private Limited and Crest Wealth Management Private Limited and some of our Associates. Our total revenue on a consolidated basis for the fiscal ending March 31, 2015 and 2014 were ₹ 17,795.92 lacs and ₹ 17,366.13 lacs respectively and total revenue for the fiscal ending March 31, 2015 and 2014 on a standalone basis were ₹ 10,183.54 lacs and ₹ 3,441.58 lacs respectively and ₹ 2,693.10 lacs and ₹ 876.10 lacs on consolidated and standalone basis respectively for the nine months ended December 31, 2015. In the event our subsidiaries fail to generate sufficient revenue, profit or cash flow, it could adversely affect our results of operations on consolidated basis. If we are unable to receive dividend payments from our subsidiaries, our earnings and cash flow would be materially and adversely affected. Further, we have made and may continue to make capital commitments to our subsidiaries and if the business or operations of any of these subsidiaries deteriorates, the value of our investments may decline substantially. One of the objects of the Issue is investment in Kara Ventures. In the event that our investment in Kara Ventures gets diluted or if the business or operations of Kara Ventures deteriorates the value of our investment may also decline substantially.

20. Our brokerage revenues are dependent on the income generated by sub-brokers. Any loss of our major sub-brokers may adversely affect our brokerage revenues and results of operations.

As on the date of the Draft Letter of Offer, we have 2 registered sub brokers. There can be no assurance that a particular sub-broker would continue to remain associated with us on mutually agreed terms and conditions or at all, which may have an adverse effect on our business. Further, in the event either of these sub-brokers impose certain terms and conditions, which may not be favourable to us, it may have an adverse effect on our business.

In the event of termination of the agreements with any of these sub-brokers and for any reasons whatsoever, we could lose the business handled through such sub-brokers. In addition, the Company may suffer reputational damage if such sub-brokers were not to conduct its business in accordance with good practice.

Further, with the increased competition, the sub-brokers now have an increased choice of entities with whom they can be associated. Some of our competitors may have advantages that enable them to offer better margins to sub-brokers, which may lead to our sub-brokers to get disassociated from us and we may lose such sub-brokers to our competitors.

21. Our insurance coverage may not adequately protect us against losses, and successful claims that exceed our insurance coverage may adversely affect our business, results of operations and financial condition.

We maintain insurance coverage of the type and in the amounts that are commensurable with our operations. Our insurance policies, however, may not provide adequate coverage in certain circumstances and may be subject to certain deductibles, exclusions and limits on coverage. In addition, there may be types of risks and losses for which our Company does not maintain insurance, because they are either uninsurable or because insurance is not available on acceptable terms. A successful assertion of one or more claims against us that exceeds our available insurance coverage or results in changes in our insurance policies, including premium increases or the imposition of a larger deductible or co-insurance requirement, could adversely affect our business, results of operations and financial condition. While we believe that we have availed adequate insurance policies and filed claims for losses suffered by our projects and properties in such natural calamities and other act of God, we cannot assure you that whether sufficient compensation will be received by the Company under such pending claims or at all. For instance, our Company has filed claim of ₹ 1,236.00 lacs for losses suffered by one of projects in Chennai due to the recent floods. The claim is presently pending with the insurance company and we cannot assure you whether full compensation will be received by the Company against such claim or at all.

22. *Our Company's Registered Office and Corporate Office are situated at premises which have been availed by us on leave and license basis. Any termination of the relevant leave and license agreements in connection with such properties or our failure to renew the same could adversely affect our operations.*

As on the date of the Draft Letter of Offer, our Registered office and Corporate office are located on properties taken on leave and license basis from the respective licensors. There can be no assurance that our Company will be able to successfully renew the said leave and license or lease agreements in a timely manner or at all. Further there can be no assurance that we will not face any disruption of our rights as a / licensee and that such leave and license and lease agreements will not be terminated prematurely by the licensor /. Any such non-renewal or early termination or any disruption of our rights as lessee / licensee will adversely affect our business operations.


23. *Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements and our capital expenditures.*

Our Company has declared and paid ₹ 105.02 lacs and ₹ 92.26 lacs for the Fiscal 2015 and Fiscal 2014, respectively, as dividend including dividend distribution tax to our shareholders. Our ability to pay dividends in future will depend on our earnings, financial condition, capital requirements and capital expenditure. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements in respect of our operations, financial condition and results of operations. The ability of our Subsidiaries to provide us with funds is limited by other obligations, such as the terms and conditions of certain indebtedness which restricts the ability of some of our Subsidiaries to distribute earnings to us through dividends. These factors will therefore limit our Subsidiaries' ability to make dividend payments to our Company and, in turn, our Company's ability to make dividend payments to our shareholders. Further we cannot assure you that our dividend yields maintain our past practice.

24. *The fund requirements in respect of the use of proceeds under the Objects of the Issue are based on management estimates and have not been appraised by any banks/ financial institutions/ third parties.*

Our Company intends to use the proceeds of the Issue for (a) Investment in Kara Ventures (b) onward lending purposes and (c) general corporate purposes. The objects of the Issue as stated in the Draft Letter of Offer are based on the internal discussions and estimates of the management of our Company. Such estimates have not been appraised by any bank, financial institutions or third parties who are competent in appraising of any such estimates. The actual fund requirements may be materially different from these management estimates. For further details, refer to "*Objects of the Issue*" on page 48 of the Draft Letter of Offer. As the net proceeds of the Issue will be less than ₹ 50,000 Lacs, under sub-regulation (1) Regulation 16 of SEBI ICDR Regulations, 2009 our Company is not required to appoint a monitoring agency in relation to the Issue and the Audit Committee appointed by the Board would be monitoring the utilization of the proceeds of the Issue.

25. *Our Company does not own its corporate logo. We have made applications for registration of trademarks for our brand and until we receive the registration, the trademarks for our products enjoy limited legal protection and our ability to use the trademarks and logo may be impaired.*

Our Company does not own its corporate logo  CREST and have made application for registration of trademarks for our brand before Registrar of Trademarks, Mumbai and the same is pending as on date of the Draft Letter of Offer. Further, our Company has made 10 applications before Registrar of Trademarks, Mumbai for registration of trademarks for some of our brand and services. We do not enjoy any statutory protection under the Trade Marks Act, 1999 for the aforesaid trademarks. Failure to protect our intellectual property rights may adversely affect our competitive business position. Our trademark application may not be allowed or competitors may challenge the validity or scope of our intellectual property.

While we endeavour to ensure that we comply with the intellectual property rights of others, there can be no assurance that we will not face any intellectual property infringement claims brought by third parties that may require us to introduce changes to our operations. Any claims of infringement, regardless of merit or resolution of such claims, could force us to incur significant costs in responding to, defending and resolving such claims, and may divert the

efforts and attention of our management away from our business. Further, if our unregistered trademark is registered by a third party, we may not be able to make use of such trademark in connection with our business and consequently, we may be unable to capitalize on the brand recognition associated with our Company.

26. Our Promoters will continue to be our largest Shareholder and have the right to approve certain corporate actions, which may potentially involve conflicts of interest with the other Equity Shareholders.

As on December 31, 2015, our Promoters and Promoter Group holds 56.61% of the Equity Share Capital and, therefore, will have the ability to significantly influence our corporate decision making process. This will include the ability to appoint Directors on our Board and the right to approve significant actions at Board and at Shareholders' meetings, including the issue of Equity Shares and dividend payments, business plans, mergers and acquisitions, any consolidation or joint venture arrangements, any amendment to the Memorandum of Association and Articles of Association, and any assignment or transfer of our interest in any of our licenses. We cannot assure you that our Promoters' interests in any such scenario will not conflict with the interest of other Shareholders or with the interests of our Company. Any such conflict may adversely affect our ability to execute our business strategy or to operate our business effectively or in the best interests of our other Shareholders.

EXTERNAL RISK FACTOR

27. General economic conditions in India and globally could adversely affect the business and results of operation of our Company.

Our results of operations and financial condition depend significantly on worldwide economic conditions and the health of the Indian economy. Various factors may lead to a slowdown in the Indian or world economy which in turn may adversely impact our business, financial performance and operations.

We mainly derive revenue from our operations in India and the performance and growth of our business is significantly dependent on the performance of the Indian economy. In the past, the Indian economy has been affected by global economic uncertainties, liquidity crisis, domestic policies, global political environment, volatility in interest rates, currency exchange rates, commodity and electricity prices, volatility in inflation rates and various other factors. Accordingly, high rates of inflation in India could increase our employee costs and decrease our operating margins, which could have an adverse effect on our results of operations. Accordingly, high rates of inflation in India could increase our employee costs and decrease our operating margins, which could have an adverse effect on our results of operations.

Further the Indian economy is undergoing many changes and it is difficult to predict the impact of certain fundamental economic changes on our business. Conditions outside India, such as a slowdown or recession in the economic growth of other major countries, especially the United States, also have an impact on the growth of the Indian economy. Additionally, an increase in trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could negatively affect interest rates and liquidity, which could adversely affect the Indian economy and our business. A slowdown in the Indian economy could adversely affect the policy of the GoI towards our industry, which may in turn adversely affect our financial performance and our ability to implement our business strategy. A loss of investor confidence in other emerging market economies or any worldwide financial instability may adversely affect the Indian economy, which could materially and adversely affect our business and results of operations and the market price of the Equity Shares.

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

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes may adversely affect our business, results of operations, financial condition and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. For example, the GAAR are proposed to be made 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. Further, the GoI proposed to revamp the implementation of direct taxes by way of the introduction of the DTC.

We have not determined the impact of these proposed legislations on our business. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future.

29. Companies operating in India are subject to a variety of taxes and surcharges.

Tax and other levies imposed by the central and state governments in India that affect our tax liability include central and state taxes and other levies, income tax, value added tax, turnover tax, service tax, stamp duty, tax on dividends and other special taxes and surcharges which are introduced on a temporary or permanent basis from time to time. Moreover, the central and state tax scheme in India is extensive and subject to change from time to time. The central or state government may in the future increase the corporate income tax it imposes. Any such future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. Additional tax exposure could adversely affect our business, cash flows and results of operations.

30. Our business and activities will be regulated by the Competition Act, 2002 (“Competition Act”) and any application of the Competition Act to us could have a material adverse effect on our business, financial condition and results of operations.

The Competition Act, 2002, or the Competition Act, prohibits practices that could have an appreciable adverse effect on competition in India. Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition in India is void and may result in substantial penalties and compensation to be paid to persons shown to have suffered losses. Any agreement among competitors which directly or indirectly determines purchase or sale prices, results in bid rigging or collusive bidding, limits or controls production, supply, markets, technical development, investment or the provision of services, or shares the market or source of production or provision of services in any manner, including by way of allocation of geographical area or types of goods or services or number of customers in the market, is presumed to have an appreciable adverse effect on competition. Further, the Competition Act prohibits the abuse of a dominant position by any enterprise either directly or indirectly, including by way of unfair or discriminatory pricing or conditions in the sale of goods or services, using a dominant position in one relevant market to enter into, or protect, another relevant market, and denial of market access, and such practices are subject to substantial penalties and may also be subject to compensation for losses and orders to divide the enterprise. Further, the Competition Commission of India has extraterritorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an appreciable adverse effect on competition in India. There can be no assurance that we will be able to obtain approval for such future transactions on satisfactory terms, or at all.

If we or any member of our group are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act or any proceedings initiated by the Competition Commission of India or any other relevant authority (or any other claim by any other party under the Competition Act) or any adverse publicity that may be generated due to scrutiny or prosecution under the Competition Act, including by way of financial penalties, our business, financial results and reputation may be materially and adversely affected.

31. Investors may have difficulty enforcing judgments against our Company or our management.

We are incorporated under the laws of India and most of our Directors, key management personnel and senior management personnel reside in India. All of our assets, and majority of the assets of our Directors, key management personnel and other senior management, are also located in India. Where investors wish to enforce foreign judgments in India, they may face difficulties in enforcing such judgments. India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. India exercises reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions. In order to be enforceable, a judgment obtained in a jurisdiction which India recognises as a reciprocating territory must meet certain

requirements of the Civil Code. Further, the Civil Code only permits enforcement of monetary decrees not being in the nature of any amounts payable in respect of taxes or, other charges of a like nature or in respect of a fine or other penalty and does not provide for the enforcement of arbitration awards. Judgments or decrees from jurisdictions not recognised as a reciprocating territory by India cannot be enforced or executed in India.

As a result, you may be unable to: (i) effect service of process outside of India upon us and such other persons or entities; or (ii) enforce in courts outside of India judgments obtained in such courts against us and such other persons or entities. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with Indian practice. A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the RBI to repatriate any amount recovered pursuant to the execution of such foreign judgment, and any such amount may be subject to income tax in accordance with applicable laws.

32. Public companies in India, including our Company, may be required to prepare financial statements under IFRS or IndAS (a variation of IFRS). The transition to IFRS or IndAS in India is very recent and still unclear and our Company may be negatively affected by such transition.

Our Company currently prepares its annual and interim financial statements under Indian GAAP. For details, please refer “*Certain Conventions, Use of Financial, Industry and Currency of Presentation*” on page 7 of the Draft Letter of Offer. Public companies in India, including our Company, may be required to prepare annual and interim financial statements under Indian Accounting Standard 101 “First-time Adoption of Indian Accounting Standards (“IndAS”). On February 16, 2015, the Ministry of Corporate Affairs, Government of India (“MCA”) announced the revised roadmap for the implementation of IndAS (on a voluntary as well as mandatory basis) for companies other than banking companies, insurance companies and non-banking finance companies through a press release (“Press Release”).

In addition, any holding, subsidiary, joint venture or associate companies of the companies specified above shall also comply with such requirements from the respective periods specified above.

There is not yet a significant body of established practice on which to draw informing judgments regarding its implementation and application. Additionally, IndAS differs in certain respects from IFRS and therefore financial statements prepared under IndAS may be substantially different from financial statements prepared under IFRS. There can be no assurance that our Company’s financial condition, results of operations, cash flow or changes in Shareholders’ equity will not be presented differently under IndAS than under Indian GAAP or IFRS. When our Company adopts IndAS reporting, it may encounter difficulties in the on-going process of implementing and enhancing its management information systems. There can be no assurance that the adoption of IndAS by our Company will not adversely affect its results of operations or financial condition. Any failure to successfully adopt IndAS in accordance with the prescribed timelines may have an adverse effect on the financial position and results of operations of our Company.

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

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

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

34. *There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect an Equity Shareholder's ability to sell, or the price at which an equity shareholder can sell the Equity Shares at a particular point in time.*

Our Company is subject to a daily circuit breaker imposed on listed companies by all stock exchanges in India which does not allow transactions beyond certain volatility in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our circuit breaker is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges are not required to inform us of the percentage limit of the circuit breaker from time to time, and may change it without our knowledge. This circuit breaker would effectively limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, the ability of shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares may be adversely affected.

35. *Any future issuance of the Equity Shares may dilute your future shareholding and sales of the Equity Shares by the Promoters or other major shareholders of our Company may adversely affect the trading price of the Equity Shares.*

Any future equity issuances by our Company may lead to dilution of your future shareholding in our Company. Any future equity issuances by our Company or sales of the Equity Shares by the Promoters or other major shareholders of our Company may adversely affect the trading price of the Equity Share. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Share.

Except as otherwise stated in the Draft Letter of Offer, there is no restriction on our Company's ability to issue the Securities or the relevant shareholders' ability to dispose of their Equity Share, and there can be no assurance that our Company will not issue Equity Share or that any such shareholder (including Promoters and Promoter Group) will not dispose of, encumber, or pledge its Securities.

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of Equity Shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if Securities Transaction Tax ("STT") has been paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Any gain realized on the sale of equity shares held for more than 12 months, which are sold other than on a recognized stock exchange and on which no STT has been paid to an Indian resident, will be 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 the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

PROMINENT NOTES

1. Issue of [●] Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] per Rights Equity Share including a share premium of ₹ [●] per Rights Equity Share aggregating up to ₹ 4,500 lacs to the Eligible Equity Shareholders on a rights basis in the ratio of [●] Rights Equity Shares for every [●] Equity Shares held by them on the Record Date.
2. As on March 31, 2015, the net worth of our Company on a standalone basis is ₹ 19,400.06 lacs and on a consolidated basis is ₹ 21,692.62 lacs as described in the section "Financial Information" on page 68 of the Draft Letter of Offer.

3. For details of our transactions with the related parties during Fiscal 2015 as per AS 18, the nature of such transactions and the cumulative value of such transactions, please see the section “Financial Information” on page 68 of the Draft Letter of Offer.
4. There has been no financing arrangement whereby the Promoter Group, our Directors and their relatives and the directors of our corporate Promoter have financed the purchase by any other person of our securities other than in the normal course of business of the financing entity during the period of six months immediately preceding the date of filing of with SEBI.

Investors may contact the Lead Manager, Registrar to the Issue or the Compliance Officer for any complaint, clarifications and information pertaining to the Issue. Any clarification or information relating to this Issue shall be made available by the Lead Manager to the public and investors at large and no selective or additional information would be made available only to a section of the investors in any manner. All grievances relating to ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSBs, giving full details such as name, address of the applicants, application number, number of Equity Shares applied for, amounts blocked, ASBA Account number and the Designated Branch of the SCSBs where the ASBA Application has been submitted by the ASBA Investor. For contact details please see section “General Information” on page 26 of the Draft Letter of Offer.

SECTION III – INTRODUCTION

SUMMARY OF THE ISSUE

The following is a summary of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information in the section titled “Terms of the Issue” on page 155 of the Draft Letter of Offer:

Rights Equity Shares being offered by our Company	[●] Rights Equity Shares
Rights Entitlement	[●] Rights Equity Share(s) for every [●] fully paid-up Equity Share(s) held on the Record Date.
Record Date	[●]
Face value per Equity Share	₹ 10
Issue Price per Rights Equity Share	[●]
Issue Size	Up to ₹ 4,500 lacs
Equity Shares outstanding prior to the Issue	17,370,000 Equity Shares
Equity Shares outstanding after the Issue (assuming full subscription for and Allotment of the Rights Entitlement)	[●] Equity Shares
Terms of the Issue	For more information, please see the section titled “Terms of the Issue” on page 155 of the Draft Letter of Offer.
Use of Issue Proceeds	For more information, please see the section titled “Objects of the Issue” on page 48 of the Draft Letter of Offer.
Scrip code	ISIN: INE559D01011 BSE: 511413 NSE: CREST

Terms of Payment

The entire Issue Price will be paid on application.

SUMMARY OF THE FINANCIAL INFORMATION

The following tables set forth the summary financial information derived from our audited financial statements on consolidated and standalone basis as on and for Fiscal 2015 prepared in accordance with Companies Act, the Indian GAAP, applicable standards and guidance notes specified by the Institute of Chartered Accountants of India, applicable accounting standards and other applicable statutory and / or regulatory requirements. Unless stated otherwise, the summary of financial information presented below, is in ₹ and should be read in conjunction with the financial information and the notes thereto included in the section titled “Financial Information”, on page 68 of the Draft Letter of Offer.

STANDALONE STATEMENT OF ASSETS AND LIABILITIES

		(in ₹)	
	Particulars	March 31, 2015	March 31, 2014
EQUITY AND LIABILITIES			
A.	Shareholders' Fund		
	Share Capital	173,700,000	173,700,000
	Reserves and surplus	1,766,306,076	1,666,885,725
		1,940,006,076	1,840,585,725
B.	Non-Current Liabilities		
	Long term borrowings	83,075,934	162,386,338
	Other long term liabilities	29,567,050	30,108,613
	Long term provisions	1,001,497	1,856,170
		113,644,481	194,351,121
C.	Current Liabilities		
	Short term borrowings	201,692,324	284,795,932
	Trade payables	1,343,462	1,105,571
	Other current liabilities	319,762,511	1,104,891,439
	Short term provisions	26,766,248	10,637,571
		549,564,545	1,401,430,513
	TOTAL (A+B+C)	2,603,215,102	3,436,367,359
ASSETS			
A.	Non-Current Assets		
	Fixed assets		
	Tangible assets	11,104,133	2,239,187
	Non-current investments	1,580,429,401	1,411,821,529
	Deferred tax assets (net)	3,237,787	2,838,692
	Long term loans and advances	180,028,206	357,346,093
		1,774,799,527	1,774,245,501
B.	Current Assets		
	Inventories	437,798,254	1,171,303,000
	Trade receivables	3,981,009	7,027,973
	Cash and bank balance	1,176,115	2,737,454
	Short term loans and advances	337,777,175	453,320,585
	Other current assets	47,683,022	27,732,846
		828,415,575	1,662,121,858
	TOTAL (A+B)	2,603,215,102	3,436,367,359

STANDALONE STATEMENT OF PROFIT & LOSS

(in ₹)

Particulars	March 31, 2015	March 31, 2014
Income		
Revenue from Operations	839,717,786	331,038,881
Other Income	178,636,539	13,119,455
Total Revenue	1,018,354,325	344,158,336
Expenditure:		
Variation in inventories	733,504,746	215,362,465
Employee benefit expenses	10,315,849	14,839,206
Finance Costs	68,643,475	80,980,652
Depreciation and amortisation expenses	1,518,277	409,451
Other expenses	64,288,827	23,288,470
Total Expenses	878,271,174	334,880,244
Profit Before Tax	140,083,151	9,278,092
Tax expense		
Current tax	30,100,000	-
Deferred tax	(372,278)	(2,238,284)
Tax for earlier years	372,786	(99,744)
Profit For The Year	109,982,643	11,616,120
Earnings per equity share of face value of ₹10 each		
Basic and Diluted (In ₹)	6.33	0.67

STANDALONE STATEMENT OF CASH FLOW

(in ₹)

Particulars	March 31, 2015	March 31, 2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax as per statement of profit and loss	140,083,151	9,278,092
Adjustment for:		
Depreciation	1,518,277	409,451
Profit on sale of investments	(166,181,431)	(644,087)
Expenses related to sale of investments	20,127	5,047
Dividend income	(12,455,108)	(11,350,368)
Share of (profit)/loss from joint venture	41,896	232,937
Share of loss from limited liability partnership	5,676,732	331,848
Assets written off	-	44,000
Operating cash flow before working capital changes	(31,296,356)	(1,693,080)
Changes in current assets and liabilities		
Trade and other receivables	3,046,964	(3,958,459)
Inventories	733,504,747	215,362,465
Trade and other payables	(807,399,951)	(111,495,586)
Cash (used in)/generated from operations	(102,144,596)	98,215,340
Direct taxes paid (net)	(6,362,352)	(12,145,348)
CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES (A)	(108,506,949)	86,069,992
B. CASHFLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(10,470,011)	(428,153)
Purchase of investments	(210,124,224)	(206,550,546)
Purchase of investment in subsidiaries	(29,824,375)	(50,000)
Purchase of investment in associates	-	(411,326,748)
Proceeds from sale/redemption of investments	237,460,135	129,471,508
Dividend income	12,455,108	11,350,368
Movement in loans and advances	243,123,955	264,422,183
NET CASH GENERATED FROM/(USED IN) INVESTING ACTIVITIES (B)	242,620,588	(213,111,388)
C. CASHFLOW FROM FINANCIAL ACTIVITIES		
Proceeds from long terms borrowings	97,537,144	162,500,000
Repayment of long term borrowings	(140,842,429)	(54,024,133)
Short term borrowing (net)	(83,103,608)	23,320,932
Dividend and dividend distribution tax paid during the year	(9,266,085)	(8,712,320)
NET CASH (USED IN)/GENERATED FROM FINANCIAL ACTIVITIES (C)	(135,674,978)	123,084,479
NET DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(1,561,339)	(3,956,917)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	2,737,454	6,694,371
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	1,176,115	2,737,454

CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

(in ₹)

Particulars	March 31, 2015	March 31, 2014
EQUITY AND LIABILITIES		
A. Shareholders' Fund		
Share Capital	173,700,000	173,700,000
Reserves and surplus	1,995,562,221	1,794,006,226
	2,169,262,221	1,967,706,226
Minority Interest	70,892,461	73,947,426
B. Non-Current Liabilities		
Long term borrowings	83,075,934	172,884,105
Other long term liabilities	29,567,050	260,270,511
Long term provisions	8,933,273	10,010,790
	121,576,257	443,165,406
C. Current Liabilities		
Short term borrowings	201,692,324	424,795,932
Trade payables	23,141,471	266,442,317
Other current liabilities	468,969,851	1,267,082,227
Short term provisions	55,067,952	32,885,284
	748,871,598	1,991,205,760
TOTAL (A+B+C)	3,110,602,537	4,476,024,818
ASSETS		
C. Non-Current Assets		
Fixed assets		
Tangible assets	20,362,608	98,968,274
Intangible assets	69,329	92,055
Non-current investments	1,777,797,259	1,516,457,924
Deferred tax assets (net)	7,374,256	39,999,208
Long term loans and advances	213,550,096	196,198,843
	2,019,153,548	1,851,716,304
D. Current Assets		
Inventories	551,396,072	1,273,915,776
Trade receivables	47,927,407	286,711,430
Cash and bank balance	220,888,754	326,814,773
Short term loans and advances	231,173,736	700,646,607
Other current assets	40,063,020	36,219,928
	1,091,448,989	2,624,308,514
TOTAL (A+B)	3,110,602,537	4,476,024,818

CONSOLIDATED STATEMENT OF PROFIT & LOSS

(in ₹)

Particulars	March 31, 2015	March 31, 2014
Income		
Revenue from Operations	1,733,848,369	1,697,794,820
Other Income	45,744,443	38,818,446
Total Revenue	1,779,592,812	1,736,613,266
Expenditure:		
Purchase relating to travel business	427,802,142	876,123,715
Cost of construction	37,042,575	17,679,492
Variation in inventories	728,302,829	190,145,098
Employee benefit expenses	173,983,212	213,057,467
Finance Costs	70,989,364	106,517,300
Depreciation and amortisation expenses	25,246,332	28,252,305
Other expenses	322,036,607	277,053,765
Total Expenses	1,785,403,061	1,708,829,142
(LOSS) /Profit Before Tax	(5,810,249)	27,784,124
Tax expense		
Current tax	50,753,000	14,898,787
MVAT credit	20,147	(328,212)
Deferred tax	(6,118,610)	89,005,113
Tax for earlier years	404,488	(99,744)
Loss After Tax	(50,869,274)	(75,691,840)
Add: Share of profit from associates	276,756,188	185,893,674
Less: Share of profit transferred to minority interest	2,604,404	8,718,162
Profit of the Group	223,282,510	101,483,162
Earnings per equity share of face value of ₹10 each		
Basic and Diluted (In ₹)	12.85	5.84

CONSOLIDATED STATEMENT OF CASH FLOW

(in ₹)

Particulars	March 31, 2015	March 31, 2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net (Loss) /profit before tax as per statement of profit and loss	(5,810,249)	27,784,124
Adjustment for:		
Depreciation	25,246,332	28,252,305
Net loss/(gain) on sale of investments	2,115,831	(1,457,897)
Expenses related to sale of investments	33,477	-
Loss/(profit) on sale/ disposal of fixed assets	(30,281)	1,597,632
Dividend income	(2,114,483)	(2,379,206)
Interest income	(32,056,444)	(43,385,091)
Interest expense	1,395,785	20,738,909
Sundry balances written off	325,987	136,872
(Gain) /loss on disposal of subsidiary	15,381,856	(10,556,617)
Gain on disposal of associate	(34,824,228)	-
Share of loss from limited liability partnership	5,676,732	331,848
Operating cash flow before working capital changes	(24,659,685)	21,062,879
Changes in current assets and liabilities		
Trade and other receivables	(29,858,346)	222,979,060
Inventories	728,131,960	189,545,098
Trade and other payables	(775,630,229)	(389,277,621)
Cash (used in)/generated from operations	(102,016,300)	44,309,416
Direct taxes paid (net)	(19,741,649)	(22,567,615)
CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES (A)	(121,757,949)	21,741,801
B. CASHFLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(13,903,462)	(28,773,453)
Sale of fixed assets	(29,240,639)	3,785,139
Purchase of investments	(180,374,224)	(619,874,013)
Proceeds from sale of investments(including subsidiaries)	378,021,710	149,421,211
Dividend income	2,114,483	2,379,206
Interest income	30,639,105	40,134,142
Movement in loans and advances	353,067,918	338,474,820
NET CASH GENERATED FROM/(USED IN) INVESTING ACTIVITIES (B)	540,324,891	(114,452,948)
C. CASHFLOW FROM FINANCIAL ACTIVITIES		
Proceeds from long terms borrowings	97,537,144	174,244,856
Repayment of long term borrowings	(144,020,921)	(59,577,383)
Short term borrowing (net)	(312,803,608)	(11,246,050)
Interest paid	(1,395,785)	(20,738,909)
Dividend and dividend distribution tax paid during the year	(19,793,547)	(23,902,211)
Proceeds from issue of share capital including securities premium	1,256,400	-
NET CASH (USED IN)/GENERATED FROM FINANCIAL ACTIVITIES (C)	(379,220,317)	58,780,303
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	39,346,625	(33,930,844)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	240,111,187	274,559,491
Less: TRANSFERRED ON DISPOSAL OF SUBSIDIARIES	155,241,731	688,490
Add: ON ADDITION OF SUBSIDIARIES	-	171,030
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	124,216,081	240,111,187

GENERAL INFORMATION

Our Company was incorporated as “Sharyans Resources Limited” on October 16, 1982 with the Registrar of Companies, West Bengal, as a public limited company under the Companies Act, 1956. Our Company received a certificate for commencement of business on November 23, 1982 from Registrar of Companies, West Bengal. Pursuant to an order dated July 20, 1996, passed by the Company Law Board, Kolkata, the registered office of our Company was shifted from state of Bengal to state of Maharashtra. The name of our Company was then changed to “Crest Ventures Limited” vide a Certificate of Incorporation pursuant to change of name dated September 1, 2014 issued by the Deputy Registrar of Companies, Mumbai, Maharashtra. Our Company has received a certificate of registration no. N- 13.01888 dated December 14, 2007 from RBI, under section 45-IA of the Reserve Bank of India Act, 1934, as amended.

Registered Office of our Company

Crest Ventures Limited

4th Floor, Kalpataru Heritage,
127, M.G. Road, Fort,
Mumbai – 400 001,
Maharashtra, India

Telephone: +91-22-40512500;

Facsimile: +91-22-40512555

Website: www.crest.co.in

CIN: L99999MH1982PLC102697

Corporate Office of our Company:

Crest Ventures Limited

111, Maker Chambers IV
11th Floor, Nariman Point
Mumbai – 400021
Maharashtra, India

Telephone: +91-2243347000

Facsimile: +91-22-43347002/3

Address of Registrar of Companies

Our Company is registered with the Registrar of Companies, Mumbai located at the following address:

Registrar of Companies

100, 5th Floor, Everest,
Near Marine Lines Railway Station,
Marine Drive, Mumbai - 400002
Maharashtra, India

Company Secretary and Compliance Officer

Mr. Rohan Gavas

4th Floor, Kalpataru Heritage,
127, M.G. Road, Fort,
Mumbai – 400 001,
Maharashtra, India

Telephone: +91-22-40512500;

Facsimile: +91-22-40512555

E-mail: rights@crest.co.in

Investors are advised to contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any

pre- Issue or post-Issue related matters. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs, giving full details such as name, address of the applicant, ASBA Account number and the Designated Branch of the SCSBs, number of Equity Shares applied for, amount blocked, where the CAF or the plain paper application, in case of Eligible Equity Shareholder, was submitted by the ASBA Investors. For further details on the ASBA process, refer to the details given in the CAF and “*Terms of the Issue*” on page 155 of the Draft Letter of Offer.

Chief Financial Officer

Mr. Vishal Mehta

4th Floor, Kalpataru Heritage,
127, M.G. Road, Fort,
Mumbai – 400 001,
Maharashtra, India

Telephone: +91-22-40512500;

Facsimile: +91-22-40512555;

E-mail: rights@crest.co.in

Lead Manager

Inga Capital Private Limited

Naman Midtown,
21st Floor, ‘A’ Wing,
Senapati Bapat Marg,
Elphinstone (West)
Mumbai – 400 013
Maharashtra, India

Telephone: +91 – 22 – 4031 3489

Fax: +91 – 22 – 4031 3379

Contact Person: Mr. Ashwani Tandon

Email: crest.rights@ingacapital.com

Website: www.ingacapital.com

Investor Grievance Email: investors@ingacapital.com

SEBI Registration Number: INM000010924

Legal Advisor to the Issue

M/s. Crawford Bayley & Co.

4th Floor, State Bank Building
N.G.N Vaidya Marg, Fort
Mumbai – 400 023
Maharashtra, India

Telephone: +91 22 2266 8000

Facsimile: +91 22 2266 3978

E-mail: sanjay.asher@crawfordbayley.com

Registrar to the Issue

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

Fax: + 91- 22- 2596 – 0329

Email: cvl.rights@linkintime.co.in
Website: www.linkintime.co.in
Investor Grievance Email: cvl.rights@linkintime.co.in
Contact Person: Mr. Dinesh Yadav
SEBI Registration Number: INR000004058

Statutory Auditors of our Company

M/s. Chaturvedi & Shah
Chartered Accountants
714 - 715, Tulsiani Chambers,
212, Nariman Point,
Mumbai - 400 021,
Maharashtra, India
Telephone: +91 22 30218500
Fax: +91 22 30218595
Email: cas@cas.ind.in
Firm Registration Number: 101720W

Banker(s) to the Issue and Refund Bank

[●]

Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as SCSB for the ASBA process is provided on www.sebi.gov.in. Details relating to designated branches of SCSBs collecting the ASBA application forms are available at the above mentioned link.

Statement of responsibilities of the Lead Manager to the Issuer

Since Inga Capital Private Limited is the sole Lead Manager to the Issue all the responsibilities relating to coordination and other activities in relation to the Issue shall be performed by them.

Expert

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

Our Company has received written consent from the Auditor to include its name as an expert under Section 2(38) and Section 26(5) of the Companies Act in the Draft Letter of Offer in relation to the (1) report of the Auditors on audited consolidated and standalone financial statements dated May 5, 2015 and the (2) limited review report, dated February 8, 2016, on the limited reviewed unaudited standalone and consolidated financial statements for quarter and nine months ended December 31, 2015. Our Company has also received written consent from Auditor, to include its name as an expert under Section 26(5) of the Companies Act in the Draft Letter of Offer in relation to the report on statement of tax benefits dated March 14, 2016 and such consent has not been withdrawn as of the date of the Draft Letter of Offer. The term “expert” and consent thereof does not represent an expert or consent within the meaning under the Securities Act, 1933 of the United States of America.

Trustees

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

Monitoring Agency

There is no requirement for a monitoring agency in terms of sub regulation (1) of Regulation 16 of SEBI (ICDR) Regulations since the Issue size is less than ₹ 50,000 lacs. However, as per the SEBI Listing Regulations, the Audit Committee appointed by the Board would be monitoring the utilization of the proceeds of the Issue.

Credit rating

As the Issue is a rights issue of Equity Shares, no credit rating is required.

Appraising Entity

None of the purposes for which the Net Proceeds are proposed to be utilised have been financially appraised by any bank or financial institution.

Underwriters to the Issue

Our Company has not entered into any underwriting arrangement, for the Issue.

Minimum Subscription

If our Company does not receive the minimum subscription of 90% of the Issue, or the subscription level falls below 90%, after the Issue Closing Date on account of cheques being returned unpaid or withdrawal of applications, our Company shall refund the entire subscription amount received within 15 days from the Issue Closing Date. In the event that there is a delay of making refunds beyond such period as prescribed by applicable laws, our Company shall pay interest for the delayed period at rates prescribed under applicable laws. The above is subject to the terms mentioned under the section titled '*Terms of the Issue - Basis of Allotment*' on page 183 of the Draft Letter of Offer.

Principal Terms of Loans and Assets charged as security

For details in relation to the principal terms of loans and assets charged as security of our Company, please see the section "Financial Information" on page 68 of the Draft Letter of Offer.

Issue Schedule

The subscription will open upon the commencement of the banking hours and will close upon the close of banking hours on the dates mentioned below:

Issue Opening Date	[●]
Last Date for request for Split Application Forms	[●]
Issue Closing Date	[●]
Finalisation of basis of allotment with the Designated Stock Exchange	On or about [●]
Initiation of Refunds	On or about [●]
Credit of Equity Shares to demat accounts of Allottees	On or about [●]
Commencement of trading of Equity Shares on the Stock Exchanges	On or about [●]

The Board of Directors or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that the Issue will not be kept open in excess of 30 days from the Issue Opening Date.

CAPITAL STRUCTURE

Our share capital and related information as on the date of the Draft Letter of Offer, is set forth below:

Particulars	Aggregate Nominal Value (in ₹)	Aggregate Value at Issue Price (in ₹)
AUTHORISED SHARE CAPITAL		
34,500,000 Equity Shares of face value of ₹ 10 each	345,000,000	-
900,000 5% Optionally Convertible Preference Shares of face value of ₹ 100	90,000,000	-
1,200,000 3% Cumulative Redeemable Preference Shares of face value of ₹ 100	120,000,000	-
Total	555,000,000	-
ISSUED, SUBSCRIBED AND FULLY PAID UP CAPITAL BEFORE THE ISSUE		
17,370,000 Equity Shares of ₹ 10 each	173,700,000	-
PRESENT ISSUE BEING OFFERED TO THE EQUITY SHAREHOLDERS THROUGH THE DRAFT LETTER OF OFFER		
[●] Rights Equity Shares of face value ₹ 10 each at a premium of ₹ [●] i.e. at an Issue Price of ₹ [●]	[●]	[●]
ISSUED, SUBSCRIBED AND FULLY PAID UP CAPITAL AFTER THE ISSUE (assuming full subscription for and allotment of the Rights Entitlement)		
[●] Equity Shares of ₹ 10 each	[●]	-
SECURITIES PREMIUM ACCOUNT		
Existing securities premium account	1,134,237,779	-
Securities premium account after the Issue (assuming full subscription for and allotment of the Rights Entitlement)	[●]	-
<ol style="list-style-type: none"> The Issue has been authorized by the Board of Directors under section 62(1) (a) of the Companies Act, 2013 in their meeting held on February 8, 2016. The present Issue of Equity Shares on a rights basis is in the ratio of [●] Rights Equity Shares for every [●] Equity Shares held by our existing equity shareholders on the Record Date i.e. [●]. 		

Notes to the Capital Structure

1. Details of outstanding instruments:

Our Company does not have any outstanding warrants, options, convertible loans, debentures or any other securities convertible at a later date into Equity Shares, as on the date of the Draft Letter of Offer, which would entitle the holders to acquire further Equity Shares.

2. The shareholding pattern of our Company as on December 31, 2015 is as follows:

1. Shareholding Pattern of our Company

- The table below presents the summary statement holding of specified securities as on December 31, 2015 is as follows:

Table I – Statement holding of specified securities

Category (I)	Category of shareholder (II)	No. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of partly paid up equity shares held (V)	No. of shares underlying depositary receipts (VI)	Total no. of shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (VIII) As a % of (A+B+C2))	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 percentage 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)		No. of equity shares held in dematerialized form (XIV)
								Number of voting rights			Total as a % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
								Class eg. X	Class eg. Y	Total								
(A)	Promoter & Promoter group	5	98,33,062	0	0	98,33,062	56.61	98,33,062	0	98,33,062	56.61	0	0	0	0	0	0	98,33,062
(B)	Public	3,977	75,36,938	0	0	75,36,938	43.39	75,36,938	0	75,36,938	43.39	0	0	0	0	3,492	0.05	74,43,019
(C)	Non-Promoter-Non public	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(C1)	Shares underlying DRs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(C2)	Shares held by employee trust	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Total	3,982	1,73,70,000	0	0	1,73,70,000	100.00	1,73,70,000	0	1,73,70,000	100.00	0	0	0	0	3,492	0.05	1,73,70,000

Table II- Statement showing shareholding pattern of our Promoter and Promoter Group as on December 31, 2015 is as follows:

Ca teg roy	Catego ry & name of shareh older (I)	P A N (I	No. of shar ehol ders (III)	No. of fully paid up equity shares held (IV)	No. of partl y paid up equit y share s held (V)	No. of shar es und erlyi ng depo sitor y rece ipts (VI)	Total no. of shares held (VII) = (IV)+(V) (V)+(VI)	Shareh olding as a % of total no. of shares (VIII) As a % of (A+B+C2))	No. of voting rights held in each class of securities (IX)				No. of share s under lying outst andin g conve rtible securi ties (inclu ding warr ants) (X)	Shareholdin g as a % assuming full conversion of convertible securities (as a percentage 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)		No. of equity shares held in demateria lized form (XIV)
									Number of voting rights			Total as a % of (A+B+C)			No. (a)	As a % of total share s held (b)	No. (a)	As a % of total share s held (b)	
									Class eg. X	C la ss e g. Y	Total								
1	Indian																		
(a)	Individuals/ HUFs	-	1	9,44,435	0	0	9,44,435	5.44	9,44,435	0	9,44,435	5.44	0	0	0	0	0	0	9,44,435
	Vijay K.Choraria	-	1	9,44,435	0	0	9,44,435	5.44	9,44,435	0	9,44,435	5.44	0	0	0	0	0	0	9,44,435
	Any other (specify)	-	4	88,88,627	0	0	88,88,627	51.17	88,88,627	0	88,88,627	51.17	0	0	0	0	0	0	88,88,627
(b)	Central government/ State Government (s)	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(c)	Financial institutions/ banks	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(d)	Any other	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Ca teg roy	Catego ry & name of shareh older (I)	P A N (I)	No. of shar ehol ders (III)	No. of fully paid up equity shares held (IV)	No. of partl y paid up equit y share s held (V)	No. of shar es und erlyi ng depo sito ry rece ipts (VI)	Total no. of shares held (VII) = (IV)+(VI)	Shareh olding as a % of total no. of shares (VIII) As a % of (A+B+ C2))	No. of voting rights held in each class of securities (IX)				No. of share s under lying outst andin g conve rtible securi ties (inclu ding warr ants) (X)	Shareholdin g as a % assuming full conversion of convertible securities (as a percentage 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 encumbere d* (XIII)		No. of equity shares held in demateria lized form (XIV)
									Number of voting rights			Total as a % of (A+B+ C)			No . (a)	As a % of total share s held (b)	No . (a)	As a % of total share s held (b)	
									Class eg. X	C la ss e g- Y									
	(specif y)																		
1	Priyanka Finance Private Limited	-	1	1,000	0	0	1,000	0.01	1,000	0	1,000	0.01	0	0	0	0	0	0	1,000
2	V J Finsecu rities Private Limited	-	1	6,06,840	0	0	6,06,840	3.49	6,06,840	0	6,06,840	3.49	0	0	0	0	0	0	6,06,840
3	A K Equitie s Private Limited	-	1	12,38,404	0	0	12,38,404	7.13	12,38,404	0	12,38,404	7.13	0	0	0	0	0	0	12,38,404
4	Fine Estates Private Limited	-	1	70,42,383	0	0	70,42,383	40.54	70,42,383	0	70,42,383	40.54	0	0	0	0	0	0	70,42,383
	Sub total (A)(1)	-	5	98,33,062	0	0	98,33,062	56.61	98,33,062	0	98,33,062	56.61	0	0	0	0	0	0	98,33,062
2	Foreig n																		
(a)	Individ uals (Non-	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Ca teg roy	Catego ry & name of shareh older (I)	P A N (I)	No. of shar ehol ders (III)	No. of fully paid up equity shares held (IV)	No. of partl y paid up equit y share s held (V)	No. of shar es und erlyi ng dep osito ry rece ipts (VI)	Total no. of shares held (VII) = (IV)+(V)	Shareh olding as a % of total no. of shares (VIII) As a % of (A+B+C2))	No. of voting rights held in each class of securities (IX)				No. of share s under lying outst andin g conve rtible securi ties (inclu ding warr ants) (X)	Shareholdin g as a % assuming full conversion of convertible securities (as a percentage 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)		No. of equity shares held in demateria lized form (XIV)
									Number of voting rights			Total as a % of (A+B+C)			No. . (a)	As a % of total share s held (b)	No. . (a)	As a % of total share s held (b)	
									Class eg. X	C la ss e g. Y									
	resident Individ uals/ Foreign Individ uals)																		
(b)	Govern ment	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(c)	Instituti ons	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(d)	Foreign Portfoli o Investo r	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(e)	Any other (specif y)	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Sub total (A)(2)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Total shareho lding of Promot er and Promot er	-	5	98,33,062	0	0	98,33,062	56.61	98,33,062	0	98,33,062	56.61	0	0	0	0	0	0	98,33,062

[illegible]

(*) *The term encumbrance has the same meaning as assigned to it in regulation 28(3) of the Takeover Regulations.*

Table III- Statement showing shareholding pattern of the public shareholders as on December 31, 2015 is as follows:

Ca teg ory	Category & name of shareholder (I)	PA N (II)	No. of share holders (III)	No. of fully paid up equity shares held (IV)	No. of part ly paid up equi ty shar es held (V)	No. of shar es und erlyi ng dep ository receipts (VI)	Total no. of shares held (VII) = (IV)+(V) (V)+(VI)	Shareh olding as a % of total no. of shares (VIII) As a % of (A+B+C2))	No. of voting rights held in each class of securities (IX)				No. of shares underl ying outsta nding conver tible securit ies (includ ing war rants) (X)	Shareh olding as a % assumi ng full conver sion of conver tible securit ies (as a per centage 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)		No. of equity shares held in dematerial ized form (XIV)
									Number of voting rights			Total as a % of (A+B+C)			No. (a)	As a % of total share s held (b)	No. (a)	As a % of total shares held (b)	
									Class eg. X	C la ss e g. Y									
1	Institutions																		
(a)	Mutual Funds	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(b)	Venture Capital funds	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(c)	Alternate Investment Funds	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(d)	Foreign Venture Capital Funds	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(e)	Foreign Portfolio Investors		1	5,10,000	0	0	5,10,000	2.94	5,10,000	0	5,10,000	2.94	0	0	0	0	0	0	5,10,000

Ca teg ory	Category & name of shareholder (I)	PA N (II)	No. of share holders (III)	No. of fully paid up equity shares held (IV)	No. of partly paid up equity shares held (V)	No. of shares underly ing deposi tory recei pts (VI)	Total no. of shares held (VII) = (IV)+(V)	Shareh olding as a % of total no. of shares (VIII) As a % of (A+B+C2))	No. of voting rights held in each class of securities (IX)				No. of shares under lying outsta nding conver tible securit ies (includ ing warra nts) (X)	Shareh olding as a % assumi ng full conver sion of conver tible securit ies (as a per centage 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)		No. of equity shares held in dematerial ized form (XIV)
									Number of voting rights			Total as a % of (A+B+C)			No. (a)	As a % of total share s held (b)	No. (a)	As a % of total shares held (b)	
									Class eg. X	C la ss e g. Y	Total								
	Hypnos Funds Limited	-	0	5,10,000	0	0	5,10,000	2.94	5,10,000	0	5,10,000	2.94	0	0	0	0	0	5,10,000	
(f)	Financial Institution s/ Banks	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
(g)	Insurance companies	-	2	6,24,065	0	0	6,24,065	3.59	6,24,065	0	6,24,065	3.59	0	0	0	0	0	6,24,065	
	United India Insurance Company Limited	-	1	2,86,692	0	0	2,86,692	1.65	2,86,692	0	2,86,692	1.65	0	0	0	0	0	2,86,692	
	General Insurance Corporation of India	-	1	3,37,373	0	0	3,37,373	1.94	3,37,373	0	3,37,373	1.94	0	0	0	0	0	3,37,373	
(h)	Provident funds/ Pension funds	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
(i)	Any other (specify)	-	1	6,30,000	0	0	6,30,000	3.63	6,30,000	0	6,30,000	3.63	0	0	0	0	0	6,30,000	

Category	Category & name of shareholder (I)	PAN (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 deposit receipts (VI)	Total no. of shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (VIII) As a % of (A+B+C2))	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 percentage 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)		No. of equity shares held in dematerialized form (XIV)
									Number of voting rights			Total as a % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
									Class eg. X	Class Y	Total								
	Foreign Institutional Investor	-	1	6,30,000	0	0	6,30,000	3.63	6,30,000	0	6,30,000	3.63	0	0	0	0	0	0	6,30,000
	Orange Mauritius Investment Limited (FIL)	-	0	6,30,000	0	0	6,30,000	3.63	6,30,000	0	6,30,000	3.63	0	0	0	0	0	0	6,30,000
	Sub total (B) (1)		4	17,64,065	0	0	17,64,065	10.16	17,64,065	0	17,64,065	10.16	0	0	0	0	0	0	17,64,065
2	Central government/ State government/ President of India	-																	
	Sub total (B) (2)	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N.A.	0
3	Non-Institutions	-																	

Ca teg ory	Category & name of shareholder (I)	PA N (II)	No. of share holders (III)	No. of fully paid up equity shares held (IV)	No. of partly paid up equity shares held (V)	No. of shares underly ing deposi tory recei pts (VI)	Total no. of shares held (VII) = (IV)+(V) (V)+(VI)	Sharehold ing as a % of total no. of shares (VIII) As a % of (A+B+C2))	No. of voting rights held in each class of securities (IX)				No. of shares underly ing outstand ing converti ble securiti es (includ ing warra nts) (X)	Sharehold ing as a % assumi ng full conver sion of converti ble securiti es (as a percen tage 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)		No. of equity shares held in dematerial ized form (XIV)	
									Number of voting rights			Total as a % of (A+B+C)			No. (a)	As a % of total share s held (b)	No. (a)	As a % of total shares held (b)		
									Class eg. X	C la ss e g. Y										
(a)	Individuals	-																		
	i.Individual shareholder s holding nominal share capital upto ₹ 2 lakhs	-	3,646	12,94,930	0	0	12,94,930	7.45	12,94,930	0	12,94,930	7.45	0	0	0	0	3,492	0.05	12,01,261	
	ii. Individual shareholder s holding nominal share capital in excess of ₹ 2 lakhs	-	10	8,10,129	0	0	8,10,129	4.66	8,10,129	0	8,10,129	4.66	0	0	0	0		0	8,10,129	
	Pulkit N Sekhsaria	-	0	2,25,000	0	0	2,25,000	1.30	2,25,000	0	2,25,000	1.30	0	0	0	0		0	2,25,000	
(b)	NBFCs registered with RBI	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0	

Ca teg ory	Category & name of shareholder (I)	PA N (II)	No. of share holders (III)	No. of fully paid up equity shares held (IV)	No. of part ly paid up equi ty shar es held (V)	No. of shar es und erlyi ng dep ository receipts (VI)	Total no. of shares held (VII) = (IV)+(V)+(VI)	Shareh olding as a % of total no. of shares (VIII) As a % of (A+B+C2))	No. of voting rights held in each class of securities (IX)				No. of shares under lying out standing conver tible securi ties (includ ing warra nts) (X)	Shareh olding as a % assumi ng full conver sion of conver tible securi ties (as a percen tage 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)		No. of equity shares held in dematerial ized form (XIV)
									Number of voting rights			Total as a % of (A+B+C)			No. (a)	As a % of total share s held (b)	No. (a)	As a % of total shares held (b)	
									Class eg. X	C la ss e g. Y									
(c)	Employee trusts	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
(d)	Overseas depositories (holding DRs) (balancing figure)	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
(e)	Any other (specify)	-	317	36,67,814	0	0	36,67,814	21.11	36,67,814	0	36,67,814	21.11	0	0	0	0	0	36,67,564	
	Miraj Marketing Company LLP	-	1	2,95,744	0	0	2,95,744	1.70	2,95,744	0	2,95,744	1.70	0	0	0	0	0	2,95,744	
	Bodies Corporate	-	85	7,21,843	0	0	7,21,843	4.15	7,21,843	0	7,21,843	4.15	0	0	0	0	0	7,21,593	
	Clearing Members		26	13,684	0	0	13,684	0.08	13,684	0	13,684	0.08	0	0	0	0	0	13,684	
	Non Resident Indians (Repat)	-	34	2,17,112	0	0	2,17,112	1.25	2,17,112	0	2,17,112	1.25	0	0	0	0	0	2,17,112	

Category	Category & name of shareholder (I)	PAN (II)	No. of share holders (III)	No. of fully paid up equity shares held (IV)	No. of partly paid up equity shares held (V)	No. of shares underlying deposit receipts (VI)	Total no. of shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (VIII) As a % of (A+B+C2))	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 percentage 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)		No. of equity shares held in dematerialized form (XIV)
									Number of voting rights			Total as a % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
									Class eg. X	C la s s e g. Y	Total								
	Pishu V Chainani	-	0	25,00,000	0	0	25,00,000	14.39	25,00,000	0	25,00,000	14.39	0	0	0	0	0	0	25,00,000
	Non Resident Indians (Non-Repat)	-	12	25,32,496	0	0	25,32,496	14.58	25,32,496	0	25,32,496	14.58	0	0	0	0	0	0	25,32,496
	HUF	-	160	1,82,679	0	0	1,82,679	1.05	1,82,679	0	1,82,679	1.05	0	0	0	0	0	0	1,82,679
	Sub total (B)(3)	-	3,973	57,72,873	0	0	57,72,873	33.23	57,72,873	0	57,72,873	33.23	0	0	0	0	3,492	0.05	56,78,954
	Total public shareholding (B)= (B)(1)+(B)(2)+(B)(3)	-	3,977	75,36,938	0	0	75,36,938	43.39	75,36,938	0	75,36,938	43.39	0	0	0	0	3,492	0.05	74,43,019

Table IV- Statement showing shareholding pattern of the Non-promoter – Non- public shareholder as on December 31, 2015

Category	Category & name of shareholder (I)	PAN (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 depositary receipts (VI)	Total no. of shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (VIII) As a % of (A+B+C2))	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 percentage 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)		No. of equity shares held in dematerialized form (XIV)
									Number of voting rights			Total as a % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
									Classes eg. X	Classes eg. Y	total								
1	Custodian/DR holder	-																	
(a)	Name of the DR holder (if applicable)	-		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2	Employee benefit trust under SEBI (Share based employee benefit Regulation, 2014	-		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Total non-promoter – non public shareholding (C)=(C)(1)+(C)(2)	-		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Statement showing Public shareholders holding more than 1% of the paid-up capital of our Company as on December 31, 2015

Si. No.	Name of the shareholder	No. of shares held	Shares as % of Total no. of shares	Details of warrants		Details of convertible securities		Total shares (including underlying shares assuming conversion of warrants and convertible securities) as a % of diluted share capital
				Number of warrants held	As a % of total number of warrants of the same class	Number of convertible securities held	% w.r.t. total number of convertible securities of the same class	
1.	Hypnos Fund Limited	5,10,000	2.94	0	0	0	0	5,10,000
2.	United India Insurance Company Limited	2,86,692	1.65	0	0	0	0	2,86,692
3.	General Insurance Corporation of India	3,37,373	1.94	0	0	0	0	3,37,373
4.	Orange Mauritius Investments Limited	6,30,000	3.63	0	0	0	0	6,30,000
5.	Pulkit N Sekhsaria	2,25,000	1.30	0	0	0	0	2,25,000
6.	Miraj Marketing Company LLP	2,95,744	1.70	0	0	0	0	2,95,744
7.	Pishu V. Chainani	25,00,000	14.39	0	0	0	0	25,00,000

3. None of the Equity Shares of our Company are locked in as of the date of the Draft Letter of Offer. Further, none of the Equity Shares held by the Promoter and Promoter Group are pledged or locked-in or otherwise encumbered.

4. Intention and extent of participation by our Promoters and Promoter Group in the Issue:

Our Promoters have, by way of their letters dated March 14, 2016, undertaken to subscribe, either through themselves or through other members of the Promoter and/or Promoter Group to subscribe to their Rights Entitlement in full in the Issue, in compliance with regulation 10(4) of Takeover Regulations.

Our Promoters have also confirmed that they intend to either through themselves or through other members of the Promoter and/or Promoter Group (i) subscribe to additional Equity Shares, and (ii) subscribe for unsubscribed

portion in the Issue, if any such that at least minimum subscription of 90% of the Issue is achieved. Further, they reserve the right to additionally subscribe for any unsubscribed portion over and above minimum subscription in order to achieve full subscription in the Issue. Such subscription to additional Equity Shares and the unsubscribed portion, if any, shall be in accordance with regulation 10(4) of Takeover Regulations subject to their shareholding not exceeding 75% of the issued, outstanding and fully paid up Equity Share capital in accordance with the provisions of the SEBI Listing Regulations.

Such subscription for Equity Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding. Any such acquisition of additional Equity Shares of the Company shall not result in a change of control of the management of the Company in accordance with provisions of the Takeover Regulations and shall be exempt in terms of Regulation 10 (4) (a) and (b) of the Takeover Regulations. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue.

5. Except as mentioned below, none of our Promoters and Promoter Group have acquired any Equity Shares in the last one year immediately preceding the date of the Draft Letter of Offer:

Promoters and Promoter Group	Date of transaction	Total no. of Equity Shares	Consideration (in ₹)	Nature of consideration
Fine Estates Private Limited	July 8, 2015	3,855	1,65,864.46	Cash
	July 9, 2015	331	14,241.54	Cash
	July 10, 2015	697	30,025.56	Cash
	July 15, 2015	850	38,319.27	Cash
		90	4,057.33	Cash
	July 17, 2015	410	18,483.09	Cash
		233	10,503.63	Cash
	November 19, 2015	32	1,346.11	Cash
	November 20, 2015	25	1,089.39	Cash
		90	3,922.24	Cash
	November 23, 2015	551	24,840.49	Cash
	November 24, 2015	100	4,508.69	Cash
		51	2,298.9	Cash
	November 27, 2015	1,719	77,495.49	Cash
		2,677	1,20,659.56	Cash
	November 30, 2015	50	2,253.85	Cash
		399	17,987.84	Cash
	December 1, 2015	696	32,074.46	Cash
	December 2, 2015	107	4,984.58	Cash
	December 4, 2015	410	18,894.59	Cash
	December 7, 2015	200	9,316.63	Cash
		1,000	49,284.67	Cash
	February 11, 2016	1,04,729	52,35,187.15	Cash
Priyanka Finance Private Limited	December 7, 2015	1,000	49,282.05	Cash

6. Our Company does not have any employee stock option scheme.
7. The ex-rights price of the Equity Shares as per Regulation 10(4) (b) of the Takeover Regulations is ₹ [●] per Equity Share
8. The present Issue being a rights issue, as per Regulation 34(c) of the SEBI ICDR Regulations, the requirements of Promoters' contribution are not applicable.
9. All the Equity Shares of our Company are fully paid-up and there are no partly paid-up Equity Shares on the date of the Draft Letter of Offer. Further, the Equity Shares when issued shall be fully paid-up.

OBJECTS OF THE ISSUE

The objects of the Issue are:

1. Investment in Kara Ventures;
2. Onward lending purposes; and
3. General corporate purposes.

The main objects and objects incidental and ancillary to the main objects set out in the MOA enable our Company to undertake its existing activities and the activities for which funds are being raised by us through the Issue.

Requirement of Funds

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

(₹ in lacs)	
Particulars	Amount
Gross Proceeds from the Issue	4,500.00
(Less) Issue related expenses	[•]*
Net Proceeds of the Issue	[•]*

**To be determined on finalization of the Issue Price and updated in the Letter of Offer at the time of filing with the Stock Exchanges.*

Means of Finance

Our Company proposes to meet the entire requirement of funds for the proposed objects of the Issue 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 amount to be raised from the Issue.

Utilization of Net Proceeds

Our Company intends to utilize the Net Proceeds for the following objects:

(₹ in lacs)		
Sr. No.	Particulars	Estimated Amount to be Utilised
1.	Investment in Kara Ventures	1,490.28
2.	Onward lending purposes	1,900.00
3.	General corporate purposes	[•]
TOTAL		[•]

Schedule of Deployment

Our Company proposes to deploy the Net Proceeds in the aforesaid objects until Fiscal 2017. However, if the Net Proceeds are not completely utilised for the objects stated above by the Fiscal 2017 due to factors such as (i) economic and business conditions; (ii) financial and market conditions; (iii) interest rate fluctuations and (iv) other external factors the same would be utilised (in part or full) in subsequent period as may be determined by our Company in accordance with applicable law.

The funds deployment described herein is based on management estimates and current circumstances of our business. It has not been appraised by any bank, financial institution or any other external agency. We may have to revise our funding requirements and deployment on account of variety of factors such as our financial condition, business and strategy, including external factors which may not be within the control of our management. This may entail

rescheduling and revising the planned funding requirements and deployment and increasing or decreasing the funding requirements from the planned funding requirements at the discretion of our management.

In case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of other purposes for which funds are being raised in this Issue.

Details of the Objects of the Issue

1. Investment in Kara Ventures

Kara Ventures is an Associate of our Company since January 3, 2013. Kara Ventures is engaged in the business of real estate development and is presently undertaking a project of developing a residential building at Nungambakkam, Chennai.

Ownership Structure of Kara Ventures

As on date of the Draft Letter of Offer, the ownership structure of Kara Ventures is as under:

Sr. No.	Name of partner	Profit/loss Sharing Ratio (%)
1.	Kalpataru Limited	50.00
2.	Crest Ventures Limited	50.00
TOTAL		100.00

Details of Land acquired by Kara Ventures at Chennai

Kara Ventures has purchased a land admeasuring 4,475.84 square meters i.e. approximately 48,178 square feet comprised in R. S. No. 58/4 and 58/78 situated at Door No. 113, Nungambakkam High Road, Chennai 600 034 (“**Chennai Property**”) for developing a residential project. The total cost of acquisition of the Chennai Property is ₹ 11,880.00 lacs which include purchase price, stamp duty and registration charges of ₹ 11,000 lacs, ₹ 770.00 lacs and ₹ 110.00 lacs respectively.

Kara Ventures met the costs of acquisition of the Chennai Property by a combination of secured loan from M/s J.M. Financial Products Limited for an amount of ₹ 7,899.44 lacs, and unsecured loan ₹ 3,480.56 lacs by Kalpataru Limited, and ₹ 500.00 lacs by the Company (“**Contribution**”) with an understanding that the Company will contribute the deficit in its debt contribution in future.

In light of the above, the Company has entered into a Memorandum of Understanding dated November 2, 2015, pursuant to which Company has agreed that it shall bring in the Contribution of ₹ 1,490.28 lacs into Kara Ventures (which in turn may pay this amount to Kalpataru Limited) within a period of 12 months from the date of execution of the Memorandum of Understanding.

The mode for this investment in Kara Ventures has not been finalized as on the date of the Draft Letter of Offer.

2. Onward lending purposes

Our Company intends to utilize an amount of ₹ 1,900 lacs for onward lending purposes. As our Company is engaged in the business of non-banking financial business, we propose to use a part of the Net Proceeds of the Issue for providing loans.

3. General corporate purposes

In terms of Regulation 4(4) of the SEBI ICDR Regulations, the extent of the Issue Proceeds proposed to be used for general corporate purposes is not exceeding 25% of the Gross Proceeds of the Issue.

Our Board will have flexibility in applying the balance amount towards general corporate purposes, including meeting our working capital requirements, capital expenditure, funding our growth opportunities, including strategic initiatives, meeting expenses incurred in the ordinary course of business including salaries and wages, administration expenses, insurance related expenses, meeting of exigencies which our Company may face in course of business and any other purpose as may be approved by the Board or a duly appointed committee from time to time, subject to compliance with the necessary provisions of the Companies Act.

Our management will have flexibility in utilizing any amounts for general corporate purposes under the overall guidance and policies of our Board. The quantum of utilization of funds towards any of the purposes will be determined by the Board, based on the amount actually available under this head and the business requirements of our Company, from time to time.

Issue related expenses

The Issue related expenses include, among others, fees to various advisors, printing and distribution expenses, advertisement expenses and registrar and depository fees. The estimated Issue related expenses are as follows:

Particulars	Amount*	As a percentage of total expenses*	As a percentage of Issue size*
Fees of the Lead Manager, Bankers to the Issue, Registrar to the Issue, Legal Advisor, Auditor's fees, including out of pocket expenses etc.	[●]	[●]	[●]
Expenses relating to advertising, printing, distribution, marketing and stationery expenses	[●]	[●]	[●]
Regulatory fees, filing fees, listing fees and other miscellaneous expenses	[●]	[●]	[●]
Total estimated Issue expenses	[●]	[●]	[●]

**Amount will be finalised at the time of filing of the Letter of Offer and determination of Issue Price and other details.*

Interim use of funds

Our Company, in accordance with the policies established by our Board from time to time, will have the flexibility to deploy the Net Proceeds. Pending utilization for the purposes described above, our Company intends to temporarily deposit the funds in the scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934 as may be approved by our Board of Directors. Our Company confirms that pending utilization of the Net Proceeds for the Objects of the Issue, our Company shall not use the Net Proceeds for any investment in the equity markets. .

Bridge Financing Facilities

Our Company has currently not raised any bridge loan towards any of the stated objects of the Issue as on the date of the Draft Letter of Offer, which are proposed to be repaid from the Net Proceeds. However, depending on business requirements, our Company might consider raising bridge financing facilities, pending receipt of the Net Proceeds.

Appraising Entity

None of the objects of the Issue for which the Net Proceeds will be utilised have been appraised.

Monitoring of utilization of funds

Since the proceeds from the Issue are less than ₹ 50,000 lacs, in terms of Regulation 16(1) of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. As required under the SEBI Listing Regulations, the Audit Committee appointed by the Board shall monitor the utilization of the proceeds of the Issue. We will disclose the details of the utilization of the Net Proceeds of the Issue, including interim

use, under a separate head in our financial statements specifying the purpose for which such proceeds have been utilized or otherwise disclosed as per the disclosure requirements.

As per the requirements of Regulations 18 of the SEBI Listing Regulations, we will disclose to the audit committee the uses/ applications of funds on a quarterly basis as part of our quarterly declaration of results. Further, on an annual basis, we shall prepare a statement of funds utilized for purposes other than those stated in the Draft Letter of Offer and place it before the Audit Committee. The said disclosure shall be made till such time that the Gross Proceeds raised through the Issue have been fully spent. The statement shall be certified by our Auditor.

Further, in terms of Regulation 32 of the SEBI Listing Regulations, we will furnish to the Stock Exchanges on a quarterly basis, a statement indicating material deviations, if any, in the use of proceeds from the objects stated in the Draft Letter of Offer. Further, this information shall be furnished to the Stock Exchanges along with the interim or annual financial results submitted under Regulations 33 of the SEBI Listing Regulations and be published in the newspapers simultaneously with the interim or annual financial results, after placing it before the audit committee in terms of Regulation 18 of the SEBI Listing Regulations

Other Confirmations

No part of the Net Proceeds will be paid by our Company as consideration to our Promoters, Directors, Key Managerial Personnel and the members of our Promoter Group or Group Entities, except as stated above and in the ordinary course of business.

SECTION IV – STATEMENT OF TAX BENEFITS

To
The Board of Directors
Crest Ventures Limited
4th Floor, Kalpataru Heritage,
127, M. G. Road, Fort,
Mumbai – 400001

Dear Sirs,

Sub: Proposed rights issue of equity shares of Crest Ventures Limited (“Company”) (the “Issue”)

We, M/s Chaturvedi & Shah , hereby reports the possible tax benefits available to the Company, under the Income Tax Act, 1961, as amended (the “IT Act”), and to the shareholders of the Company under the IT Act and Wealth Tax Act, 1957, presently in force in India, in the enclosed statement at Annexure A to this letter.

Several of these tax benefits/consequences are dependent on the Company fulfilling the conditions prescribed under the relevant tax laws. Hence the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions.

This certificate has been issued at the request of the Company for use in connection with the Issue.

Yours sincerely,

For Chaturvedi & Shah
Chartered Accountants
Firm Registration No 101720W
Sd/-

Jignesh Mehta
Partner
Membership No.: 102749
March 14, 2016

Annexure A

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO OUR SHAREHOLDERS UNDER THE INCOME-TAX ACT, 1961, ("IT ACT") PRESENTLY IN FORCE IN INDIA

The information provided below sets out the possible tax benefits available to the shareholders of an Indian company in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of equity shares, under the current tax laws presently in force in India. Several of these benefits are dependent on the shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which, based on business imperatives a shareholder faces may or may not choose to fulfill.

The following overview is only intended to provide general information to the investors and is not exhaustive or comprehensive and is neither designed nor intended to be a substitute for professional advice. In view of the individual nature of tax consequences and the changing tax laws, each investor is advised to consult his or her or their own tax consultant with respect to the specific tax implications arising out of their participation in the issue, particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

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

The law stated below is as per the Income-tax Act, 1961 as amended by the Finance - Act, 2015 and on the assumption that the Equity Shares would not be held by the shareholders as stock-in-trade.

A. BENEFITS / CONSEQUENCES UNDER THE IT ACT

I. Resident Shareholders

1. Dividends (whether interim or final) referred to in Section 115-O of the IT Act, declared, distributed or paid by our Company are exempt in the hands of shareholders as per the provisions of Section 10(34) of the Act.

In the context of dividend payable by our Company to its shareholders, by virtue of section 115-O, erstwhile our Company was liable to pay Dividend Distribution Tax ("DDT") at the rate of 15% (plus applicable surcharge and cess) on the total income declared, distributed, or paid as dividend.

Tax on dividends to be distributed by domestic companies is to be computed on the grossed up amount of dividend by the rate of tax on such dividend, instead of the net amount paid. Thus, where the amount of dividend distributed or paid by a company is Rs 85, then DDT under the amended provision would be calculated as follows:

Dividend amount distributed = Rs 85
Increase by Rs 15 [i.e. $(85 \times 0.15) / (1 - 0.15)$]
Increased amount = Rs 100
DDT @ 15% of Rs 100 = Rs 15
Tax payable u/s 115-O is Rs 15
Dividend distributed to shareholders = Rs 85

So DDT payable will be Rs 15 before surcharge and education cess and higher education cess.

In calculating the amount of dividend on which DDT is payable, dividend shall be reduced by dividend received from its subsidiary, subject to fulfillment of certain conditions.

As per section 94(7) of the Act, losses arising from sale/transfer of shares, where such shares are purchased within three months prior to the record date and sold within three months from the record date, will be disallowed to the extent such loss does not exceed the amount of dividend claimed as exempt.

2. Section 48 of the IT Act, which prescribes the mode of computation of capital gains, provides for deduction of cost of acquisition/improvement and expenses incurred wholly and exclusively in connection with the transfer of a capital asset, from the sale consideration to arrive at the amount of capital gains. However, in respect of Long Term Capital Gains, (“LTCG”)¹ from transfer of shares of an Indian company, the second proviso to Section 48 of the IT Act, permits substitution of cost of acquisition/improvement with the indexed cost of acquisition/improvement, which adjusts the cost of acquisition/improvement by a cost inflation index, as prescribed from time to time.
3. Under Section 10(38) of the IT Act, LTCG arising to a shareholder on transfer of equity shares would be exempt from tax where the sale transaction has been entered into on a recognised stock exchange of India and is chargeable to Securities Transaction Tax (“STT”).
4. Under Section 112 of the IT Act and other relevant provisions of the IT Act, LTCG, [other than those exempt under Section 10(38) of the IT Act] arising on transfer of our shares would be subject to tax at the rate of 20% (plus applicable surcharge and education cess) after indexation. The amount of such tax shall, however, be limited to 10% (plus applicable surcharge and education cess) without indexation, at the option of the shareholder in case the shares are listed.
5. As per Section 111A of the IT Act, Short Term Capital Gains (“STCG”)² arising on transfer of our equity share would be taxable at a rate of 15% (plus applicable surcharge and education cess) where such transaction of sale is entered on a recognised stock exchange in India and is liable to STT. STCG arising from transfer of our shares, other than those covered by Section 111A of the IT Act, would be subject to tax as calculated under the normal provisions of the IT Act.
6. As per Section 74 of the IT Act, Short Term Capital Loss computed for the given year is allowed to be set off against Short Term as well as Long Term Gains computed for the said year. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years for being set off against subsequent years’ Short Term as well as Long Term Gains. However, the long term capital loss [other than the above long term capital assets whose gains are exempt under Section 10(38) of the IT Act] computed for a given year is allowed to be set off only against the LTCG. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years for being set off against subsequent years’ LTCG.
7. As per fifth proviso to Section 48 of the IT Act, no deduction of amount paid on account of STT will be allowed in computing the income chargeable to tax as capital gains.
8. No withholding tax is applicable on income arising by way of capital gains to a resident shareholder on transfer of shares of an Indian company.

II. Non-resident shareholders other than Foreign Institutional Investor (“FII”)s and Foreign Venture Capital Investors (“FVCI”)

1. Dividends (whether interim or final) referred to in Section 115-O of the IT Act, declared, distributed or paid by our Company are exempt in the hands of shareholders as per the provisions of Section 10(34) of the Act.

In the context of the dividend payable by our Company to its shareholders, by virtue of section 115-O, erstwhile

¹ Long term capital gains are gains from shares held (a) for a period exceeding twelve months in the case of listed shares; and (b) for a period exceeding thirty six months in the case of unlisted shares.

² Short term capital gains are gains from shares held (a) for a period not exceeding twelve months in the case of listed shares; and (b) for a period not exceeding thirty six months in the case of unlisted shares.

our Company was liable to pay DDT at the rate of 15% (plus applicable surcharge and cess) on the total income declared, distributed, or paid as dividend.

Tax on dividends to be distributed by domestic companies is to be computed on the grossed up amount of dividend by the rate of tax on such dividend, instead of the net amount paid. Thus, where the amount of dividend distributed or paid by a company is Rs 85, then DDT under the amended provision would be calculated as follows:

Dividend amount distributed = Rs 85

Increase by Rs 15 [i.e. $(85 \times 0.15) / (1 - 0.15)$]

Increased amount = Rs 100

DDT @ 15% of Rs 100 = Rs 15

Tax payable u/s 115-O is Rs 15

Dividend distributed to shareholders = Rs 85

So DDT payable will be Rs 15 before surcharge and education cess and higher education cess.

In calculating the amount of dividend on which DDT is payable, dividend shall be reduced by dividend received from its subsidiary, subject to fulfillment of certain conditions.

As per section 94(7) of the Act, losses arising from sale/transfer of shares, where such shares are purchased within three months prior to the record date and sold within three months from the record date, will be disallowed to the extent such loss does not exceed the amount of dividend claimed as exempt.

2. Under the First Proviso to Section 48 of the IT Act, in case of a non resident shareholder, in computing the capital gains arising from transfer of shares of the company acquired in convertible foreign exchange (as per exchange control regulations) (in cases not covered by Section 115E of the IT Act, discussed hereunder), protection is provided from fluctuations in the value of rupee in terms of foreign currency in which the original investment was made. Cost indexation benefits will not be available in such a case. The capital gains/loss in such a case is computed by converting the cost of acquisition, sales consideration and expenditure incurred wholly and exclusively in connection with such transfer into the same foreign currency which was utilised in the purchase of the shares.
3. Under Section 10(38) of the IT Act, LTCG arising to a shareholder, being a non-resident, on sale of equity shares would be exempt from tax where the sale transaction has been entered into on a recognised stock exchange of India and is chargeable to STT.
4. Having regard to the provisions of Section 112 of the IT Act, other relevant provisions of the IT Act and recent judicial precedents, LTCG, [other than those exempt under Section 10(38) of the IT Act] arising on off-market transfer of our listed shares, at the option of the shareholder, should be subject to tax at a rate of 10% (plus applicable surcharge and education cess), without indexation.
5. Under Section 111A of the IT Act and other relevant provisions of the IT Act, STCG arising on transfer of equity share would be taxable at a rate of 15% (plus applicable surcharge and education cess) where such transaction of sale is entered on a recognised stock exchange in India and is chargeable to STT. STCG arising from transfer of our shares, other than those covered by Section 111A of the IT Act, would be subject to tax as calculated under the normal provisions of the IT Act.
6. As per Section 74 of the IT Act, Short Term Capital Loss computed for the given year is allowed to be set off against Short Term as well as Long Term Gains computed for the said year. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years for being set off against subsequent years' Short Term as well as Long Term Gains. However, the Long Term capital Loss [other than the above long term capital assets whose gains are exempt under Section 10(38) of the IT Act] computed for a given year is allowed to be set off only against the LTCG. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years for being set off against subsequent years' LTCG.

7. Where our shares have been subscribed in convertible foreign exchange, Non Resident Indians, i.e. an individual being a citizen of India or person of Indian origin who is not a resident, (“**NRI**”) have the option of being governed by the provisions of Chapter XII-A of the IT Act, which *inter alia* entitles them to the following benefits:
 - (i) Under section 115E of the IT Act, where the total income of a NRI includes any income from investments³ or income from capital gain of an asset other than a specified asset, such income shall be taxable at 20% (plus applicable surcharge and education cess). Also, where share of the company are subscribed to in convertible foreign exchange by a NRI, the LTCG arising to the NRI shall be taxable at the rate of 10% (plus applicable surcharge and education cess). However, the benefit of indexation of cost and deduction under Chapter VI-A, would not be available in respect of such income.
 - (ii) Under Section 115F of the IT Act, LTCG [in cases not covered under Section 10(38) of the IT Act] arising to an NRI from the transfer of our shares subscribed to in convertible foreign exchange shall be exempt from Income tax, if the net consideration is reinvested in specified assets or in any savings certificates referred to in Section 10(4B), within six months of the date of transfer. If only part of the net consideration is so reinvested, the exemption shall be proportionately reduced. The amount so exempted shall be chargeable to tax subsequently, if the specified assets are transferred or converted into money within three years from the date of their acquisition.
 - (iii) Under Section 115G of the IT Act, it shall not be necessary for an NRI to furnish his return of income under Section 139(1) of the IT Act, if his income chargeable under the Act consists of only investment income or LTCG or both, arising out of specified assets (inter-alia including shares in an Indian Company) acquired, purchased or subscribed in convertible foreign exchange and tax deductible at source has been deducted there from as per the provisions of Chapter XVII-B of the IT Act.
 - (iv) In accordance with the provisions of Section 115H of the IT Act, where an NRI become assessable as a resident in India, he may furnish a declaration in writing to the assessing officer along with his return of income for that year under Section 139 of the IT Act to the effect that the provisions of Chapter XII-A of the IT Act shall continue to apply to him in relation to such investment income derived from the specified assets (which do not include shares in an Indian company) for that year and subsequent assessment years until such assets are converted into money.
 - (v) As per provisions of Section 115-I of the IT Act, an NRI may elect not to be governed by provisions of Chapter XII-A, and compute his total income as per other provisions of the IT Act.
8. As per fifth proviso to Section 48 of the IT Act, no deduction of amount paid on account of STT will be allowed in computing the income chargeable to tax as capital gains.
9. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the DTAA between India and the country of residence of the non-resident/NRI. As per Section 90(2) of the IT Act, provisions of the applicable DTAA would prevail over the provisions of the IT Act to the extent they are more beneficial to the non-resident/NRI. However, the non-resident investor will have to qualify as a tax resident under the applicable DTAA and would need to furnish a Tax Residency Certificate (“TRC”) of his being a resident in a country outside India, to get the benefit of the applicable DTAA and such other document as may be prescribed as per the provisions of Section 90(4) of the IT Act.
10. As per the provisions of Section 195 of the IT Act, any income by way of capital gains payable to non residents [other than LTCG exempt u/s 10(38)] may be subject to withholding of tax at the rate under the domestic tax laws or under the tax laws or under the DTAA, whichever is beneficial to the assessee unless a lower withholding tax certificate is obtained from the tax authorities.

³Investment income for section 115E means any income derived (other than dividends referred to in section 115-O) from specified asset (which *inter-alia* includes shares in an Indian company), as acquired or purchased with, or subscribed to in, convertible foreign exchange.

III. Foreign Institutional Investors (FIIs)

1. Dividends (whether interim or final) referred to in Section 115-O of the IT Act, declared, distributed or paid by our Company are exempt in the hands of shareholders as per the provisions of Section 10(34) of the Act.

In the context of dividend payable by our Company to its shareholders, by virtue of section 115-O, erstwhile our Company was liable to pay Dividend Distribution Tax (“DDT”) at the rate of 15% (plus applicable surcharge and cess) on the total income declared, distributed, or paid as dividend.

Tax on dividends to be distributed by domestic companies is to be computed on the grossed up amount of dividend by the rate of tax on such dividend, instead of the net amount paid. Thus, where the amount of dividend distributed or paid by a company is Rs 85, then DDT under the amended provision would be calculated as follows:

Dividend amount distributed = Rs 85
Increase by Rs 15 [i.e. $(85 \times 0.15) / (1 - 0.15)$]
Increased amount = Rs 100
DDT @ 15% of Rs 100 = Rs 15
Tax payable u/s 115-O is Rs 15
Dividend distributed to shareholders = Rs 85

So DDT payable will be Rs 15 before surcharge and education cess and higher education cess.

In calculating the amount of dividend on which DDT is payable, dividend shall be reduced by dividend received from its subsidiary, subject to fulfillment of certain conditions.

As per section 94(7) of the Act, losses arising from sale/transfer of shares, where such shares are purchased within three months prior to the record date and sold within three months from the record date, will be disallowed to the extent such loss does not exceed the amount of dividend claimed as exempt.

2. As per section 2(14) of the IT Act, any securities held by a FIIs which has invested in such securities in accordance with the regulations made under the Securities and Exchange Board of India Act, 1992, shall be treated as capital assets. Accordingly, any gains arising from transfer of such securities shall be chargeable to tax in the hands of FIIs as capital gains.
3. Under Section 10(38) of the IT Act, LTCG arising to a shareholder on transfer of equity shares would be exempt from tax where the sale transaction has been entered into on a recognised stock exchange of India and is liable to STT.
4. Under Section 115AD(1)(ii) of the IT Act, STCG arising to an FII on transfer of shares shall be chargeable at a rate of 15%, if such transaction of sale is entered on a recognised stock exchange in India and is chargeable to STT. Other STCG are chargeable to tax at the rate of 30%. The above rates are to be increased by applicable surcharge and education cess.
5. Under Section 115AD(1)(iii) of the IT Act, income by way of LTCG arising from the transfer of shares [in cases not covered under Section 10(38) of the IT Act] held in the company will be taxable at the rate of 10% (plus applicable surcharge and education cess). The benefits of indexation of cost and of foreign currency fluctuations are not available to FIIs.
6. As per fifth proviso to Section 48 of the IT Act, no deduction of amount paid on account of STT will be allowed in computing the income chargeable to tax as capital gains.
7. As per Section 90(2) of the IT Act, the provisions of the applicable DTAA (entered between India and the country of fiscal domicile of the non-resident), if any, would prevail over the provisions of the IT Act to the extent they are more beneficial to the non-resident. However, the non-resident investor will have to furnish a TRC of his being a resident in a country outside India, to get the benefit of the applicable DTAA and such other document as may be prescribed as per the provisions of Section 90(4) of the IT Act.

8. As per Section 196D of IT Act, no tax is to be deducted from any income, by way of Capital Gains arising to the FII from the transfer of securities referred to in section 115AD of the IT Act. Tax, if any, would be required to be discharged by the concerned FII prior to making the remittance of the proceeds out of India.
9. The CBDT has issued a Notification No. 9 dated 22 January 2014 which provides that FPI registered under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 shall be treated as FII for the purpose of Section 115AD of the IT Act.
10. The Finance Act, 2015 provided the relief from MAT to foreign companies on capital gains arises on transfer of securities. The income on the securities is excluded from chargeability of MAT if tax payable on such income is less than 18.5%. Further, expenditures, if any, debited to the profit loss account, corresponding to such income shall also be added back to the book profit for the purpose of computation of MAT.

IV. Venture Capital Fund (VCF) / Venture Capital Company ('VCC')

1. Under Section 10(23FB) of the IT Act, any income of VCF/ VCC registered with the Securities and Exchange Board of India ("SEBI") on or before 21 May 2012 or VCF/ VCC registered with the SEBI as a sub-category of Category-I Alternative Investment Fund, would be exempt from income-tax, subject to fulfillment of conditions specified therein. The exemption has now also been extended to VCF / VCC registered with SEBI as a sub-category of Category-II Alternative Investment Fund
2. As per the provisions of section 115U of the IT Act, any income accruing or arising to or received by a person out of investments made in a VCF / VCC [referred in section 10(23FB)] shall be chargeable to income-tax in the same manner as if it were the income accruing or arising to or received by such person had he made investments directly in the Venture Capital Undertaking.

V. Mutual Funds

Under Section 10(23D) of the IT Act, any income of mutual funds registered under SEBI or mutual funds set up by public sector banks or public financial institutions or authorised by the RBI and subject to the conditions specified therein, is exempt from tax subject to such conditions as the Central Government may by notification in the Official Gazette, specify in this behalf.

VI. Provident Fund and Pension Fund

Under section 10(25) of the IT Act, any income received by trustees on behalf of a recognised provident fund and a recognised superannuation fund is exempt from tax.

VII. Exemption under Sections 54EC of the IT Act

Under Section 54EC of the IT Act and subject to the conditions and to the extent specified therein, LTCG [other than those exempt under Section 10(38) of the IT Act] arising on the transfer of our shares would be exempt from tax if such capital gain is invested within six months after the date of such transfer, in the bonds (long term specified assets) issued by:

- (a) National Highway Authority of India constituted under Section 3 of The National Highway Authority of India Act, 1988;
- (b) Rural Electrification Corporation Limited, the company formed and registered under the Companies Act, 1956.

The investment in the long term specified assets is eligible for such deduction to the extent of ₹ 5 million, whether invested during the financial year in which the asset is transferred or subsequent year.

If only part of the capital gain is so reinvested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. However, in case the long term specified asset is transferred or converted into money within three years from the date of its acquisition, the amount so exempted shall be chargeable to tax during the year of such transfer or conversion. For this purpose, if any loans or advance is taken as against such specified securities, than such person shall be deemed to have converted such specified securities into money. The cost of the long term specified assets, which has been considered under this Section for calculating capital gain, shall not be allowed as a deduction from the income-tax under Section 80C and section 88 of the IT Act for any assessment year beginning on or after 1 April 2006.

VIII. Requirement to furnish Permanent Account Number ('PAN') under the IT Act

1. Section 139A(5A) of the IT Act

Section 139A(5A) requires every person from whose income tax has been deducted at source under chapter XVII-B of the I.T. Act to furnish his PAN to the person responsible for deduction of tax at source.

2. Section 206AA of the IT Act

- (a) Section 206AA of the IT Act requires every person entitled to receive any sum, on which tax is deductible under Chapter XVIIB ('deductee') to furnish his PAN to the deductor, failing which tax shall be deducted at the highest of the following rates:
 - (i) at the rate specified in the relevant provision of the IT Act; or
 - (ii) at the rate or rates in force; or
 - (iii) at the rate of twenty per cent.
- (b) Where a wrong PAN is provided, it will be regarded as non furnishing of PAN and Para (a) above will apply.

IX. Where the shareholder is a person located in a Notified Jurisdictional Area ('NJA') under section 94A of the IT Act

Where the shareholder is a person located in a NJA [at present, Cyprus has been notified⁴ as NJA], as per the provisions of section 94A of the IT Act:

- All parties to such transactions shall be treated as associated enterprises under section 92A of the IT Act and the transaction shall be treated as an international transaction resulting in application of transfer pricing regulations including maintenance of documentations, benchmarking, etc.
- No deduction in respect of any payment made to any financial institution in a NJA shall be allowed under the IT Act unless the assessee furnishes an authorisation in the prescribed form authorizing the CBDT or any other income-tax authority acting on its behalf to seek relevant information from the said financial institution [Section 94A(3)(a) read with Rule 21AC and Form 10FC].
- No deduction in respect of any expenditure or allowance (including depreciation) arising from the transaction with a person located in a NJA shall be allowed under the IT Act unless the assessee maintains such documents and furnishes such information as may be prescribed [Section 94A(3)(b) read with Rule 21AC].
- If any assessee receives any sum from any person located in a NJA, then the onus is on the assessee to satisfactorily explain the source of such money in the hands of such person or in the hands of the beneficial owner, and in case of his failure to do so, the amount shall be deemed to be the income of the assessee

⁴ Notification No. 86/2013, dated 1 November, 2013 published in Official Gazette through SO 4625 GI/13

[Section 94A(4)].

- Any sum payable to a person located in a NJA shall be liable for withholding tax at the highest of the following rates:
 - (i) at the rate or rates in force;
 - (ii) at the rate specified in the relevant provision of the IT Act; or
 - (iii) at the rate of thirty per cent.

X. General Anti-Avoidance Rules ('GAAR')

1. In terms of Chapter XA of the IT Act, General Anti-Avoidance Rules may be invoked notwithstanding anything contained in the IT Act. Due to this any arrangement entered into by an assessee may be declared to be impermissible avoidance arrangement, as defined in that Chapter and the consequence would be *inter alia* denial of tax benefit. This would also include denial of the benefit of the DTAA to an investor if the Revenue Authorities declares any arrangement to be an impermissible avoidance arrangement. As per Finance Act 2015, the implementation of GAAR has been deferred by two years and GAAR provisions be made applicable to the income of the financial year 2017-18 (Assessment Year 2018-19) and subsequent years by amendment of the Act. Further, investments made up to 31.03.2017 are protected from the applicability of GAAR by amendment in the relevant rules in this regard.
2. However, the GAAR provisions can be said to be not applicable in certain circumstances viz. the main purpose of arrangement is not to obtain a tax benefit etc. including circumstances enumerated in CBDT Notification No. 75/2013 dated 23 September 2013.

B. THE WEALTH TAX ACT, 1957

The Wealth Tax Act, 1957 has been abolished from the Financial Year 2015-16 by the Finance Ministry.

Notes:

1. The above benefits are as per the current tax law as amended by the Finance Act, 2015 (the "FA").
2. As per the FA, surcharge is to be levied as under:
 - (a) In the case of individual or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person, where his income or exceeds rupees one crore, surcharge at 12% of tax is payable.
 - (b) In case of domestic company, where its income exceeds rupees one crore but does not exceed rupees ten crores, a surcharge at the rate of 7% of tax liability is payable and when such income exceeds rupees ten crores, surcharge at 12% of tax is payable.
 - (c) In case of foreign companies, where the income exceeds rupees one crore but does not exceed rupees ten crores, a surcharge of 2% of such tax liability is payable and when such income exceeds rupees ten crores, surcharge at 5% of tax is payable.

Further, 2% education cess and 1% secondary and higher education cess on the total income tax (including surcharge) is also applicable.

3. The above statement covers only certain relevant benefits under the Income-tax Act, 1961 and does not cover benefits under any other law.
4. The stated benefits will be available only to the sole/first named holder in case the shares are held by the joint holders.

5. In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the DTAA, if any, between India and the country in which the non-resident has fiscal domicile.
6. In respect of non-residents, taxes paid in India could be claimed as a credit in accordance with the provisions of the relevant tax treaty.
7. The above statement of possible direct tax benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of Shares.
8. This statement is intended only to provide general information to the investors and is neither designed nor intended to be substituted for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her participation in the scheme.
9. The above statement of possible direct-tax benefits sets out the possible tax benefits available to it's the shareholders of the Company under the current tax laws presently in force in India. Several of these benefits available are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws.
10. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

SECTION V – HISTORY AND CERTAIN CORPORATE MATTERS

Brief Corporate History of our Company

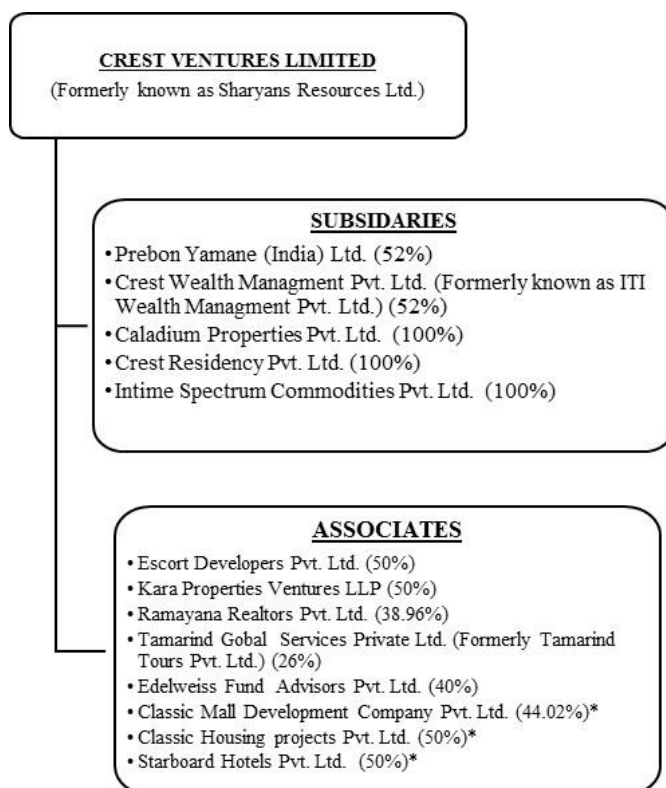
Our Company was incorporated as “Sharyans Resources Limited” on October 16, 1982 with the Registrar of Companies, West Bengal, as a public limited company under the Companies Act, 1956. Our Company received a certificate for commencement of business on November 23, 1982 from Registrar of Companies, West Bengal. Pursuant to an order dated July 20, 1996, passed by the Company Law Board, Kolkata, the registered office of our Company was shifted from state of West Bengal to state of Maharashtra. The name of our Company was then changed to “Crest Ventures Limited” vide a Certificate of Incorporation dated September 1, 2014 issued by the Deputy Registrar of Companies, Mumbai, Maharashtra. Our Company has received a certificate of registration no. N-13.01888 dated December 14, 2007 from RBI, under section 45-IA of the Reserve Bank of India Act, 1934, as amended.

The registered office of the Company is situated at 4th Floor, Kalpataru Heritage, 127, M.G. Road, Fort, Mumbai – 400 001, Maharashtra, India.

Our Company is a non-banking financial company registered with the Reserve Bank of India. Our Company operates mainly under three verticals: (i) real estate, (ii) financial services and (iii) investments and credit.

In, 1983, our Company had made an initial public offer pursuant to which, the equity shares of the Company were listed on the Calcutta Stock Exchange. At present the equity shares of our Company are only listed on BSE and NSE.

Corporate Structure of our Company



Main Objects of our Company

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

(A) Main objects to be pursued by the Company are:

- (i) *To acquire, exchange, invest, buy, sell, hold, transfer, hypothecates, deal in and dispose of any shares, stocks, debentures, whether perpetual or redeemable debenture, debenture stock, securities, perpetual, and securities of any Government and Local Authority, bonds, certificates and to receive money, deposits on interest or otherwise and to lend money, and negotiate loans with or without security to such companies, firms or persons, and on such terms as may seem expedient, and to guarantee the performance of contracts by any person, companies or firms, provided that the company shall not carry on the business of banking.*
- (ii) *To borrow or raise or secure the payment of money in such manner as the Company may think fit and in particular by the issue of bonds, debentures, perpetual or otherwise charged upon all or any part of the company's property, both present and future, including its uncalled capital and purchase, release or pay of any such securities.*
- (iii) *To undertake and carry on business of safe deposit companies and trust companies and guarantee business in all their respective branches.*
- (iv) *To carry in all their respective branches the business of general finance investment, trust and legal trust.*
- (v) *To act as brokers and underwriters and to give any guarantee for the payment of money or the performance of any obligation or underwriting.*

Key Events and Milestones

Following are some of the key events and milestones in relation to our Company:

Calendar Year	Events
1982	Incorporation of the Company as a public limited company Received Certificate for commencement of business issued by the Registrar of Companies, West Bengal.
1983	Our Company made a public issue pursuant to which the equity shares of the Company were listed on the Calcutta Stock Exchange Limited.
1993	Equity shares of the Company were listed on BSE
1999	Entered into a Joint Venture Agreement with Prebon Holdings BV for the purposes of regulating joint investment in Prebon Yamane (India) Limited.
2006	Equity Shares of our Company were listed on NSE
2007	Registration with RBI as NBFC
2015	ITI Capital Holdings Private Limited and ITI Securities Limited were amalgamated with the Company. Award for in commercial/mix development category at the Construction Industry Awards, Tamil Nadu

SECTION VI – OUR MANAGEMENT

Board of Directors

Under our Articles of Association, our Company is required to have not less than 3 Directors and unless otherwise determined by our Company in a General Meeting not more than fifteen (15) Directors, subject to the Companies Act.

Currently, our Company has 5 Directors out of which 3 are Independent Directors. The composition of the Board of Directors is governed by the provisions of the Companies Act and the SEBI Listing Regulations and the norms of the code of corporate governance as applicable to listed companies in India.

The following table sets forth details regarding our Board as of the date of filing the Draft Letter of Offer:

Name, Designation, Term, Occupation, DIN and Address	Nationality	Age (in years)	Other Directorships
Mr. Vasudeo Galkar <i>Designation:</i> Chairman and Non – Executive Independent Director <i>Term:</i> For a period of five years from September 25, 2014 <i>Occupation:</i> Professional <i>DIN:</i> 00009177 <i>Address:</i> 5/T-1, Models Exotica, St. Inez, Tiswadi, Panaji, North Goa-403001, India	Indian	71	1. Reliance Infrastructure Limited; 2. Crest Wealth Management Private Limited
Mr. Vijay Choraria <i>Designation:</i> Managing Director <i>Term:</i> For a period of five years from September 1, 2012 to August 31, 2017 and liable to retire by rotation <i>Occupation:</i> Business <i>DIN:</i> 00021446 <i>Address:</i> Choraria House, 5, Pali Hill, Bandra (West), Mumbai – 400 050, Maharashtra, India	Indian	51	1. Fine Estates Private Limited; 2. V J Finsecurities Private Limited; 3. A K Equities Private Limited; 4. Whistling Woods International Limited; 5. Neue Allianz Corporate Services Private Limited; 6. Tamarind Global Services Private Limited; 7. Kempco Traders Private Limited;
Mr. Mahesh Shirodkar <i>Designation:</i> Non – Executive Director and Non – Independent Director <i>Term:</i> For a period of 5 years from September 25, 2014 to September 24, 2019 and liable to retire by rotation <i>Occupation:</i> Business	Indian	56	1. Trinetram Consultants Private Limited; 2. Bling Entertainment Solutions Private Limited; 3. Tamarind Global Services Private Limited; 4. Oliana Consultants Private Limited; 5. Morpho Style Private Limited

Name, Designation, Term, Occupation, DIN and Address	Nationality	Age (in years)	Other Directorships
DIN: 00897249			
Address: 601/ 602, Vinayak Aangan, Old Prabhadevi Road, Mumbai – 400 025, Maharashtra, India			
Ms. Ferzana Behramkamdin	Indian	52	NIL
Designation: Non – Executive and Independent Director			
Term: Five years with effect from February 14, 2015			
Occupation: Professional			
DIN: 07060173			
Address: 402/B, 4th Floor, 40 Savla Chambers, Cawasji Patel Street, Fort, Mumbai – 400 001, Maharashtra			
Mr. Rajeev Sharma	Indian	47	1. Osource (India) Private Limited; 2. Sundial Creative Media Private Limited; 3. Alpha Alternatives Holdings Private Limited.
Designation: Additional Non – Executive and Independent Director			
Term: Upto the date of ensuing Annual General Meeting of our Company.			
Occupation: Professional			
DIN: 01102446			
Address: Flat No. 62/. 67, Raj Flavia, Chapel Road, Bandra (West), Mumbai- 400 050, Maharashtra			

Relationship between Directors

None of the Directors are related to each other as per the provisions of the Companies Act, 2013.

Brief Profile of our Directors

Mr. Vasudeo Galkar, aged 71 years, is the Chairman and Non-Executive, Independent Director of our Company. He holds a Bachelor's degree in Commerce from Shivaji University, Kolhapur and a Bachelor's in Law from Karnataka University, Dharwad. He is a fellow member of Institute of Chartered Accountants of India and has over three decades of experience in life insurance industry including marketing, housing finance, legal, planning, finance and accounts and Investment Management. He was the executive director (investment) of Life Insurance Corporation of India. Presently, he is a partner of M/s. Sarda & Pareek, Chartered Accountants. .

Mr. Vijay Choraria, aged 51 years, is the Managing Director of our Company. He holds a Bachelor's degree in commerce and General Law degree both from University of Bombay. He is a member of The Institute of Chartered Accountants of India and has over two decades of experience in the real estate and financial markets.

Mr. Mahesh Shiroadkar, aged 56 years, is the Non-Executive Director and Non Independent Director of our Company. He holds a Bachelor's degree in Commerce from University of Bombay. He has over three decades of experience in travel and tourism industry.

Ms. Ferzana Behramkamdin, aged 52 years, is the Non-Executive and Independent Director of our Company. She holds a Bachelor's degree in Arts from University of Bombay and a Bachelor's Degree in Law from University of Bombay. She was admitted as an Advocate to the Bar Council of Maharashtra and Goa in the year 1988 and as a solicitor in the year 1989 by the The Bombay Incorporated Law Society. She has over 25 years of experience in the areas of civil and corporate laws, arbitration proceedings. She was a partner of M/s. Wadia Ghandy & Co, Advocates and Solicitors for 13 years after which she set up M/s FZB & Associates, Advocates in 2010. Presently, she is a partner of M/s. FZB & Associates, Advocates. .

Mr. Rajeev Sharma, aged 47 years, is the Additional Non-Executive and Independent Director of our Company. He holds a Bachelor's degree in Commerce from Ravishankar University, Raipur and a Bachelor's Degree in law from University of Bombay and a Master's degree in law from University of Bombay. He is a member of Institute of Chartered Accountant of India, the Institute of Company Secretaries of India and the Institute of Cost Accountants of India. He is a certified information systems auditor. He has over 25 years of experience in Consulting, IT and Outsourcing Industry. He has been involved in large IT projects and has deep domain knowledge and possess expertise to handle large transformational, technology driven, outsourcing deals. .

Terms of Appointment of Mr. Vijay Choraria as the Managing Director of the Company

Pursuant to a Shareholders resolution dated August 4, 2012, Mr. Vijay Choraria, was re-appointed as a Managing Director of our Company for further period of 5 years with effect from September 1, 2012 to August 31, 2017. The remuneration payable to him is as follows:

Sr. No.	Particulars
1.	Salary: ₹ 150,000 per month Increments: In the scale of ₹ 150,000 per month to ₹ 625,000 per month with the authority to the Board of Directors of our Company on the recommendations of the Nomination and Remuneration Committee to grant such increments within the said scale as it may determine from time to time.
2.	Perquisites: Medical Reimbursement: As per Company Policy. Insurance: As per Company Policy. Company provided car, reimbursement of driver's wages & petrol expenses as per Company Policy. Provision of telephone at residence will not be considered as perquisites. Personal long distance calls on telephone for private purpose shall be billed by the Company. Gratuity payable shall be calculated as per the provisions of the 'The Payment of Gratuity Act, 1972'.
3.	Ex-Gratia: As per Company's Rule.

Past directorships in listed companies

We confirm that none of our Directors is or was a director of any listed company during the last five years preceding the date of filing of the Draft Letter of Offer, whose shares have been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in any such company.

Further, none of our Directors is or was a director of any listed company which has been or was delisted from the stock exchanges, except as below:

Mr. Vijay Choraria was a director of Sky Industries Limited, the shares of which were delisted from Ahmedabad Stock Exchange on April 8, 2004. The relevant details in this regard are as follows:

- Currently Listed on: BSE
- Compulsory or voluntary delisting: Voluntary
- Reasons for delisting: Voluntary
- Whether relisted: No
- Date of appointment in the company: July 30, 2007
- Term of Director in the company: 9 years*

**Mr. Vijay Choraria resigned from Sky Industries Limited with effect from July 22, 2015 and filed the relevant form (DIR-11) with the ROC with effect from July 22, 2015. However, Sky Industries Limited has filed the relevant form recording his resignation with effect from January 25, 2016 pursuant to their board resolution dated January 25, 2016.*

Mr. Mahesh Shirodkar was a director of Sky Industries Limited, the shares of which were delisted from Ahmedabad Stock Exchange on April 8, 2004. The relevant details in this regard are as follows:

- Currently Listed on: BSE
- Compulsory or voluntary delisting: Voluntary
- Reasons for delisting: Voluntary
- Whether relisted: No
- Date of appointment in the company: July 29, 2006
- Term of Director in the company: 6 years

Further, the equity shares of our Company were delisted Ahmedabad Stock Exchange, Calcutta Stock Exchange and Jaipur Stock Exchange on June 15, 2007, April 9, 2008 and October 13, 1999 respectively. The details in this regard are as follows:

- Currently listed on: BSE and NSE
- Delisted from: Ahmedabad Stock Exchange, Calcutta Stock Exchange and Jaipur Stock Exchange
- Compulsory or voluntary delisting: Voluntary
- Reasons for delisting: Voluntary
- Whether relisted: No

Other confirmations

We have not entered into any service contracts with our Directors for providing benefits upon termination of employment. As of the date of the Draft Letter of Offer, there are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which we have appointed any of our Directors or member of senior management.

SECTION VII – FINANCIAL INFORMATION

Financial Statements	Page No.
Limited Review Unaudited Standalone and Consolidated Financial Statements for quarter and nine month ended December 31, 2015	69
Financial Statement as at and for year ended March 31, 2015	74



STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2015

Sr. No.	Particulars	STANDALONE						CONSOLIDATED					
		Quarter ended			Nine Months ended		Year ended	Quarter ended			Nine Months ended		Year ended
		31.12.2015	30.09.2015	31.12.2014	31.12.2015	31.12.2014	31.03.2015	31.12.2015	30.09.2015	31.12.2014	31.12.2015	31.12.2014	31.03.2015
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from Operations												
a	Net sales/Income from Operations	316.69	283.79	1,929.25	876.10	2,520.62	10,132.98	757.46	1,220.00	1,206.21	2,693.10	8,647.10	17,345.10
b	Other Operating Income	-	-	-	-	-	-	-	-	-	-	-	-
	Total Income from Operations (net)	316.69	283.79	1,929.25	876.10	2,520.62	10,132.98	757.46	1,220.00	1,206.21	2,693.10	8,647.10	17,345.10
2	Expenses												
a	Cost of Materials Consumed	-	-	-	-	-	-	3.90	20.00	96.35	54.13	155.54	370.43
b	Purchases relating to travel business	-	-	-	-	-	-	-	-	-	-	-	-
c	Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	-	-	-	-	7,335.05	(9.21)	320.81	(92.73)	275.11	4,278.02	4,278.02
d	Employee Benefit Expense	49.21	33.22	30.07	109.73	89.01	103.16	226.07	204.97	205.67	629.84	1,273.27	1,739.83
e	Depreciation and Amortisation Expense	34.61	14.15	1.68	62.43	5.51	15.18	22.26	25.12	22.89	72.79	217.52	252.46
f	Other Expenses	271.36	96.09	200.40	454.89	338.12	642.89	494.80	491.16	995.74	1,351.77	2,297.59	3,250.57
	Total Expenses	355.18	143.46	232.15	627.05	432.64	8,096.28	737.82	1,062.06	1,227.92	2,383.64	8,328.31	17,174.34
3	Profit/(Loss) from operations before Other Income, Finance Costs & Exceptional Items (1-2)	(38.49)	140.33	1,697.10	249.05	2,087.98	2,036.70	19.64	157.94	(21.71)	309.46	318.79	170.76
4	Other Income	59.68	32.60	-	115.15	50.57	50.57	34.44	53.64	60.62	165.66	477.50	481.58
5	Profit/(Loss) from ordinary activities before Finance Costs & Exceptional Items (3+4)	21.19	172.93	1,697.10	364.20	2,138.55	2,087.27	54.08	211.58	38.91	475.12	796.29	652.34
6	Finance Costs	249.86	170.61	161.61	554.33	538.52	686.44	249.66	170.80	161.61	554.33	562.45	710.44
7	Profit/(Loss) from ordinary activities after Finance Costs but before Exceptional Items (5-6)	(228.67)	2.32	1,535.49	(190.13)	1,600.03	1,400.83	(195.58)	40.78	(122.70)	(79.21)	233.84	(58.10)
8	Exceptional Items	-	-	-	-	-	-	-	-	-	-	-	-
9	Net Profit/(Loss) from Ordinary Activities before tax (7-8)	(228.67)	2.32	1,535.49	(190.13)	1,600.03	1,400.83	(195.58)	40.78	(122.70)	(79.21)	233.84	(58.10)
10	Tax Expense	(70.04)	(28.10)	334.73	(96.01)	315.71	301.01	(159.64)	(0.87)	353.38	(137.97)	464.89	450.59
11	Net Profit/(Loss) from Ordinary Activities after tax (9-10)	(158.63)	30.42	1,200.76	(94.12)	1,284.32	1,099.82	(35.94)	41.65	(476.08)	58.76	(231.05)	(508.69)
12	Extraordinary items	-	-	-	-	-	-	-	-	-	-	-	-
13	Net Profit/(Loss) for the period (11-12)	(158.63)	30.42	1,200.76	(94.12)	1,284.32	1,099.82	(35.94)	41.65	(476.08)	58.76	(231.05)	(508.69)
14	Share of Profit / (Loss) of Associates	-	-	-	-	-	-	498.32	562.55	510.04	1,729.85	1,001.60	2,767.56
15	Minority Interest	-	-	-	-	-	-	20.40	(21.17)	(16.66)	19.22	42.13	26.04
16	Profit / (Loss) after Taxes, Minority Interest and Share of Profit/(Loss) of Associates (13+14-15)	(158.63)	30.42	1,200.76	(94.12)	1,284.32	1,099.82	441.98	625.37	50.62	1,769.39	728.42	2,232.83
17	Paid-up equity share capital (Face Value ₹10/- each)	1,737.00	1,737.00	1,737.00	1,737.00	1,737.00	1,737.00	1,737.00	1,737.00	1,737.00	1,737.00	1,737.00	1,737.00
18	Reserves (Excluding Revaluation Reserves)	-	-	-	-	-	17,663.06	-	-	-	-	-	19,955.62
19	Earning per share (EPS) (Face Value of ₹10/- each)												
(i)	EPS before Extraordinary items												
	Basic	(0.91)	0.17	6.91	(0.54)	7.39	6.33	2.54	3.60	0.29	10.19	4.19	12.85
	Diluted	(0.91)	0.17	6.91	(0.54)	7.39	6.33	2.54	3.60	0.29	10.19	4.19	12.85
(ii)	EPS after Extraordinary items												
	Basic	(0.91)	0.17	6.91	(0.54)	7.39	6.33	2.54	3.60	0.29	10.19	4.19	12.85
	Diluted	(0.91)	0.17	6.91	(0.54)	7.39	6.33	2.54	3.60	0.29	10.19	4.19	12.85

Place : Mumbai
Date : 8th February, 2016



For Crest Ventures Limited,

Vijay Choraria
Managing Director
[DIN: 00021446]



SEGMENT REVENUE, SEGMENT RESULTS & SEGMENT CAPITAL EMPLOYED

(₹ in Lakhs)

Particulars	STANDALONE						CONSOLIDATED					
	Quarter ended			Nine months ended		Year ended	Quarter ended			Nine months ended		Year ended
	31.12.2015	30.09.2015	31.12.2014	31.12.2015	31.12.2014	31.03.2015	31.12.2015	30.09.2015	31.12.2014	31.12.2015	31.12.2014	31.03.2015
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Segment Revenue												
Investing & Financial Activities	232.76	172.45	1,818.87	574.61	2,171.63	2,273.69	209.75	133.91	471.19	494.60	851.44	865.09
Broking & Related Activities	-	-	-	-	-	-	419.01	466.79	634.51	1,373.30	2,444.06	3,517.28
Tours & Related Activities	-	-	-	-	-	-	-	-	-	-	4,971.06	4,971.06
Real Estate & Related Activities	143.54	143.92	110.38	416.55	348.99	7,859.29	163.05	672.93	161.17	990.76	807.30	8,422.51
Others	0.07	0.02	-	0.09	50.57	50.57	0.09	0.02	(0.04)	0.10	50.74	50.74
Total	376.37	316.39	1,929.25	991.25	2,571.19	10,183.55	791.90	1,273.65	1,266.83	2,858.76	9,124.60	17,826.68
Less: Inter Segment Revenue	-	-	-	-	-	-	-	-	-	-	-	-
Net Sales/Income From Operations	376.37	316.39	1,929.25	991.25	2,571.19	10,183.55	791.90	1,273.65	1,266.83	2,858.76	9,124.60	17,826.68
Segment Results Profit/(Loss) before Tax and Interest from Each Segment												
Investing & Financial Activities	(79.47)	(20.05)	1,636.86	(63.63)	1,593.06	1,381.12	(39.77)	(39.09)	43.63	(61.42)	27.67	(209.35)
Broking & Related Activities	-	-	-	-	-	-	(54.07)	(91.48)	(54.01)	(118.80)	412.82	282.88
Tours & Related Activities	-	-	-	-	-	-	-	-	-	-	(337.32)	(337.32)
Real Estate & Related Activities	(98.04)	22.10	(99.52)	(63.13)	(33.00)	(1.84)	(83.63)	204.24	(58.34)	164.49	142.69	236.58
Others	(40.18)	(2.26)	(1.37)	(44.71)	44.49	42.49	(7.02)	(35.42)	(53.33)	(44.71)	(7.26)	(9.11)
Total	(217.69)	(0.21)	1,535.97	(171.47)	1,604.55	1,421.77	(184.49)	38.25	(122.05)	(60.44)	238.60	(36.32)
Less : Finance Cost	-	-	-	-	-	-	-	-	-	-	-	-
: Unallocated Expenses (net of Unallocated Income)	10.98	(2.53)	0.48	18.66	4.52	20.94	11.09	(2.53)	0.65	18.77	4.76	21.78
Total Profit Before Tax	(228.67)	2.32	1,535.49	(190.13)	1,600.03	1,400.83	(195.58)	40.78	(122.70)	(79.21)	233.84	(58.10)
Segment Capital Employed (Segment Assets - Segment Liabilities)												
Investing & Financial Activities	11,178.63	15,126.69	15,700.51	11,178.63	15,700.51	15,256.30	17,363.61	17,014.60	14,256.98	17,363.61	14,256.98	15,740.80
Broking & Related Activities	-	-	-	-	-	-	353.98	927.05	1,115.15	353.98	1,115.15	847.59
Tours & Related Activities	-	-	-	-	-	-	-	-	-	-	-	-
Real Estate & Related Activities	4,071.53	3,944.33	3,850.66	4,071.53	3,850.66	3,955.23	5,092.64	4,989.25	5,040.53	5,092.64	5,040.53	5,125.53
Others	472.95	1.02	1.02	472.95	1.02	1.02	472.99	480.32	530.85	472.99	530.85	530.89
Unallocable	664.59	392.52	137.38	664.59	137.38	187.51	969.95	379.57	98.72	969.95	98.72	156.74
Total	16,387.70	19,464.56	19,689.57	16,387.70	19,689.57	19,400.06	24,253.17	23,790.79	21,042.23	24,253.17	21,042.23	22,401.55

Notes:

- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 8th February, 2016.
- The statutory auditors have carried out Limited Review of above Standalone Financial Statements. For Consolidated Financial Statements statutory auditors have carried out Limited Review only for the nine months ended 31st December, 2015.
- The consolidated financial statements are prepared in accordance with the principles and procedures for the preparation and presentation of consolidated accounts as set out in the Accounting Standards (AS 21, AS 23 and AS 27).
- The Hon'ble High Court of Bombay vide its order dated 30th October, 2015 has approved the Composite Scheme of Amalgamation between ITI Securities Limited with ITI Capital Holdings Private Limited w.e.f. 1st April, 2014 (being the appointed date) and ITI Capital Holdings Private Limited with the Company w.e.f. 2nd April, 2014 (being the appointed date). The Order became effective on filing with the Registrar of Companies on 7th December, 2015 and 8th December, 2015 respectively. The effect for the said Amalgamation has been given during this quarter. Corresponding figures for earlier quarters/previous year has not been restated. The Standalone Results for the nine months ended 31st December, 2015 are not comparable with the Standalone results for the quarter/nine months ended 31st December, 2014 and quarter ended 30th September, 2015.
- Previous period/year's figures have been regrouped or reclassified, wherever necessary.

Place : Mumbai
Date : 8th February, 2016



For Crest Ventures Limited

Vijay Choraria
Managing Director
(DIN: 00021446)

INDEPENDENT AUDITOR'S REVIEW REPORT

To,
**The Board of Directors of
Crest Ventures Limited**

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of Crest Ventures Limited ("the Company") for the quarter and nine months ended 31st December, 2015 ("the Statement"). This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the applicable Accounting Standards and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.



Place: Mumbai
Date: 8th February, 2016

For Chaturvedi & Shah
Chartered Accountants
Firm Registration No 101720W

Jignesh Mehta
Partner
Membership No.: 102749

INDEPENDENT AUDITOR'S REVIEW REPORT

To,
The Board of Directors of
Crest Ventures Limited

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of Crest Ventures Limited ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its jointly controlled entities and its associates for the quarter and nine months ended 31st December, 2015 ("the Statement"). This Statement is the responsibility of the Holding Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Holding Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. We did not review the interim unaudited financial results of certain subsidiaries included in the Statement, whose interim unaudited financial results reflect total revenues of ₹471.87 Lakhs and ₹1994.62 Lakhs for the quarter and nine months ended 31st December, 2015, respectively, and total profit after tax of ₹37.96 Lakhs and ₹129.18 Lakhs for the quarter and nine months ended 31st December, 2015, respectively and certain associates with Group's share of profit after tax of ₹12.49 Lakhs and ₹16.52 Lakhs for the quarter and nine months ended 31st December, 2015, respectively. These interim unaudited financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, is based solely on the reports of the other auditors.



4. The statement includes the interim unaudited financial results of certain jointly controlled entities, whose interim unaudited financial results reflect total revenue of ₹Nil and ₹20.00 Lakhs for the quarter and nine months ended 31st December, 2015 respectively and total profit of ₹Nil and ₹19.97 Lakhs for the quarter and nine months ended 31st December, 2015, respectively, and associates with Group's share of profit/(loss) after tax of ₹6.76 Lakhs and (₹54.86) Lakhs for the quarter and nine months ended 31st December, 2015, respectively, based on their interim unaudited financial results as certified by the Management.
5. Figures for the corresponding quarter and nine months ended 31st December, 2014 and for the quarter ended September, 2015 have not been reviewed by us.
6. Based on our review conducted as stated above and based on the consideration of the reports of the other auditors referred to in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the applicable Accounting Standards and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.
7. This review report has been given to comply with the provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time, for the proposed right issue.

Place: Mumbai
Date: 8th February, 2016



For Chaturvedi & Shah
Chartered Accountants
Firm Registration No 101720W

Jignesh Mehta
Partner
Membership No.: 102749

independent auditor's report

To The Members of
Crest Ventures Limited
(Formerly known as Sharyans Resources Limited)

Report on the Financial Statements

We have audited the accompanying financial statements of **Crest Ventures Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and fair presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of Section 143 of the Act (18 of 2013), we give in the Annexure a statement on the matters specified in paragraph 3 and 4 of the Order.
2. As required under provisions of Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;

- d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015, from being appointed as a director in terms of Section 164(2) of the Act;
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rules 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 36(b) to the financial statements;
 - ii) The Company did not have any long term contracts including derivative contracts that require provision under any law or accounting standards for which there were any material foreseeable losses;
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **Chaturvedi & Shah**
Chartered Accountants
(Firm Registration No. 101720W)

Jignesh Mehta
Partner
Membership No. 102749

Place: Mumbai
Date: May 05, 2015

Annexure referred to in paragraph 1 under the heading Report on Other Legal and Regulatory Requirements of our report of even date

- i) In respect of its Fixed Assets :
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- ii) In respect of its Inventories:
 - a) As explained to us inventories consist of finished realty stock and realty work in progress representing unsold premises in completed projects and properties under construction. According to the information and explanations given to us, the inventories have been physically verified during the year by the management at reasonable intervals.
 - b) As per the information and explanation given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) The Company has maintained proper records of inventory and discrepancies noticed on verification between physical stocks and books are not material, having regard to the size of the operations of the Company.
- iii) In respect of the loans secured or unsecured, granted or taken by the Company to/from companies, firms or other parties covered in the register maintained under Section 189 of the Act:
 - a) The repayment of principal amounts and interest are regular.
 - b) There are no overdue amounts.
- iv) 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 nature of its business for the purchases of fixed assets and for the sale of services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in such internal control system.
- v) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of provisions of Section 73 to 76 or any other relevant provisions of the Act and rules framed hereunder. Therefore, provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company.
- vi) To the best of our knowledge and as explained, the Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Act.

vii) In respect of Statutory dues:

- a) According to the records of the Company, undisputed statutory dues including Provident Fund, Income-Tax, Sales-Tax, Service Tax, Duty of Customs, Value Added Tax, Cess and any other statutory dues have been regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2015 for a period of more than six months from the date of becoming payable.
- b) According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value added tax, Cess on account of any dispute, which have not been deposited except the disputed statutory dues aggregating ₹612,466 on account of disputed matters pending before appropriate authorities are as under:

Sr. No.	Name of the Statute	Nature of the Dues	Amount (in ₹)	Assessment Year to which the amount relates	Forum where dispute is pending
1	Income Tax Act, 1961	Income Tax	612,466	2012-13	CIT (Appeal)

- c) According to the records of the Company, there has been no delay in transferring amounts that are due to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder which are required to be transferred to the Investor Education and Protection Fund by the Company.
- viii) The Company does not have any accumulated losses at the end of the financial year. The Company has not incurred any cash losses during the financial year covered by audit and in the immediate preceding financial year.
- ix) According to the records examined by us and the information and explanation given to us, we are of the opinion that the Company has not defaulted in re-payment of dues to financial institution and banks.
- x) According to information and explanation given to us the Company has given guarantee for loans taken by its subsidiary, terms and conditions whereof in our opinion are not prima facie prejudicial to the interest of the Company.
- xi) The term loans were applied for the purpose for which the loans were obtained.
- xii) In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For **Chaturvedi & Shah**
Chartered Accountants
(Firm Registration No. 101720W)

Place: Mumbai
Date: May 05, 2015

Jignesh Mehta
Partner
Membership No. 102749

balance sheet as at 31st march, 2015

	Note	As at 31st March, 2015	As at 31st March, 2014
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share capital	2	173,700,000	173,700,000
Reserves and surplus	3	1,766,306,076	1,666,885,725
		<u>1,940,006,076</u>	<u>1,840,585,725</u>
Non-Current Liabilities			
Long term borrowings	4	83,075,934	162,386,338
Other long term liabilities	5	29,567,050	30,108,613
Long term provisions	6	1,001,497	1,856,170
		<u>113,644,481</u>	<u>194,351,121</u>
Current Liabilities			
Short term borrowings	7	201,692,324	284,795,932
Trade payables	8	1,343,462	1,105,571
Other current liabilities	9	319,762,511	1,104,891,439
Short term provisions	10	26,766,248	10,637,571
		<u>549,564,545</u>	<u>1,401,430,513</u>
TOTAL		<u><u>2,603,215,102</u></u>	<u><u>3,436,367,359</u></u>
ASSETS			
Non-Current Assets			
Fixed assets			
Tangible assets	11	11,104,133	2,239,187
Non current investments	12	1,580,429,401	1,411,821,529
Deferred tax assets (net)	13	3,237,787	2,838,692
Long term loans and advances	14	180,028,206	357,346,093
		<u>1,774,799,527</u>	<u>1,774,245,501</u>
Current Assets			
Inventories	15	437,798,254	1,171,303,000
Trade receivables	16	3,981,009	7,027,973
Cash and bank balance	17	1,176,115	2,737,454
Short term loans and advances	18	337,777,175	453,320,585
Other current assets	19	47,683,022	27,732,846
		<u>828,415,575</u>	<u>1,662,121,858</u>
TOTAL		<u><u>2,603,215,102</u></u>	<u><u>3,436,367,359</u></u>
Significant accounting policies and Notes on financial statements	1 to 40		

As per our report of even date

For Chaturvedi & Shah
Chartered Accountants
(Firm Registration No. 101720W)

Jignesh Mehta
Partner
Membership No. 102749

Place: Mumbai
Date: May 05, 2015

For and on behalf of the Board

Vijay Choraria
Managing Director
[DIN:00021446]

Manish Goswami
Director
[DIN:01075923]

Vishal Mehta
Chief Financial Officer
[PAN:AIHPM8436B]

Rohan Gavas
Company Secretary
[Membership No.A25891]

statement of profit and loss for the year ended 31st march, 2015

			(In ₹)
	Note	2014-15	2013-14
INCOME			
Revenue from operations	20	839,717,786	331,038,881
Other income	21	178,636,539	13,119,455
Total revenue		1,018,354,325	344,158,336
EXPENDITURE			
Variation in inventories	22	733,504,746	215,362,465
Employee benefit expenses	23	10,315,849	14,839,206
Finance costs	24	68,643,475	80,980,652
Depreciation and amortisation expenses	25	1,518,277	409,451
Other expenses	26	64,288,827	23,288,470
Total expenses		878,271,174	334,880,244
PROFIT BEFORE TAX		140,083,151	9,278,092
Tax expense			
Current tax		30,100,000	-
Deferred tax		(372,278)	(2,238,284)
Tax for earlier years		372,786	(99,744)
PROFIT FOR THE YEAR		109,982,643	11,616,120
Earnings per equity share of face value of ₹10 each			
Basic and Diluted (In ₹)		6.33	0.67
Significant accounting policies and Notes on financial statements	1 to 40		

As per our report of even date

For Chaturvedi & Shah
Chartered Accountants
(Firm Registration No. 101720W)

Jignesh Mehta
Partner
Membership No. 102749

Place: Mumbai
Date: May 05, 2015

For and on behalf of the Board

Vijay Choraria
Managing Director
[DIN:00021446]

Manish Goswami
Director
[DIN:01075923]

Vishal Mehta
Chief Financial Officer
[PAN:AIHPM8436B]

Rohan Gavas
Company Secretary
[Membership No.A25891]

cashflow statement for the year 2014-15

	2014-15	2013-14
A CASHFLOW FROM OPERATING ACTIVITIES		
Net profit before tax as per statement of profit and loss	140,083,151	9,278,092
Adjustment for		
Depreciation	1,518,277	409,451
Profit on sale of investments	(166,181,431)	(644,087)
Expense related to sale of investments	20,127	5,047
Dividend income	(12,455,108)	(11,350,368)
Share of (profit)/loss from joint venture	41,896	232,937
Share of loss from limited liability partnership	5,676,732	331,848
Assets written off	-	44,000
Operating cash flow before working capital changes	(31,296,356)	(1,693,080)
Changes in current assets and liabilities		
Trade and other receivables	3,046,964	(3,958,459)
Inventories	733,504,747	215,362,465
Trade and other payables	(807,399,951)	(111,495,586)
Cash (used in) / generated from operations	(102,144,596)	98,215,340
Direct taxes paid (net)	(6,362,353)	(12,145,348)
CASH (USED IN) / GENERATED FROM OPERATING ACTIVITIES	(108,506,949)	86,069,992
B CASHFLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(10,470,011)	(428,153)
Purchase of investments	(210,124,224)	(206,550,546)
Purchase of investment in subsidiaries	(29,824,375)	(50,000)
Purchase of investment in associates	-	(411,326,748)
Proceeds from sale / redemption of investments	237,460,135	129,471,508
Dividend income	12,455,108	11,350,368
Movement in loans and advances	243,123,955	264,422,183
NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES	242,620,588	(213,111,388)
C CASHFLOW FROM FINANCIAL ACTIVITIES		
Proceeds from long term borrowings	97,537,144	162,500,000
Repayment of long term borrowings	(140,842,429)	(54,024,133)
Short term borrowings (net)	(83,103,608)	23,320,932
Dividend and dividend distribution tax paid during the year	(9,266,085)	(8,712,320)
NET CASH (USED IN)/ GENERATED FROM FINANCIAL ACTIVITIES	(135,674,978)	123,084,479
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,561,339)	(3,956,917)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	2,737,454	6,694,371
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	1,176,115	2,737,454

(The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard-3 on Cash Flow Statements)

As per our report of even date

For Chaturvedi & Shah
Chartered Accountants
(Firm Registration No. 101720W)

Jignesh Mehta
Partner
Membership No. 102749

Place: Mumbai
Date: May 05, 2015

For and on behalf of the Board

Vijay Choraria
Managing Director
[DIN:00021446]

Manish Goswami
Director
[DIN:01075923]

Vishal Mehta
Chief Financial Officer
[PAN:AIHPM8436B]

Rohan Gavas
Company Secretary
[Membership No.A25891]

1 significant accounting policies

1.1 Basis of preparation of financial statements:

The financial statements have been prepared on accrual basis under the historical cost convention in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) and the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

1.2 Use of estimates:

The preparation of financial statements requires estimates and assumptions to be made that effect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

1.3 Fixed assets:

Fixed assets are stated at cost, less accumulated depreciation and impairment, if any.

1.4 Depreciation:

Depreciation is provided under the “written down value” method in the manner prescribed in Schedule II to the Companies Act, 2013, over the useful life prescribed therein.

1.5 Impairment of assets:

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is chargeable to the statement of profit and loss in the year in which an asset is identified as impaired, if any.

The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

1.6 Investments:

Long term investments are stated at cost and current investments are valued at lower of cost and net realisable value. Diminution in value in long term investment is provided for where the management is of the opinion that the diminution is of permanent nature.

1.7 Inventories:

Inventories comprise of: (i) finished realty stock representing unsold premises in completed projects and (ii) realty work in progress representing properties under construction.

Inventories are stated at lower of cost or net realisable value. Cost of realty construction is charged to the statement of profit and loss in proportion to the revenue recognised during the period and the balance cost is carried over under inventory as part of either finished realty stock or realty work in progress. Cost of realty construction includes all costs directly related to the project and other expenditure as identified by the management which are incurred for the purpose of executing and securing the completion of the project (net off incidental recoveries).

1.8 Revenue recognition:

Revenue is recognised when it is earned and no significant uncertainty exist on its realisation. Revenue from the sale of realty stock is recognised in the proportion of work completed. Rental income and service charges are recognised based on contractual rights. Interest income is recognised on time proportion basis. Dividend income is recognised on receipt basis.

1.9 Foreign currency transactions:

Foreign currency transactions are recorded at the exchange rate prevailing on the date of the transaction. Exchange difference, if any arising out of transactions settled during the year are recognised in the statement of profit and loss for the year.

Monetary assets and liabilities denominated in foreign currencies at the year end are restated at year end exchange rate. The exchange difference, if any, are recognised in the statement of profit and loss and related assets and liabilities are accordingly restated in the balance sheet.

1.10 Provisions for current and deferred tax:

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961 of India. Deferred tax resulting from “timing difference” between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future.

Minimum Alternate Tax (MAT) paid in accordance to the tax laws, which gives rise to future economic benefits in the form of adjustments of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

1.11 Provisions, contingent liabilities and contingent assets:

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statements.

1.12 Retirement benefits to employees:

Post employment benefits are recognised as an expense in the statement of profit and loss for the year in which the employee has rendered services.

The Company offers its employee’s defined-benefit plan in the form of a gratuity scheme. The liability in respect of defined benefit plan is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employee’s services. Actuarial gains and losses in respect of post employment benefits are charged to the statement of profit and loss.

All other short-term benefits for employees are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

notes on financial statements for the year ended 31st march, 2015

(In ₹)

2 SHARE CAPITAL

Authorised :

17,500,000 Equity shares of ₹10 each
(17,500,000)

175,000,000

175,000,000

175,000,000

175,000,000

Issued, Subscribed and Paid Up :

17,370,000 Equity shares of ₹10 each fully paid up
(17,370,000)

173,700,000

173,700,000

173,700,000

173,700,000

TOTAL

2.1 The details of shareholders holding more than 5% shares:

Name of the shareholder

Fine Estates Private Limited

Mr. Pishu V. Chainani

A K Equities Private Limited

Mr. Vijay Choraria

As at 31st March, 2015

No. of Shares	% held
7,027,810	40.46
2,500,000	14.39
1,238,404	7.13
944,435	5.44

As at 31st March, 2014

No. of Shares	% held
6,857,400	39.48
2,500,000	14.39
1,238,404	7.13
944,435	5.44

2.2 The reconciliation of the number of shares outstanding is set out below :

Particulars

Equity shares at the beginning of the year

Add : shares issued during the year

Less : shares bought back during the year

Equity shares at the end of the year

As at 31st March, 2015

No. of Shares

17,370,000

-

-

17,370,000

As at 31st March, 2014

No. of Shares

17,370,000

-

-

17,370,000

2.3 Rights of equity shareholders:

The Company has only one class of equity shares having a par value of ₹10 each. Each holder of equity shares is entitled to one vote per share held. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

2.4 The Board of Directors at its meeting held on February 14, 2015 and the shareholders of the Company vide postal ballot process has approved the increase in Authorised Share Capital of the Company from ₹175,000,000 divided into 17,500,000 Equity Shares of ₹10 each to ₹235,000,000 divided into 23,500,000 Equity Shares of ₹10 each. Accordingly the Authorised Share Capital of the Company has been increased from ₹175,000,000 divided into 17,500,000 Equity Shares of ₹10 each to ₹235,000,000 divided into 23,500,000 Equity Shares of ₹10 each w.e.f. April 07, 2015.

3 RESERVES AND SURPLUS

			(In ₹)	
	As at 31st March, 2015		As at 31st March, 2014	
General reserve				
As per last balance sheet	59,500,000		59,500,000	
Securities premium account				
As per last balance sheet	1,134,237,779		1,134,237,779	
Special reserve u/s. 45-IC of the RBI Act, 1934				
As per last balance sheet	69,198,000		66,874,000	
Add: Transferred from profit and loss account	21,997,000	91,195,000	2,324,000	69,198,000
Profit and loss account				
As per last balance sheet	403,949,946		403,884,117	
Add: Profit for the year	109,982,643		11,616,120	
	513,932,589		415,500,237	
Less: Appropriations				
Depreciation adjusted against opening reserve as per Revised Schedule II of the Companies Act, 2013 (refer note no. 11)	59,971		-	
Transfer to special reserve u/s. 45-IC of the RBI Act, 1934	21,997,000		2,324,000	
Proposed dividend on equity shares [Dividend per share ₹0.50 (previous year ₹0.50)]	8,685,000		8,685,000	
Tax on dividend	1,817,321	481,373,297	541,291	403,949,946
TOTAL		1,766,306,076		1,666,885,725

4 LONG TERM BORROWINGS

			(In ₹)	
	As at 31st March, 2015		As at 31st March, 2014	
	Non Current	Current	Non Current	Current
Secured				
Term Loan				
From banks (refer note no.4.1)	37,969,862	35,132,662	65,746,319	29,623,062
From others (refer note no.4.2)	31,250,000	31,250,000	62,500,000	-
Unsecured				
Term Loan				
From bank (refer note no.4.3)	13,856,072	20,283,948	34,140,019	17,522,097
From others (refer note no.4.4)	-	62,283,668	-	65,800,000
TOTAL	83,075,934	148,950,278	162,386,338	112,945,159

- 4.1 Term loan from banks of ₹ 7,356,205 (previous year ₹ NIL) is secured against hypothecation of vehicles purchased thereof and ₹ 65,746,319 (previous year ₹ 95,369,381) is secured against the mortgage charge on the finished realty stock of the Company situated at Sharyans Audeus, Andheri (W), Mumbai 400058 and the personal guarantee of a director.
- 4.2 Term loan from others of ₹ 62,500,000 (previous year ₹ 62,500,000) is secured against equitable mortgage of realty work-in-progress of the Company situated at Sharyans Corner, Bandra (W), Mumbai-400050 and 10/J, Veronica Street, Waroda Road, Bandra (W), Mumbai-400050 and the personal guarantee of a director.
- 4.3 Term loan from bank of ₹ 34,140,020 (previous year ₹ 51,662,116) is secured against properties located at Kalpataru Horizon, Worli, Mumbai-400018 which are owned by relative of a director and the personal guarantee of the relative of a director.
- 4.4 Term loan from others of ₹ NIL (previous year ₹ 65,800,000) is secured against properties located at Kiara Apartment, Union Park, Khar, Mumbai-400052 which are owned by an entity controlled by a director and the personal guarantee of a director and ₹ 62,283,668 (previous year ₹ NIL) is taken jointly with subsidiary company Caladium Properties Private Limited and is secured against unsold inventories of the subsidiary company and hypothecation of subsidiary's present and future receivables and the personal guarantee of a director.

4.5 Maturity profile of long term loan is set out below :

					(In ₹)
	2015-16	2016-17	2017-18	2018-19	2019-20
Secured					
Term loan from bank	35,132,662	33,276,865	1,548,009	1,712,948	1,432,040
Term loan from others	31,250,000	31,250,000	-	-	-
Unsecured					
Term loan from bank	20,283,948	13,856,072	-	-	-
Term loan from others*	62,283,668	-	-	-	-

* Term loan outstanding of ₹ 62,283,668 jointly taken with the subsidiary company, would be first repaid out of the sales realisation of the unsold inventories of the subsidiary company.

	As at 31st March, 2015	As at 31st March, 2014
5 OTHER LONG TERM LIABILITIES		
Security deposits from tenants	29,567,050	30,108,613
TOTAL	<u>29,567,050</u>	<u>30,108,613</u>

	As at 31st March, 2015	As at 31st March, 2014
6 LONG TERM PROVISIONS		
Provision for gratuity (refer note no.23.1)	1,001,497	1,856,170
TOTAL	<u>1,001,497</u>	<u>1,856,170</u>

	As at 31st March, 2015	As at 31st March, 2014
7 SHORT TERM BORROWINGS		
Secured		
Bank overdraft (refer note no.7.1)	72,707,324	94,145,932
Unsecured		
Loans and advances from related parties (refer note no.32)	128,985,000	121,850,000
Loans and advances from body corporates	-	68,800,000
TOTAL	<u>201,692,324</u>	<u>284,795,932</u>

7.1 Bank overdraft of ₹72,707,324 (previous year ₹94,145,932) is secured against mortgage charge on the finished realty stock of the Company situated at Sharyans Audeus, Andheri (W), Mumbai 400058 and the personal guarantee of a director.

	As at 31st March, 2015	As at 31st March, 2014
8 TRADE PAYABLES		
Micro and small enterprises*	-	-
Others	1,343,462	1,105,571
TOTAL	<u>1,343,462</u>	<u>1,105,571</u>

*There are no micro and small enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March, 2015. The above information, regarding micro and small enterprises has been determined to the extent such parties have been identified on the basis of the information available with the Company. This has been relied upon by the auditors.

	As at 31st March, 2015	As at 31st March, 2014
9 OTHER CURRENT LIABILITIES		
Current maturities of long term debt (refer note no. 4)	148,950,278	112,945,159
Interest accrued but not due on borrowings	12,850,296	15,679,303
Interest accrued and due on borrowings	776,223	19,056,275
Advances received	147,415,000	948,287,000
Security deposits from tenants	2,758,406	-
Unpaid dividends #	495,395	535,189
Statutory dues payable	2,103,212	4,306,489
Provision for expenses	4,413,701	4,082,024
TOTAL	319,762,511	1,104,891,439

These figures do not include any amounts due and outstanding, to be credited to Investor Education and Protection Fund.

	As at 31st March, 2015	As at 31st March, 2014
10 SHORT TERM PROVISIONS		
Provision for gratuity (refer note no. 23.1)	86,070	128,215
Contingent provision against standard assets	1,177,857	1,283,065
Contingent provision against doubtful assets	15,000,000	-
Proposed dividend	8,685,000	8,685,000
Tax on dividend	1,817,321	541,291
TOTAL	26,766,248	10,637,571

11 FIXED ASSETS

Description	Gross Block			Depreciation				Net Block		
	As at 01-04-2014	Additions	Deductions	As at 31-03-2015	As at 01-04-2014	For the year	Deductions/ Adjustments (refer note no. 11.1)	As at 31-03-2015	As at 31-03-2015	As at 31-03-2014
TANGIBLE ASSETS :										
Own Assets :										
Office premises	1,750,000	-	-	1,750,000	904,172	68,985	-	973,157	776,843	845,828
Furniture and fixtures	17,500	-	-	17,500	14,492	2,833	-	17,325	175	3,008
Vehicles	633,674	10,314,430	-	10,948,104	544,667	802,453	82,669	1,429,789	9,518,315	89,007
Office equipments	2,527,058	155,581	-	2,682,639	1,232,838	641,648	4,119	1,878,605	804,034	1,294,220
Plant and machinery	16,200	-	-	16,200	9,076	2,358	-	11,434	4,766	7,124
Total	4,944,432	10,470,011	-	15,414,443	2,705,245	1,518,277	86,788	4,310,310	11,104,133	2,239,187
Previous Year	4,516,279	428,153	-	4,944,432	2,295,794	409,451	-	2,705,245	2,239,187	

11.1 Pursuant to the enactment of Companies Act 2013, the Company has applied the estimated useful lives as specified in Schedule II of the Companies Act, 2013. Accordingly the unamortised carrying value is being depreciated/ amortised over the revised/ remaining useful lives. The written down value of fixed assets whose lives have expired as at 1st April 2014 of ₹ 86,788 (net of tax of ₹ 59,971) have been adjusted in the opening balance of profit and loss account as per transition provisions contained in Schedule II to the Companies Act, 2013.

12 NON CURRENT INVESTMENTS

(Others)

				(In ₹)
		As at 31st March, 2015		As at 31st March, 2014
In equity shares - quoted, fully paid up				
2,642,329	Fortune Financial Services (India)			
(2,008,000)	Limited of ₹ 10 each	201,118,370		150,950,546
2,400	Sadbhav Engineering Limited			
(72,400)	of ₹ 1 each	102,000		8,034,440
NIL	Technofab Engineering Limited			
(15,000)	of ₹ 10 each	-		3,674,747
NIL	The Phoenix Mills Limited			
(10,000)	of ₹ 2 each	-	201,220,370	1,996,549
				164,656,282
In equity shares of subsidiary Companies- unquoted, fully paid up				
450,000	ITI Capital Holdings Private Limited			
(450,000)	of ₹ 10 each	163,275,000		163,275,000
1,250,000	Intime Spectrum Commodities Private			
(1,250,000)	Limited of ₹ 10 each	12,509,543		12,509,543
NIL	Tamarind Tours Private Limited*			
(50,000)	of ₹ 10 each	-		500,000
10,000	Caladium Properties Private Limited			
(10,000)	of ₹ 10 each	100,281		100,281
10,000	Crest Residency Private Limited			
(10,000)	of ₹ 10 each	100,000		100,000
4,250,000	Crest Wealth Management Private			
(NIL)	Limited of ₹ 10 each [Formerly known as ITI Wealth Management Private Limited]	29,824,375	205,809,199	-
				176,484,824
In equity shares of associate Companies- unquoted, fully paid up				
NIL	SAI Consulting Engineers Private			
(841,371)	Limited of ₹ 10 each	-		54,695,095
3,247,760	Classic Mall Development Company			
(3,247,760)	Private Limited of ₹ 10 each	629,025,372		629,025,372
2,499,374	Starboard Hotels Private Limited			
(2,499,374)	of ₹ 10 each	24,993,991		24,993,991
50,000	Edelweiss Fund Advisors Private			
(50,000)	Limited of ₹ 10 each	500,000		500,000
25,000	Escort Developers Private Limited			
(25,000)	of ₹ 10 each	15,950,000		15,950,000
903,591	Ramayana Realtors Private Limited			
(903,591)	of ₹ 10 each	128,201,662		128,201,662

	As at 31st March, 2015		(In ₹) As at 31st March, 2014	
5,000 Classic Housing Projects Private (5,000) Limited of ₹ 10 each	50,126		50,126	
50,000 Tamarind Tours Private Limited* (NIL) of ₹ 10 each	500,000	799,221,151	-	853,416,246
In equity shares of other Companies- unquoted, fully paid up				
1,250,000 Vamona Developers Private Limited (1,250,000) of ₹ 10 each	12,500,000		12,500,000	
102,353 Alliance Spaces Private Limited (102,353) of ₹ 10 each	39,235,317		39,235,317	
NIL Inga Capital Private Limited (70,000) of ₹ 10 each	-	51,735,317	3,000,000	54,735,317
In preference shares of subsidiary Company- unquoted, fully paid up				
1,200,000 ITI Securities Limited (1,200,000) of ₹ 100 each		120,000,000		120,000,000
In debentures of associate Companies- unquoted, fully paid up				
300,000 0.0001% Series B Optionally Convertible (300,000) Debentures of Classic Housing Projects Private Limited of ₹ 100 each	30,000,000		30,000,000	
120,000 0.0001% Series C Optionally Convertible (120,000) Debentures of Classic Housing Projects Private Limited of ₹ 100 each	12,000,000		12,000,000	
1,565,564 0.0001% Compulsorily Convertible (NIL) Debentures of Starboard Hotels Private Limited of ₹ 100 each#	156,556,400		-	
34,000 0.0001% Compulsorily Convertible (NIL) Debentures of Escort Developers Private Limited of ₹ 100 each#	3,400,000	201,956,400	-	42,000,000
Other investments				
In joint ventures				
Trinity Ventures		236,964		278,860
In limited liability partnership				
Kara Property Ventures LLP		250,000		250,000
TOTAL		<u>1,580,429,401</u>		<u>1,411,821,529</u>
Aggregate amount of quoted investments		201,220,370		164,656,282
Market value of quoted investments		630,743,874		159,347,830
Aggregate amount of unquoted investments		1,379,209,031		1,247,165,247

* During the year Tamarind Tours Private Limited is converted from a subsidiary to an associate company.

These debentures are non transferable.

13 DEFERRED TAX ASSETS (NET)

	As at 31st March, 2015	(In ₹) As at 31st March, 2014
Deferred tax liability		
Related to fixed assets	-	42,014
Deferred tax assets		
Related to fixed assets	87,657	-
Business loss and disallowance under Income Tax Act, 1961*	3,150,130	2,880,706
TOTAL	<u>3,237,787</u>	<u>2,838,692</u>

* Based on rental agreements.

14 LONG TERM LOANS AND ADVANCES

(Unsecured and considered good)

	As at 31st March, 2015	(In ₹) As at 31st March, 2014
Loans and advances to related parties (refer note no. 32)	179,708,006	357,225,893
Security deposits	320,200	120,200
TOTAL	<u>180,028,206</u>	<u>357,346,093</u>

15 INVENTORIES

(Lower of cost or net realisable value)

	As at 31st March, 2015	(In ₹) As at 31st March, 2014
Finished realty stock	377,655,571	377,655,571
Realty work in progress	60,142,683	793,647,429
TOTAL	<u>437,798,254</u>	<u>1,171,303,000</u>

16 TRADE RECEIVABLES

(Unsecured and considered good)

	As at 31st March, 2015	(In ₹) As at 31st March, 2014
Outstanding for period exceeding six months	2,357,018	3,441,592
Others	1,623,991	3,586,381
TOTAL	<u>3,981,009</u>	<u>7,027,973</u>

17 CASH AND BANK BALANCE

	As at 31st March, 2015	(In ₹) As at 31st March, 2014
Balances with banks (refer note no. 17.1)	1,121,456	2,687,895
Cash on hand	54,659	49,559
TOTAL	<u>1,176,115</u>	<u>2,737,454</u>

17.1 Balances with banks includes unclaimed dividend of ₹500,395 (previous year ₹550,189).

18 SHORT TERM LOANS AND ADVANCES

(Unsecured considered good, unless otherwise stated)

	As at 31st March, 2015	As at 31st March, 2014
Inter corporate deposits		
To related parties (refer note no. 32)	238,934,698	103,500,000
Other inter corporate deposits		
- considered doubtful	15,000,000	-
- considered good	37,500,000	52,500,000
Debenture application money to related parties (refer note no. 32)	-	211,406,410
Advance tax (net of provision)	25,334,788	49,445,223
Prepaid expenses	192,806	722,007
Others (refer note no. 18.1)	20,814,883	35,746,945
TOTAL	337,777,175	453,320,585

18.1 Others loans and advances includes advances given related to real estate of ₹10,140,000 (previous year ₹30,140,000) and service tax receivable of ₹182,794 (previous year ₹190,655).

19 OTHER CURRENT ASSETS

	As at 31st March, 2015	As at 31st March, 2014
Accrued interest	47,683,022	27,732,846
TOTAL	47,683,022	27,732,846

20 REVENUE FROM OPERATIONS

	2014-15	2013-14
Interest	53,789,669	57,147,380
Rental income	15,530,963	21,422,562
Services charged	28,897,154	40,489,138
Sale of real estate properties	741,500,000	209,621,311
Other operating income	-	2,358,490
TOTAL	839,717,786	331,038,881

21 OTHER INCOME

	2014-15	2013-14
Dividend from long term investments	12,455,108	11,350,368
Net gain on sale of long term investments	166,181,431	644,087
Other non operating income	-	1,125,000
TOTAL	178,636,539	13,119,455

22 VARIATION IN INVENTORIES

		(In ₹)
	2014-15	2013-14
Inventories (at close)		
Finished realty stock	377,655,571	377,655,571
Realty work in progress	60,142,683	793,647,429
	<u>437,798,254</u>	<u>1,171,303,000</u>
Inventories (at commencement)		
Finished realty stock	377,655,571	377,655,571
Realty work in progress	793,647,429	1,009,009,894
	<u>1,171,303,000</u>	<u>1,386,665,465</u>
TOTAL	<u><u>733,504,746</u></u>	<u><u>215,362,465</u></u>

23 EMPLOYEE BENEFIT EXPENSES

		(In ₹)
	2014-15	2013-14
Salaries	10,554,766	14,013,125
Contribution to provident fund	189,761	-
Staff welfare	468,140	705,753
Gratuity	(896,818)	120,328
TOTAL	<u><u>10,315,849</u></u>	<u><u>14,839,206</u></u>

23.1 As per Accounting Standard 15 - "Employee benefits", the disclosures as defined in the Accounting Standard are given below:

Defined Contribution Plan

Contribution to Defined Contribution Plans, recognised as expense for the year is as under :

Particulars	2014-15	2013-14
Employer's Contribution to Provident Fund	189,761	-

Defined Benefit Plan

The Company offers its employees defined-benefit plan in the form of a gratuity scheme. Benefits under the defined benefit plans are typically based on years of service and the employee's compensation (immediately before retirement). The gratuity scheme covers all regular employees. Actuarial valuation is done based on "Projected Unit Credit" method. Gains and Losses of the changed actuarial assumptions are charged to the statement of profit and loss. Gratuity scheme is not funded however, provision as per Accounting Standard 15 - "Employee benefits" has been made in the financial statements.

	2014-15	2013-14
(I) Actuarial Assumptions		
Mortality	IALM(2006-08)Ult.	IALM(2006-08)Ult.
Interest/discount rate	7.83%	9.19%
Rate of increase in compensation	10.00%	10.00%
Rate of return (expected) on plan assets		
Employee attrition rate (past service (PS))	PS : 0 to 5 : 27.27%	PS : 0 to 5 : 25.00%
	PS : 5 to 20 : 9.09%	PS : 5 to 10 : 8.33%
	PS : 20 to 40 : 0.00%	PS : 10 to 37 : 0.00%
Expected average remaining service	4.16	5.04

	2014-15	2013-14
(II) Changes in Present Value of Obligations		
Present value of obligation at the beginning of the year	1,984,385	1,864,057
Interest cost	182,365	149,125
Current service cost	231,588	409,293
Past service cost- non vested benefits	-	-
Past service cost- vested benefits	-	-
Benefits paid	-	-
Actuarial (gain)/loss on plan obligation	(1,310,771)	(438,090)
Present value of obligation at the end of the year	1,087,567	1,984,385
(III) Changes in Fair Value of Plan Assets		
Fair value of plan assets at beginning of the year	-	-
Expected return on plan assets	-	-
Contributions	-	-
Benefit paid	-	-
Actuarial gain/(loss) on plan assets	-	-
Fair value of plan assets at end of the year	-	-
(IV) Fair Value of Plan Assets		
Fair value of plan assets at beginning of the year	-	-
Actuarial return on plan assets	-	-
Contributions	-	-
Benefit paid	-	-
Fair value of plan assets at end of the year	-	-
Funded status (including unrecognised past service cost)	(1,087,567)	(1,984,385)
Excess of actual over estimated return on plan assets	-	-
(V) Experience History		
(Gain)/loss on obligation due to change in assumptions	77,449	(186,240)
Experience (gain)/loss on obligation	(1,388,220)	(251,850)
Actuarial gain/(loss) on plan assets	-	-
(VI) Actuarial Gain/(Loss) Recognised		
Actuarial gain/(loss) for the year (obligation)	1,310,771	438,090
Actuarial gain/(loss) for the year (plan assets)	-	-
Total gain/(loss) for the year	1,310,771	438,090
Actuarial gain/(loss) recognised for the year	1,310,771	438,090
Unrecognised actuarial gain/(loss) at end of year	-	-
(VII) Past Service Cost Recognised		
Past service cost- non vested benefits	-	-
Past service cost- vested benefits	-	-
Average remaining future service till vesting of the benefit	-	-
Recognised past service cost- non vested benefits	-	-
Recognised past service cost- vested benefits	-	-
Unrecognised past service cost- non vested benefits	-	-

	2014-15	2013-14
(VIII) Amount to be Recognised in the Balance Sheet and Statement of Profit and Loss		
Present value of obligation at the end of the year	1,087,567	1,984,385
Fair value of plan assets at end of the year	-	-
Funded status	(1,087,567)	(1,984,385)
Unrecognised actuarial gain/(loss)	-	-
Unrecognised past service cost non vested benefits	-	-
Net asset/(liability) recognised in the balance sheet	(1,087,567)	(1,984,385)
(IX) Amount to be Recognised in the Statement of Profit and Loss		
Current service cost	231,588	409,293
Interest cost	182,365	149,125
Past service cost- non vested benefits	-	-
Past service cost- vested benefits	-	-
Unrecognised past service cost- non vested benefits	-	-
Expected return on plan assets	-	-
Net actuarial (gain)/loss recognised for the year	(1,310,771)	(438,090)
Expense recognised in the statement of profit and loss	(896,818)	120,328
(X) Movement in the Liability recognised in Balance Sheet		
Opening net liability	1,984,385	1,864,057
Expenses as above	(896,818)	120,328
Contribution paid	-	-
Closing net liability	1,087,567	1,984,385
(XI) Amounts recognised in current year and previous four years		

	As at 31st March				
	2015	2014	2013	2012	2011
Gratuity					
Defined benefit obligation	1,087,567	1,984,385	1,864,057	1,311,460	-
Fair value of plan assets	-	-	-	-	-
(Surplus) / deficit in the plan	-	-	-	-	-
Actuarial (gain) / loss on plan obligation	(1,310,771)	(438,090)	42,199	936,491	-
Actuarial gain / (loss) on plan assets	-	-	-	-	-

24 FINANCE COSTS

	2014-15	2013-14
Interest expense	67,730,153	78,302,670
Other borrowing cost	913,322	2,677,982
TOTAL	68,643,475	80,980,652

25 DEPRECIATION AND AMORTISATION EXPENSES

		(In ₹)
	2014-15	2013-14
Depreciation	1,518,277	409,451
TOTAL	1,518,277	409,451

26 OTHER EXPENSES

		(In ₹)
	2014-15	2013-14
Operating and other expenses		
Business promotion	1,455,440	1,417,834
Brokerage paid	63,000	2,511,470
Donation (refer note no.26.1)	1,496,000	400,000
Electricity expenses	2,238,314	2,127,941
Insurance	273,281	260,826
Payment to auditors (refer note no.26.2)	898,880	764,048
Professional fees	11,791,284	2,461,960
Property tax	2,306,196	1,247,631
Rent	410,379	168,540
Repairs and maintenance	5,576,557	6,025,405
Travelling and conveyance expenses	1,977,780	2,378,480
Other expenses	8,789,294	2,932,985
Prior period expenditure	6,399,002	-
Contingent provision against standard assets	(105,208)	26,565
Contingent provision against doubtful assets	15,000,000	-
Share of loss from joint venture	41,896	232,937
Share of loss from limited liability partnership	5,676,732	331,848
TOTAL	64,288,827	23,288,470

26.1 Donation includes expenditure related to Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII of ₹800,000.

26.2 Payment to Auditors As

		(In ₹)
	2014-15	2013-14
Statutory audit fees	505,620	415,732
For taxation matters	325,844	314,608
For other services	67,416	33,708
TOTAL	898,880	764,048

27 EXPENDITURE IN FOREIGN CURRENCY

		(In ₹)
	2014-15	2013-14
Business promotion	-	61,225
TOTAL	-	61,225

28 Disclosures of loans and advances in nature of loans given as per Clause 32 of Listing Agreement comprises:

(i) Loan given to subsidiaries and associates is as under: (In ₹)

		As at 31st March, 2015	Maximum balance outstanding during the year	As at 31st March, 2014
ITI Capital Holdings Private Limited	Subsidiary	42,700,000	105,800,000	105,800,000
Caladium Properties Private Limited	Subsidiary	100,234,698	108,600,000	100,700,000
ITI Securities Limited	Subsidiary	81,500,000	91,500,000	90,000,000
Classic Housing Projects Private Limited	Associate	14,500,000	14,500,000	-
Ramayana Realtors Private Limited	Associate	-	731,821	-
Starboard Hotels Private Limited	Associate	79,500,000	79,500,000	13,500,000
Kara Property Ventures LLP	Associate	100,208,006	190,892,275	150,725,893
TOTAL		418,642,704		460,725,893

(ii) The above loans and advances other than loans and advances given to Starboard Hotels Private Limited and Kara Property Ventures LLP are repayable on demand and do not have any repayment schedule.

(iii) Loans and advances given to ITI Capital Holdings Private Limited (wholly owned subsidiary) is interest free.

(iv) Loans to employees as per Company's policy are not considered.

(v) Investment made by ITI Capital Holdings Private Limited (loanee company) in shares of subsidiaries:

Sr. No.	Name of the Company	No. of Shares As at 31st March, 2015	As at 31st March, 2014
1.	ITI Financial Services Limited	NIL	26,400,000
2.	ITI Securities Limited	4,549,940	4,549,940
3.	Prebon Yamane (India) Limited	1,533,003	1,533,003
4.	Crest Wealth Management Private Limited	NIL	4,250,000

29 Change in the name of the Company:

Pursuant to the approval of the members obtained at the Extra Ordinary General Meeting of the Company held on August 14, 2014 the name of the Company stands changed from "Sharyans Resources Limited" to "Crest Ventures Limited" w.e.f. September 01, 2014.

30 The Board of Directors' of the Company in their meeting held on February 05, 2015 has approved a Composite Scheme of Amalgamation ("Scheme") between ITI Securities Limited with ITI Capital Holdings Private Limited w.e.f. April 01, 2014 (being the appointed date) and ITI Capital Holdings Private Limited with Crest Ventures Limited w.e.f. April 02, 2014. (being the appointed date). The Company has filed an application under clause 24(f) of the Listing Agreement with the Bombay Stock Exchange Limited ("BSE"). Pending the approval of the Scheme from the BSE and subsequent approval of the Hon'ble High Court of Bombay and other Regulatory Authorities, no effect is given in these financial statements. The merger would be effective only once the order is received from Hon'ble High Court of Bombay and filed with the Registrar of Companies.

31 As per Accounting Standard 21 on "Consolidated Financial Statements" and Accounting Standard 23 on "Accounting for Investments in Associates in Consolidated Financial Statements" the Company has presented consolidated financial statements, including subsidiaries and associates. Accordingly segment information as required under Accounting Standard 17 on "Segment Reporting" is included under Notes to Consolidated Financial Statements.

32 Disclosure in respect of applicability of Accounting Standard 18 “Related Party Disclosures”:

(i) List of related parties and relationship:

Sr. No.	Name of the Party	Relationship
1.	ITI Securities Limited	Subsidiary
2.	Intime Spectrum Commodities Private Limited	Subsidiary
3.	Tamarind Tours Private Limited (upto September 14, 2014)	Subsidiary
4.	ITI Capital Holdings Private Limited	Subsidiary
5.	Crest Wealth Management Private Limited [Formerly known as ITI Wealth Management Private Limited]	Subsidiary
6.	Prebon Yamane (India) Limited	Subsidiary
7.	ITI Financial Services Limited (upto October 15, 2014)	Subsidiary
8.	ITI Investor Services Limited (upto October 15, 2014)	Subsidiary
9.	Crest Residency Private Limited	Subsidiary
10.	Caladium Properties Private Limited	Subsidiary
11.	Ramayana Realtors Private Limited	Associate
12.	Classic Mall Development Company Private Limited	Associate
13.	Starboard Hotels Private Limited	Associate
14.	Classic Housing Projects Private Limited	Associate
15.	Escort Developers Private Limited	Associate
16.	SAI Consulting Engineers Private Limited (upto November 04, 2014)	Associate
17.	Edelweiss Fund Advisors Private Limited	Associate
18.	Tamarind Tours Private Limited (w.e.f. September 15, 2014)	Associate
19.	Kara Property Ventures LLP	Associate
20.	Trinity Ventures	Joint venture
21.	Vijay Choraria - Managing Director	Key managerial personnel (KMP)
22.	Sunita Choraria	Relative of KMP
23.	Fine Estates Private Limited	Entity controlled by KMP
24.	Priyanka Finance Private Limited	Entity controlled by KMP
25.	Associated Luggage Company Private Limited	Entity controlled by relative of KMP
26.	Bridge Equities Private Limited	Entity controlled by relative of KMP
27.	Fine Business Facilitators Private Limited	Entity controlled by relative of KMP

(ii) Transactions during the year with related parties

(In ₹)					
Nature of transactions	Subsidiaries	Associates	Key managerial personnel	Entity controlled by KMP / relative of KMP	Total
1. Interest income	21,216,314 (8,009,379)	20,638,738 (40,501,912)	- (-)	- (-)	41,855,052 (48,511,291)
2. Dividend income	10,350,000 (9,100,000)	2,103,428 (2,103,428)	- (-)	- (-)	12,453,428 (11,203,428)
3. Other non operating income	- (-)	- (1,125,000)	- (-)	- (-)	- (1,125,000)

(In ₹)

Nature of transactions	Subsidiaries	Associates	Key managerial personnel	Entity controlled by KMP / relative of KMP	Total
4. Rent paid	- (-)	- (-)	- (-)	168,540 (168,540)	168,540 (168,540)
5. Interest paid	- (-)	- (-)	- (-)	14,851,182 (36,138,872)	14,851,182 (36,138,872)
6. Managerial remuneration	- (-)	- (-)	1,800,000 (1,800,000)	- (-)	1,800,000 (1,800,000)
7. Travelling expenses	- (443,431)	56,853 (-)	- (-)	- (-)	56,853 (443,431)
8. Share of loss from limited liability partnership	- (-)	5,676,732 (331,848)	- (-)	- (-)	5,676,732 (331,848)
9. Purchase and sale of shares	96,080,576 (155,622,054)	- (-)	- (-)	- (-)	96,080,576 (155,622,054)
10. Purchase / subscription of investments	- (-)	159,956,400 (24,843,590)	- (-)	- (-)	159,956,400 (24,843,590)
11. Sale / redemption of investments	- (-)	- (124,800,000)	- (-)	- (-)	- (124,800,000)
12. Net loan taken/(repaid)	- (-)	- (-)	- (-)	7,135,000 (119,525,000)	7,135,000 (119,525,000)
13. Net loans and advances given / returned (including debenture application money)	(72,065,302) (10,700,000)	(181,424,298) (159,055,697)	- (-)	- (-)	(253,489,600) (148,355,697)
14. Loan taken jointly with wholly owned subsidiary and secured on it's certain assets	90,000,000 (-)	- (-)	- (-)	- (-)	90,000,000 (-)
Balance as at 31st March, 2015					
15. Short term borrowings	- (-)	- (-)	- (-)	128,985,000 (121,850,000)	128,985,000 (121,850,000)
16. Long term loans and advances	- (206,500,000)	179,708,006 (150,725,893)	- (-)	- (-)	179,708,006 (357,225,893)
17. Short term loans and advances	224,434,698 (90,000,000)	14,500,000 (224,906,410)	- (-)	- (-)	238,934,698 (314,906,410)
18. Loan taken jointly with wholly owned subsidiary and secured on it's certain assets	62,283,668 (-)	- (-)	- (-)	- (-)	62,283,668 (-)
19. Corporate guarantee given	- (225,000,000)	5,000,000 (-)	- (-)	- (-)	5,000,000 (225,000,000)

Note: Previous year figures are indicated in brackets.

Disclosure in respect of related party transactions during the year:

(In ₹)			
Particulars	Relationship	2014-15	2013-14
1. Interest income			
Caladium Properties Private Limited	Subsidiary	12,760,898	5,612,256
ITI Securities Limited	Subsidiary	8,455,416	2,397,123
Classic Mall Development Company Private Limited	Associate	-	21,798,229
Classic Housing Projects Private Limited	Associate	496,754	2,572,958
Starboard Hotels Private Limited	Associate	4,968,173	2,571,881
Kara Property Ventures LLP	Associate	15,140,070	13,558,844
Ramayana Realtors Private Limited	Associate	33,738	-
Escort Developers Private Limited	Associate	3	-
2. Dividend income			
ITI Securities Limited	Subsidiary	3,600,000	3,600,000
Tamarind Tours Private Limited	Subsidiary	6,750,000	5,500,000
SAI Consulting Engineers Private Limited	Associate	2,103,428	2,103,428
3. Other non operating income			
Ramayana Realtors Private Limited	Associate	-	1,125,000
4. Rent paid			
Fine Estates Private Limited	Entity controlled by KMP	168,540	168,540
5. Interest paid			
Fine Estates Private Limited	Entity controlled by KMP	-	20,449,466
Priyanka Finance Private Limited	Entity controlled by KMP	13,988,712	14,710,724
Associated Luggage Company Private Limited	Entity controlled by relative of KMP	-	724,173
Bridge Equities Private Limited	Entity controlled by relative of KMP	348,507	129,163
Fine Business Facilitators Private Limited	Entity controlled by relative of KMP	513,963	125,346
6. Managerial remuneration			
Vijay Choraria	KMP	1,800,000	1,800,000
7. Travelling expenses			
Tamarind Tours Private Limited	Subsidiary	-	443,431
Tamarind Tours Private Limited	Associate	56,853	-
8. Share of loss from limited liability partnership			
Kara Property Ventures LLP	Associate	5,676,732	331,848
9. Purchase and sale of shares			
ITI Securities Limited	Subsidiary	-	150,950,546
ITI Financial Services Limited	Subsidiary	66,330,576	4,671,508
ITI Capital Holdings Private Limited	Subsidiary	29,750,000	-
10. Purchase / subscription of investments			
Escort Developers Private Limited	Associate	3,400,000	-
Starboard Hotels Private Limited	Associate	156,556,400	24,843,590
11. Sale / redemption of investments			
Classic Housing Projects Private Limited	Associate	-	124,800,000

(In ₹)			
Particulars	Relationship	2014-15	2013-14
12. Net loan taken/(repaid)			
Fine Estates Private Limited	Entity controlled by KMP	-	(35,000,000)
Priyanka Finance Private Limited	Entity controlled by KMP	13,435,000	(81,450,000)
Associated Luggage Company Private Limited	Entity controlled by relative of KMP	-	(7,775,000)
Bridge Equities Private Limited	Entity controlled by relative of KMP	(3,000,000)	2,100,000
Fine Business Facilitators Private Limited	Entity controlled by relative of KMP	(3,300,000)	2,600,000
13. Net loans and advances given /returned (including debenture application money)			
Caladium Properties Private Limited	Subsidiary	(465,302)	30,200,000
ITI Capital Holdings Private Limited	Subsidiary	(63,100,000)	(109,500,000)
ITI Securities Limited	Subsidiary	(8,500,000)	90,000,000
Classic Mall Development Company Private Limited	Associate	-	(182,500,000)
Escort Developers Private Limited	Associate	(3,400,000)	(5,200,000)
Kara Property Ventures LLP	Associate	(50,517,888)	69,157,893
Ramayana Realtors Private Limited	Associate	(51,450,000)	(29,170,000)
Starboard Hotels Private Limited	Associate	(90,556,410)	(11,343,590)
Classic Housing Projects Private Limited	Associate	14,500,000	-
14. Loan taken jointly with wholly owned subsidiary and secured on it's certain assets			
Caladium Properties Private Limited	Subsidiary	90,000,000	-

33 Earnings per share (EPS):

	As at 31st March, 2015	As at 31st March, 2014
(a) Net Profit after tax as per statement of profit and loss attributable to equity shareholders (₹)	109,982,643	11,616,120
(b) Weighted average number of equity shares used as denominator for calculating basic and diluted EPS	17,370,000	17,370,000
(c) Basic and diluted earnings per share (₹)	6.33	0.67
(d) Face value per equity share (₹)	10.00	10.00

34 Assets Given on Operating Lease:

- a. The Company has given properties on operating lease and lease rent amounting to ₹15,530,963 (previous year ₹21,422,562) has been credited to profit and loss account. The future minimum lease income is as under:

	(In ₹)	
	As at 31st March, 2015	As at 31st March, 2014
Not later than one year	17,785,441	16,595,601
Later than one year and not later than five years	66,738,565	56,035,690
Later than five years	502,525	2,643,520
TOTAL	85,026,531	75,274,811

- b. General description of lease term:
- Lease rentals are charged on the basis of agreed terms.
 - Asset given on lease for a period of 5 to 9 years.

35 In Compliance with Accounting Standard 27 “Financial Reporting of Interest in Joint Venture” the required information is as under:

- Trinity Ventures is a jointly controlled entity having its place of business in India. The Company is having 10% (previous year 10%) of ownership interest.
- In respect of jointly controlled entity, the Company's share of assets, liabilities, income and expenditure of the joint venture is as follows:

	As at 31st March, 2015	(In ₹) As at 31st March, 2014
Assets		
Current assets	241,138	279,524
Liabilities		
Current liabilities and provisions	4,174	664
Income	-	-
Expenditure	116	30,442

36 Contingent Liabilities:

- Corporate guarantees given by the Company to banks against bank guarantees issued to subsidiaries ₹ NIL (previous year ₹225,000,000), associates ₹5,000,000 (previous year ₹ NIL) and others ₹72,000,000 (previous year ₹ NIL).
- Income-Tax matters in respect of which appeal is pending ₹612,466 (previous year ₹1,659,256).

37 The previous year figures have been regrouped, reworked, rearranged and reclassified, wherever necessary, to be read in relation to the amounts and other disclosures relating to the current year.

38 Crest Ventures Limited (Formerly known as Sharyans Resources Limited), is a registered Non Banking Financial Company with Reserve Bank of India bearing Certificate of Registration No. N-13.01888 dated December 14, 2007.

39 Disclosure of details as required by revised Para 13 of Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 2007:

(In ₹)		
Particulars	Amount outstanding	Amount overdue
Liabilities side:		
1) Loans and advances availed by NBFC inclusive of interest thereon but not paid		
a) Debentures:		
i) Secured	-	-
ii) Unsecured	-	-
(Other than falling within the meaning of public deposits)		
b) Deferred credits	-	-
c) Term loans	232,286,667	-
	(275,548,184)	-
d) Inter-corporate loans and borrowing	142,351,064	-
	(225,168,891)	-
e) Commercial paper	-	-
f) Public deposits	-	-
g) Other Loans (specify nature)	-	-
	-	-

(In ₹)

Particulars		Amount outstanding	Amount overdue
2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) [Please see note 1 below]:			
a)	In the form of unsecured debentures	-	-
b)	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
c)	Other public deposits	-	-
Assets side:			
3) Break up of loans and advances including bills receivable (other than those included in (4) below			
a)	Secured	-	-
b)	Unsecured	471,142,704	-
		(513,225,893)	-
	Total	471,142,704	-
	Total	(513,225,893)	-
4) Break up of leased assets and stock on hire and other assets counting towards AFC activities			
a)	Lease assets including lease rentals under sundry debtors:		
i)	Financial Lease (Net of depreciation and lease adjustment)	-	-
ii)	Operating Lease	-	-
5) Break up of investments			
a)	Current investments		
i)	Quoted Shares		
-	Equity	-	-
-	Preference	-	-
ii)	Unquoted Shares		
-	Equity	-	-
-	Preference	-	-
	Debentures and bonds	-	-
	Units of mutual funds	-	-
	GOI securities	-	-
	Others (please specify)	-	-
	Total	-	-
b)	Long term investments		
i)	Quoted Shares		
-	Equity	201,220,370	-
		(164,656,282)	-
-	Preference	-	-
ii)	Unquoted Shares		
-	Equity	1,056,765,667	-
		(1,084,636,387)	-
-	Preference	120,000,000	-
		(120,000,000)	-
	Debentures and bonds	201,956,400	-
		(42,000,000)	-
	Units of mutual funds	-	-
	GOI securities	-	-
	Others	486,964	-
		(528,860)	-
	Total	1,580,429,401	-
	Total	(1,411,821,529)	-

(In ₹)

Particulars		Amount outstanding	Amount overdue
6) Borrower group-wise classification of all leased assets, stock-on hire and loans and advances [Please see note 2 below]:		Amount net of provisions	
		Secured	Total
a) Related parties			
i) Subsidiaries	-	224,434,698 (296,500,000)	224,434,698 (296,500,000)
ii) Companies in the same group	-	-	-
iii) Other related parties	-	-	-
b) Other than related parties	-	246,708,006 (216,725,893)	246,708,006 (216,725,893)
Total	-	471,142,704	471,142,704
Total		(513,225,893)	(513,225,893)
7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) [Please see note 3 below]:		Market value / Fair value / Breakup value / NAV	Book value (net of provision)
a) Related parties			
i) Subsidiaries		325,809,199 (296,484,824)	325,809,199 (296,484,824)
ii) Companies in the same group		-	-
iii) Other related parties		1,001,664,515 (895,945,106)	1,001,664,515 (895,945,106)
b) Other than related parties		682,479,191 (214,083,147)	252,955,687 (219,391,599)
Total		2,009,952,905	1,580,429,401
Total		(1,406,513,077)	(1,411,821,529)
8) Other Information		2014-15	2013-14
a) Gross non performing assets			
i) Related parties		-	-
ii) Other than related parties		15,000,000	-
b) Net non performing assets			
i) Related parties		-	-
ii) Other than related parties		-	-
c) Assets acquired in satisfaction of debt		-	-

Notes:

- 1) As defined in Paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- 2) Provisioning norms as prescribed in the Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998.
- 3) All Accounting Standards and guidance notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debts. However, market value in respect of quoted investments and break up value/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long-term or current in column (5) above
- 4) Related parties are defined as per Accounting Standard issued by ICAI.
- 5) Investments in case of unquoted shares it is assumed that market value is same as book value.
- 6) Previous year figures are indicated in brackets.

- 40 Disclosure as required in terms of Paragraph 9 of RBI Circular No. DNBR(PD)CC.No.002/03.10.001/2014-15 dated 10th November, 2014:

(a) Capital to Risk Asset Ratio ("CRAR"):

Items	31st March, 2015	31st March, 2014
CRAR (%)		
i) CRAR - Tier I capital (%)	75.24%	47.70%
ii) CRAR - Tier II capital (%)	0.77%	0.04%

(b) Maturity pattern of certain items of assets and liabilities (At Book values):

	Liabilities		Assets	
	Borrowings from banks	Market borrowings	Advances	Investments
1 day to 30/31 days (One month)	4,312,451 (3,652,759)	128,985,000 (190,650,000)	119,000,000 (156,000,000)	- -
Over 1 month to 2 months	4,399,767 (3,750,830)	- -	- -	- -
Over 2 months upto 3 months	4,415,112 (3,740,559)	- (16,450,000)	- -	- -
Over 3 months to 6 months	13,593,970 (11,543,082)	20,761,222 (16,450,000)	50,261,222 -	- -
Over 6 months to 1 year	101,402,634 (24,457,928)	72,772,446 (32,900,000)	122,173,476 -	120,000,000 (54,695,095)
Over 1 year to 3 years	48,680,944 (99,886,339)	31,250,000 (62,500,000)	100,208,006 (357,225,893)	42,250,000 (42,000,000)
Over 3 years to 5 years	3,144,990 -	- -	- -	- (10,030,989)
Over 5 years	- -	- -	79,500,000 -	1,418,179,401 (1,305,095,445)
TOTAL	179,949,868	253,768,668	471,142,704	1,580,429,401
TOTAL	(147,031,497)	(318,950,000)	(513,225,893)	(1,411,821,529)

Note: Previous year figures are indicated in brackets

As per our report of even date

For Chaturvedi & Shah
Chartered Accountants
(Firm Registration No. 101720W)

Jignesh Mehta
Partner
Membership No. 102749

Place: Mumbai
Date: May 05, 2015

For and on behalf of the Board

Vijay Choraria
Managing Director
[DIN:00021446]

Manish Goswami
Director
[DIN:01075923]

Vishal Mehta
Chief Financial Officer
[PAN:AIHPM8436B]

Rohan Gavas
Company Secretary
[Membership No.A25891]

independent auditor's report

To The Members of
Crest Ventures Limited
(Formerly known as Sharyans Resources Limited)

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Crest Ventures Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associates, comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (b) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of other auditors, on the financial statements of the subsidiaries noted below, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2015 and its consolidated profit and its consolidated cash flows for the year ended on that date.

Other Matters

- (a) We did not audit the financial statements of five subsidiaries, whose financial statements reflect total assets of ₹538,040,789 as at 31st March, 2015, total revenues of ₹304,634,620 and net cash inflows amounting to ₹18,756,080 for the year then ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the accompanying consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.
- (b) We did not audit the financial statements of a jointly controlled entity, whose financial statements reflect total assets of ₹887,034 as at 31st March, 2015, total revenues of ₹ Nil and net cash outflows amounting to ₹7,797 for the year then ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ₹276,756,188 for the year ended 31st March, 2015 as considered in the consolidated financial statements, in respect of eight associates, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these associates and jointly controlled entity, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid jointly controlled entity and associates, is based solely on such unaudited financial statements.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding Company, subsidiaries and associate companies incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and based on the report of the statutory auditor of the subsidiary companies incorporated in India, none of the director is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as referred to in note 37(b) and (c) to the consolidated financial statements.
 - ii. The Group and its associates did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **Chaturvedi & Shah**
Chartered Accountants
(Firm Registration No. 101720W)

Jignesh Mehta
Partner
Membership No. 102749

Place: Mumbai
Date: May 05, 2015

Annexure to Independent Auditors' Report

Referred to in Paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" of our report of even date

- i) In respect of the fixed assets of the Group:
 - (a) The respective entities have maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets were physically verified during the year by the Management of the respective entities in accordance with a phased periodical programme of verification which, in our opinion and the opinion of the other auditors, is reasonable. According to the information and explanation given to us and the other auditors, no material discrepancies were noticed on such verification.
- ii) In respect of inventories of the Group wherever applicable:
 - (a) As explained to us and the other auditors, the inventories were physically verified during the year by the Management of the respective entities at reasonable intervals.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Group and the nature of its business. In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the procedures of physical verification of inventories followed by the Management of the respective entities were reasonable and adequate in relation to the size of the respective entities and the nature of their business.
 - (c) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the respective entities have maintained proper records of their inventories and no material discrepancies were noticed on physical verification.
- iii) In respect of the loans secured or unsecured, granted by the Group to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013:
 - (a) The receipts of principal amounts and interest where applicable are regular/as per stipulations.
 - (b) There are no overdue amounts as per stipulated terms.
- iv) In our opinion and the opinion of the other auditors and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Group and the nature of its business for the purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit as well as the audit by the other auditors, there haven't been observations of any continuing failure to correct major weaknesses in the internal control systems in respect of the above areas.
- v) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the Group has not accepted any deposit within the meaning of provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Therefore, the provisions of clause (v) of paragraph 3 of the Order are not applicable to the Group.
- vi) According to the information and explanations given to us and the other auditors, the Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Act to the Group.
- vii) According to the records of the Company and the information and explanations given to us, in respect of statutory dues of the Group:
 - (a) The respective entities have generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Value Added Tax, Cess and other material statutory dues applicable to the respective entities with the appropriate authorities. There were no material undisputed amounts payable by the respective entities in respect of such dues in arrears as at 31st March, 2015 for a period of more than six months from the date they became payable.

- (b) The details of statutory dues of the Group aggregating to ₹4,409,466 which have not been deposited as on 31st March, 2015 on account of disputes by the aforesaid entities are given below:

1. Crest Ventures Limited				
Statute	Nature of Dues	Amount involved (in ₹)	Assessment Year to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	612,466	2012-13	CIT (Appeal)
2. Prebon Yamane (India) Limited				
Statute	Nature of Dues	Amount involved (in ₹)	Assessment Year to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	583,070	2012-13	CIT (Appeal)
3. ITI Securities Limited				
Statute	Nature of Dues	Amount involved (in ₹)	Assessment Year to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	3,213,930	2009-10	CIT (Appeal)

- (c) According to the records of the Company, there has been no delay in transferring amounts that are due to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder which are required to be transferred to the Investor Education and Protection Fund by the Group.
- viii) The Group does not have consolidated accumulated losses at the end of the financial year nor have they incurred cash losses, on a consolidated basis, during the financial year covered by our audit and in the immediately preceding financial year.
- ix) According to the records examined by us and other auditors and the information and explanations given to us and other auditors, in our opinion and in the opinion of other auditors, the Group has not defaulted in re-payment of dues to financial institution and banks.
- x) According to information and explanations given to us and other auditors, the Group has not given any guarantee for loans taken by others from bank or financial institutions. Therefore, the provisions of clause (x) of paragraph 3 of the Order are not applicable to the Group.
- xi) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the term loans have been applied by the Group during the year for the purposes for which they were obtained.
- xiii) To the best of our knowledge and according to the information and explanations given to us and the other auditors, no fraud by the Group and no material fraud on the Group has been noticed or reported during the year.

For **Chaturvedi & Shah**
Chartered Accountants
(Firm Registration No. 101720W)

Jignesh Mehta
Partner
Membership No. 102749

Place: Mumbai
Date: May 05, 2015

consolidated balance sheet as at 31st march, 2015

		(In ₹)	
	Note	As at 31st March, 2015	As at 31st March, 2014
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share capital	2	173,700,000	173,700,000
Reserves and surplus	3	<u>1,995,562,221</u>	<u>1,794,006,226</u>
		<u>2,169,262,221</u>	<u>1,967,706,226</u>
Minority Interest		70,892,461	73,947,426
Non-Current Liabilities			
Long term borrowings	4	83,075,934	172,884,105
Other long term liabilities	5	29,567,050	260,270,511
Long term provisions	6	<u>8,933,273</u>	<u>10,010,790</u>
		<u>121,576,257</u>	<u>443,165,406</u>
Current Liabilities			
Short term borrowings	7	201,692,324	424,795,932
Trade payables	8	23,141,471	266,442,317
Other current liabilities	9	468,969,851	1,267,082,227
Short term provisions	10	<u>55,067,952</u>	<u>32,885,284</u>
		<u>748,871,598</u>	<u>1,991,205,760</u>
TOTAL		<u><u>3,110,602,537</u></u>	<u><u>4,476,024,818</u></u>
ASSETS			
Non-Current Assets			
Fixed assets			
Tangible assets	11	20,362,608	98,968,274
Intangible assets	11	69,329	92,055
Non current investments	12	1,777,797,259	1,516,457,924
Deferred tax assets (net)	13	7,374,256	39,999,208
Long term loans and advances	14	<u>213,550,096</u>	<u>196,198,843</u>
		<u>2,019,153,548</u>	<u>1,851,716,304</u>
Current Assets			
Inventories	15	551,396,072	1,273,915,776
Trade receivables	16	47,927,407	286,711,430
Cash and bank balance	17	220,888,754	326,814,773
Short term loans and advances	18	231,173,736	700,646,607
Other current assets	19	<u>40,063,020</u>	<u>36,219,928</u>
		<u>1,091,448,989</u>	<u>2,624,308,514</u>
TOTAL		<u><u>3,110,602,537</u></u>	<u><u>4,476,024,818</u></u>
Significant accounting policies and Notes on consolidated financial statements		1 to 39	

As per our report of even date

For Chaturvedi & Shah
Chartered Accountants
(Firm Registration No. 101720W)

Jignesh Mehta
Partner
Membership No. 102749

Place: Mumbai
Date: May 05, 2015

For and on behalf of the Board

Vijay Choraria
Managing Director
[DIN:00021446]

Vishal Mehta
Chief Financial Officer
[PAN:AIHPM8436B]

Manish Goswami
Director
[DIN:01075923]

Rohan Gavas
Company Secretary
[Membership No.A25891]

consolidated statement of profit and loss for the year ended 31st march, 2015

(In ₹)

	Note	2014-15	2013-14
INCOME			
Revenue from operations	20	1,733,848,369	1,697,794,820
Other income	21	45,744,443	38,818,446
Total revenue		1,779,592,812	1,736,613,266
EXPENDITURE			
Purchase relating to travel business		427,802,142	876,123,715
Cost of construction		37,042,575	17,679,492
Variation in inventories	22	728,302,829	190,145,098
Employee benefit expenses	23	173,983,212	213,057,467
Finance costs	24	70,989,364	106,517,300
Depreciation and amortisation expenses	25	25,246,332	28,252,305
Other expenses	26	322,036,607	277,053,765
Total expenses		1,785,403,061	1,708,829,142
(LOSS)/PROFIT BEFORE TAX		(5,810,249)	27,784,124
Tax expense			
Current tax		50,753,000	14,898,787
MAT credit		20,147	(328,212)
Deferred tax		(6,118,610)	89,005,133
Tax for earlier years		404,488	(99,744)
LOSS AFTER TAX		(50,869,274)	(75,691,840)
Add: Share of profit from associates		276,756,188	185,893,674
Less: Share of profit transferred to minority interest		2,604,404	8,718,162
PROFIT OF THE GROUP		223,282,510	101,483,672
Earnings per equity share of face value of ₹10 each			
Basic and Diluted (In ₹)		12.85	5.84
Significant accounting policies and Notes on consolidated financial statements 1 to 39			

As per our report of even date

For Chaturvedi & Shah

Chartered Accountants

(Firm Registration No. 101720W)

Jignesh Mehta

Partner

Membership No. 102749

Place: Mumbai

Date: May 05, 2015

For and on behalf of the Board

Vijay Choraria

Managing Director

[DIN:00021446]

Manish Goswami

Director

[DIN:01075923]

Vishal Mehta

Chief Financial Officer

[PAN:AIHPM8436B]

Rohan Gavas

Company Secretary

[Membership No.A25891]

consolidated cashflow statement for the year 2014-15

	(In ₹)
	2014-15
	2013-14
A CASHFLOW FROM OPERATING ACTIVITIES	
Net (loss)/profit before tax as per consolidated statement of profit and loss	(5,810,249)
Adjustment for	
Depreciation	25,246,332
Net loss/(gain) on sale of investments	2,115,831
Expense related to sale of investments	33,477
Loss/(profit) on sale/disposal of fixed assets	(30,281)
Dividend income	(2,114,483)
Interest income	(32,056,444)
Interest expense	1,395,785
Sundry balances written off	325,987
(Gain)/loss on disposal of subsidiary	15,381,856
Gain on disposal of associate	(34,824,228)
Share of loss from limited liability partnership	5,676,732
Operating cash flow before working capital changes	<u>(24,659,685)</u>
Changes in current assets and liabilities	
Trade and other receivables	(29,858,346)
Inventories	728,131,960
Trade and other payables	(775,630,229)
Cash (used in)/generated from operations	<u>(102,016,300)</u>
Direct taxes paid (net)	(19,741,649)
CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES	<u>(121,757,949)</u>
B CASHFLOW FROM INVESTING ACTIVITIES	
Purchase of fixed assets	(13,903,462)
Sale of fixed assets	(29,240,639)
Purchase of investments	(180,374,224)
Proceeds from sale of investments (including subsidiaries)	378,021,710
Dividend income	2,114,483
Interest income	30,639,105
Movement in loans and advances	353,067,918
NET CASH GENERATED FROM/(USED IN) INVESTING ACTIVITIES	<u>540,324,891</u>

		(In ₹)
	2014-15	2013-14
C CASHFLOW FROM FINANCIAL ACTIVITIES		
Proceeds from long term borrowings	97,537,144	174,244,856
Repayment of long term borrowings	(144,020,921)	(59,577,383)
Short term borrowings (net)	(312,803,608)	(11,246,050)
Interest paid	(1,395,785)	(20,738,909)
Dividend and dividend distribution tax paid during the year	(19,793,547)	(23,902,211)
Proceeds from issue of share capital including securities premium	1,256,400	-
NET CASH (USED IN)/GENERATED FROM FINANCIAL ACTIVITIES	(379,220,317)	58,780,303
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	39,346,625	(33,930,844)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	240,111,187	274,559,491
LESS: TRANSFERRED ON DISPOSAL OF SUBSIDIARIES	155,241,731	688,490
ADD : ON ADDITION OF SUBSIDIARIES	-	171,030
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	124,216,081	240,111,187
(refer note no. 17)		

(The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard (AS) 3 -"Cash Flow Statement")

As per our report of even date

For Chaturvedi & Shah

Chartered Accountants

(Firm Registration No. 101720W)

Jignesh Mehta

Partner

Membership No. 102749

For and on behalf of the Board

Vijay Choraria

Managing Director

[DIN:00021446]

Manish Goswami

Director

[DIN:01075923]

Vishal Mehta

Chief Financial Officer

[PAN:AIHPM8436B]

Rohan Gavas

Company Secretary

[Membership No.A25891]

Place: Mumbai

Date: May 05, 2015

1 significant accounting policies

1.1 Basis of preparation of consolidated financial statements:

The consolidated financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) and the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

1.2 Principles of consolidation:

The consolidated financial statements relate to Crest Ventures Limited and its subsidiary companies, associates and joint ventures. The consolidated financial statements have been prepared on the following basis:

- a The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra group transactions resulting in unrealised profits or losses in accordance with Accounting Standard (AS) 21-"Consolidated Financial Statements".
- b The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statement as goodwill or capital reserve as the case may be.
- c Minority interest's share of net profit in the consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to the shareholders of the Company.
- d Minority interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.
- e In case of investment in associates where the Company directly or indirectly through subsidiaries holds more than 20% of equity, are accounted using equity method in accordance with Accounting Standard (AS) 23- "Accounting for Investments in Associates in Consolidated Financial Statements".
- f The Company accounts for its share in the change in the net assets of the associates, post acquisition, after eliminating unrealised profits and losses resulting from transactions between the Company and its associates to the extent of its share, through its statement of profit and loss to the extent such change is attributable to the associates profit or loss through its reserves for the balance, based on available information.
- g Interest in joint venture have been accounted by using the proportionate consolidation method as per Accounting Standard (AS) 27- "Financial Reporting of Interest in Joint Venture".
- h As far as possible, the consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.

1.3 Investments other than in subsidiaries and associates have been accounted as per Accounting Standard (AS) 13 -"Accounting for Investments".

1.4 Other significant accounting policies:

a Use of estimates:

The preparation of financial statements requires estimates and assumptions to be made that effect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

b Fixed assets:

Tangible Assets - Tangible assets are stated at cost, less accumulated depreciation and impairment, if any.

Intangible Assets - An intangible asset is recognised, where it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured, less accumulated depreciation and impairment, if any.

c **Depreciation:**

Depreciation is provided under the "written down value" method in the manner prescribed in Schedule II to the Companies Act, 2013 over their useful life. In one of the subsidiary company, the depreciation is provided on the straight line method as per the useful life specified in Schedule II to the Companies Act, 2013, in the manner prescribed therein.

Intangible assets are amortised over the best estimates of their useful life.

d **Impairment of assets:**

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is chargeable to the statement of profit and loss in the year in which an asset is identified as impaired, if any.

The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

e **Investments:**

Long term investments are stated at cost and current investments are valued at lower of cost and net realisable value. Diminution in value in long term investment is provided for where the management is of the opinion that the diminution is of permanent nature.

f **Inventories:**

Inventories comprise of: (i) Land; (ii) finished realty stock representing unsold premises in completed projects; and (iii) realty work in progress representing properties under construction.

Inventories are stated at lower of cost or net realisable value. Cost of realty construction is charged to the statement of profit and loss in proportion to the revenue recognised during the period and the balance cost is carried over under inventory as part of either finished realty stock or realty work in progress. Cost of realty construction includes all costs directly related to the project and other expenditure as identified by the management which are incurred for the purpose of executing and securing the completion of the project (net off incidental recoveries).

g **Borrowings costs:**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

h **Revenue recognition:**

Revenue is recognised when it is earned and no significant uncertainty exist on its realisation.

Revenue from sale of properties under construction is recognised on the basis of percentage of completion method subject to transfer of significant risk and rewards to the buyer and outcome of the real estate project can be estimated reliably. Percentage of completion is determined with reference to the project cost incurred as at the year end versus total estimated project cost determined based upon the judgment of management. Accordingly, cost of construction / development is charged to statement of profit and loss in proportion to the revenue recognised during the year and balance costs are carried as part of 'Project Work in Progress' under inventories. Amounts receivable/received are reflected as Debtors/Advances from Customers, respectively, after considering income recognised in the aforesaid manner. The estimates of saleable area and costs are revised periodically by the management and are considered as change in estimate accordingly, the effect of such changes to estimates is recognised in the year when such changes are determined.

Forward foreign exchange broking income is accounted for on an accrual basis at the point of time when the deal is struck, although invoices are raised at the time when the forward contract is finally settled, thereby recognising the income when it becomes due though not receivable. Further, in the opinion of the management no significant uncertainty exists at the point of time when the deal is struck regarding the amount of the consideration that will be derived from rendering the service.

Brokerage income is recorded net of service tax (except for distribution income) for on an accrual basis on the day of execution of the order.

Fees income is accounted for on accrual basis in accordance with the terms and contracts entered into between the group and the counterparty.

Rental income and service charges are recognised based on contractual rights.

Interest income is recognised on time proportion basis.

Dividend income is recognised on receipt basis.

i Foreign currency transactions:

Foreign currency transactions are recorded at the exchange rate prevailing on the date of the transaction. Exchange difference, if any arising out of transactions settled during the year are recognised in the statement of profit and loss for the year.

Monetary assets and liabilities denominated in foreign currencies at the year end are restated at year end exchange rate. The exchange difference, if any, are recognised in the statement of profit and loss and related assets and liabilities are accordingly restated in the balance sheet.

j Leases:

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the statement of profit and loss on a straight-line basis over the lease term.

k Provisions for current and deferred tax:

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961 of India.

Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future.

Minimum Alternate Tax (MAT) paid in accordance to the tax laws, which gives rise to future economic benefits in the form of adjustments of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

l Provisions, contingent liabilities and contingent assets:

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statements.

m Retirement benefits to employees:

Post employment benefits are recognised as an expense in the statement of profit and loss for the year in which the employee has rendered services.

The Group offers its employees defined-benefit plan in the form of a gratuity scheme. The liability in respect of defined benefit plan is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees services. Actuarial gains and losses in respect of post employment benefits are charged to the statement of profit and loss.

Contribution to Provident Fund, the defined contribution plans as per the scheme is charged to the statement of profit and loss.

All other short-term benefits for employees are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

notes on consolidated financial statements for the year ended 31st march, 2015

2 SHARE CAPITAL

(In ₹)

	As at 31st March, 2015	As at 31st March, 2014
Authorised :		
17,500,000 Equity shares of ₹10 each	175,000,000	175,000,000
(17,500,000)		
	<u>175,000,000</u>	<u>175,000,000</u>
Issued, Subscribed and Paid Up :		
17,370,00 Equity shares of ₹10 each fully paid up	173,700,000	173,700,000
(17,370,000)		
TOTAL	<u>173,700,000</u>	<u>173,700,000</u>

2.1 The reconciliation of the number of shares outstanding is set out below :

Particulars	As at 31st March, 2015 No. of Shares	As at 31st March, 2014 No. of Shares
Equity shares at the beginning of the year	17,370,000	17,370,000
Add : shares issued during the year	-	-
Less : shares bought back during the year	-	-
Equity shares at the end of the year	<u>17,370,000</u>	<u>17,370,000</u>

2.2 Rights of equity shareholders:

The Company has only one class of equity shares having a par value of ₹10 each. Each holder of equity shares is entitled to one vote per share held. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

2.3 The Board of Directors at its meeting held on February 14, 2015 and the shareholders of the Company vide postal ballot process has approved the increase in Authorised Share Capital of the Company from ₹175,000,000 divided into 17,500,000 Equity Shares of ₹10 each to ₹235,000,000 divided into 23,500,000 Equity Shares of ₹10 each. Accordingly the Authorised Share Capital of the Company has been increased from ₹175,000,000 divided into 17,500,000 Equity Shares of ₹10 each to ₹235,000,000 divided into 23,500,000 Equity Shares of ₹10 each w.e.f. April 07, 2015.

3 RESERVES AND SURPLUS

(In ₹)

	As at 31st March, 2015	As at 31st March, 2014
General reserve		
As per last balance sheet	59,500,000	59,500,000
Securities premium account		
As per last balance sheet	1,134,237,779	1,134,237,779
Capital reserve on consolidation		
As per last balance sheet	33,635,626	33,635,626
Less: On disposal of subsidiaries	<u>4,531,869</u> 29,103,757	<u>-</u> 33,635,626

	As at 31st March, 2015		As at 31st March, 2014	
(In ₹)				
Special reserve u/s. 45-IC of the RBI Act, 1934				
As per last balance sheet	69,198,000		66,874,000	
Add: Transferred from profit and loss account	<u>21,997,000</u>	91,195,000	<u>2,324,000</u>	69,198,000
Profit and loss account				
As per last balance sheet	497,434,821		411,647,095	
Add: Profit of the group	<u>223,282,510</u>		<u>101,483,672</u>	
	720,717,331		513,130,767	
Less: Appropriations				
Depreciation adjusted against opening reserve as per Revised Schedule II of the Companies Act, 2013 (refer note no. 11.1)	4,334,352		-	
Transfer to special reserve u/s. 45-IC of the RBI Act, 1934	21,997,000		2,324,000	
Proposed dividend on equity shares	8,685,000		8,685,000	
[Dividend per share ₹0.50 (previous year ₹0.50)]				
Tax on dividend	<u>4,175,294</u>	681,525,685	<u>4,686,946</u>	497,434,821
TOTAL		<u>1,995,562,221</u>		<u>1,794,006,226</u>

4 LONG TERM BORROWINGS

	As at 31st March, 2015		As at 31st March, 2014	
	Non Current	Current	Non Current	Current
Secured				
Term Loan				
From banks (refer note no. 4.1)	37,969,862	35,132,662	67,923,267	31,830,897
From others (refer note no. 4.2)	31,250,000	31,250,000	70,820,819	6,484,984
Unsecured				
Term Loan				
From banks (refer note no. 4.3)	13,856,072	20,283,948	34,140,019	17,522,097
From others (refer note no. 4.4)	-	62,283,668	-	65,800,000
TOTAL	<u>83,075,934</u>	<u>148,950,278</u>	<u>172,884,105</u>	<u>121,637,978</u>

- 4.1 Term loan from banks of ₹7,356,205 (previous year ₹4,384,783) is secured against hypothecation of vehicles purchased thereof and of ₹65,746,319 (previous year ₹95,369,381) is secured against the mortgage charge on the finished realty stock of the Company situated at Sharyans Audeus, Andheri (W), Mumbai 400058 and the personal guarantee of a director.
- 4.2 Term loan from others of ₹NIL (previous year ₹14,805,803) is secured against hypothecation of vehicles purchased thereof and of ₹62,500,000 (previous year ₹62,500,000) is secured against equitable mortgage of realty work-in-progress of the Company situated at Sharyans Corner, Bandra (W), Mumbai-400050 and 10/J, Veronica Street, Waroda Road, Bandra (W), Mumbai-400050 and the personal guarantee of a director.
- 4.3 Term loan from bank of ₹34,140,020 (previous year ₹51,662,116) is secured against properties located at Kalpataru Horizon, Worli, Mumbai-400018 which are owned by relative of a director and the personal guarantee of the relative of a director.
- 4.4 Term loan from others of ₹NIL (previous year ₹65,800,000) is secured against properties located at Kiara Apartment, Union Park, Khar, Mumbai-400052 which are owned by an entity controlled by a director and the personal guarantee of a director and ₹62,283,668 (previous year ₹NIL) is taken jointly with subsidiary company Caladium Properties Private Limited and is secured against unsold inventories of the subsidiary company and hypothecation of subsidiary's present and future receivables and the personal guarantee of a director.

5 OTHER LONG TERM LIABILITIES

	As at 31st March, 2015	As at 31st March, 2014
Security deposits from tenants	29,567,050	30,108,613
Others	-	230,161,898
TOTAL	29,567,050	260,270,511

6 LONG TERM PROVISIONS

	As at 31st March, 2015	As at 31st March, 2014
Provision for gratuity	8,933,273	10,010,790
TOTAL	8,933,273	10,010,790

7 SHORT TERM BORROWINGS

	As at 31st March, 2015	As at 31st March, 2014
Secured		
Bank overdraft (refer note no. 7.1)	72,707,324	94,145,932
Unsecured		
Loans and advances from related parties (refer note no. 30)	128,985,000	121,850,000
Loans and advances from body corporates	-	208,800,000
TOTAL	201,692,324	424,795,932

7.1 Bank overdraft of ₹72,707,324 (previous year ₹94,145,932) is secured against mortgage charge on the finished realty stock of the Company situated at Sharyans Audeus, Andheri (W), Mumbai-400058 and the personal guarantee of a director.

8 TRADE PAYABLES

	As at 31st March, 2015	As at 31st March, 2014
Micro and small enterprises	-	-
Others	23,141,471	266,442,317
TOTAL	23,141,471	266,442,317

9 OTHER CURRENT LIABILITIES

	As at 31st March, 2015	(In ₹) As at 31st March, 2014
Current maturities of long term debt (refer note no. 4)	148,950,278	121,637,978
Interest accrued but not due on borrowings	12,850,296	15,679,303
Interest accrued and due on borrowings	776,223	19,056,275
Advances received	226,121,779	1,015,511,549
Security deposits from tenants	2,758,406	-
Unpaid dividends #	495,395	535,189
Statutory dues payable	7,003,162	11,104,501
Others \$	70,014,312	83,557,432
TOTAL	468,969,851	1,267,082,227

These figures do not include any amounts due and outstanding, to be credited to Investor Education and Protection Fund.

\$ Includes SEBI Liability of ₹62,012,878 (previous year ₹62,012,878).

10 SHORT TERM PROVISIONS

	As at 31st March, 2015	(In ₹) As at 31st March, 2014
Provision for gratuity	505,428	612,540
Contingent provision against standard assets	1,177,857	1,283,065
Contingent provision against doubtful assets	15,000,000	-
Provision for contingencies	24,152,732	17,210,691
Proposed dividend	8,685,000	8,685,000
Tax on dividend	4,175,294	4,686,946
Other provisions	1,371,641	407,042
TOTAL	55,067,952	32,885,284

11 FIXED ASSETS

(In ₹)

Description	Gross Block			Depreciation				Net Block		
	As at 01-04-2014	Additions	Deductions/ Adjustments	As at 31-03-2015	As at 01-04-2014	For the year	Deductions	Adjustments (refer note no.11.1)	As at 31-03-2015	As at 31-03-2014
TANGIBLE ASSETS :										
Own Assets:										
Office premises	1,750,000	-	-	1,750,000	904,172	68,985	-	-	973,157	776,843
Furniture and fixtures	55,191,278	257,525	38,034,513	17,414,290	36,839,254	6,523,858	30,897,979	7,326	12,472,459	4,941,831
Vehicles	69,955,763	10,314,430	64,216,492	16,053,701	31,764,523	8,120,742	34,221,348	287,763	5,951,680	10,102,021
Office equipments	27,768,295	584,070	16,670,773	11,681,592	11,668,474	4,998,031	10,681,477	2,349,444	8,334,472	3,347,120
Computers	99,950,831	2,747,437	77,987,190	24,711,078	74,471,470	5,511,990	60,059,841	3,592,666	23,516,285	1,194,793
Leasehold improvements	2,187,187	-	-	2,187,187	2,187,187	-	-	-	2,187,187	-
Total	256,803,354	13,903,462	196,908,968	73,797,848	157,835,080	25,223,606	135,860,645	6,237,199	53,435,240	20,362,608
INTANGIBLE ASSETS :										
Own Assets:										
Goodwill/Know how	12,500,000	-	-	12,500,000	12,500,000	-	-	-	12,500,000	-
Software	300,000	-	-	300,000	207,945	22,726	-	-	230,671	69,329
Licence fees	14,278,175	-	14,278,175	-	14,278,175	-	14,278,175	-	-	-
Total	27,078,175	-	14,278,175	12,800,000	26,986,120	22,726	14,278,175	-	12,730,671	69,329
Grand Total	283,881,529	13,903,462	211,187,143	86,597,848	184,821,200	25,246,332	150,138,820	6,237,199	66,165,911	20,431,937
Previous Year	290,545,689	28,773,453	35,437,613	283,881,529	180,472,646	28,252,305	23,903,751	-	184,821,200	99,060,329

11.1 Pursuant to the enactment of Companies Act 2013, the Group has applied the estimated useful lives as specified in Schedule II of the Companies Act, 2013. Accordingly the unamortised carrying value is being depreciated/ amortised over the revised/ remaining useful lives. The written down value of fixed assets whose lives have expired as at 1st April 2014 of ₹6,237,199 (net of tax of ₹4,334,352) have been adjusted in the opening balance of profit and loss account as per transition provisions contained in Schedule II to the Companies Act, 2013.

12 NON CURRENT INVESTMENTS

(Others)

	(In ₹)	
	As at 31st March, 2015	As at 31st March, 2014
In equity shares - quoted, fully paid up		
2,642,329 Fortune Financial Services (India) Limited (2,008,000) of ₹10 each	201,118,370	150,950,546
275,216 Welspun Projects Limited (745,116) of ₹10 each	45,468,579	61,507,462
15,000 Jai Corp Limited (including bonus 5,000 (15,000) shares) of ₹1 each	6,524,338	6,524,338
2,400 Sadbhav Engineering Limited (72,400) of ₹1 each	102,000	8,034,440
500 SKIL Infrastructure Limited (500) of ₹10 each	942,508	942,508
847 Capricorn Systems Global Solutions Limited (847) of ₹10 each	41,407	41,407
100 Eastcoast Steel Limited (NIL) of ₹10 each	6,345	-
NIL Technofab Engineering Limited (15,000) of ₹10 each	-	3,674,747
NIL The Phoenix Mills Limited (22,000) of ₹2 each	-	4,468,352
NIL Cords Cable Industries Limited (7,800) of ₹10 each	-	865,446
NIL Edelweiss Financial Services Limited (12,500) of ₹1 each	-	821,203
NIL Reliance Power Limited (650) of ₹10 each	-	145,738
In equity shares of associate Companies- unquoted, fully paid up	254,203,547	237,976,187
NIL SAI Consulting Engineers Private Limited (841,371) of ₹10 each	-	183,373,040
3,247,760 Classic Mall Development Company Private (3,247,760) Limited of ₹10 each	1,023,882,145	783,578,880
2,499,374 Starboard Hotels Private Limited (2,499,374) of ₹10 each	24,763,691	24,993,991
50,000 Edelweiss Fund Advisors Private Limited (50,000) of ₹10 each	3,734,881	4,064,383
25,000 Escort Developers Private Limited (25,000) of ₹10 each	15,951,304	15,950,000
903,591 Ramayana Realtors Private Limited (903,591) of ₹10 each	124,916,892	128,150,059

	As at 31st March, 2015		As at 31st March, 2014	
			(In ₹)	
5,000 Classic Housing Projects Private Limited (5,000) of ₹10 each	70,117,069		35,273,166	
50,000 Tamarind Tours Private Limited (NIL) of ₹10 each*	6,283,013	1,269,648,995	-	1,175,383,519
In equity shares of other Companies- unquoted, fully paid up				
1,250,000 Vamona Developers Private Limited (1,250,000) of ₹10 each	12,500,000		12,500,000	
102,353 Alliance Spaces Private Limited (102,353) of ₹10 each	39,235,317		39,235,317	
NIL Bombay Stock Exchange Limited (30) of ₹1 each	-		1	
NIL Inga Capital Private Limited (70,000) of ₹10 each	-	51,735,317	3,000,000	54,735,318
In debentures of associate Companies- unquoted, fully paid up				
300,000 0.0001% Series B Optionally Convertible (300,000) Debentures of Classic Housing Projects Private Limited of ₹100 each	30,000,000		30,000,000	
120,000 0.0001% Series C Optionally Convertible (120,000) Debentures of Classic Housing Projects Private Limited of ₹100 each	12,000,000		12,000,000	
1,565,564 0.0001% Compulsorily Convertible (NIL) Debentures of Starboard Hotels Private Limited of ₹100 each#	156,556,400		-	
34,000 0.0001% Compulsorily Convertible (NIL) Debentures of Escort Developers Private Limited of ₹100 each#	3,400,000	201,956,400	-	42,000,000
Other investments				
In partnership firms				
ITI - FSL Insurance	-			9,900
In government securities, unquoted fully paid up				
6 Year National Saving Certificates deposited with Sales Tax Department		3,000		3,000
Value of Bombay Stock Exchange Card		-		6,100,000
In limited liability partnership				
Kara Property Ventures LLP		250,000		250,000
TOTAL	1,777,797,259		1,516,457,924	

* During the year Tamarind Tours Private Limited is converted from a subsidiary to an associate company.

These debentures are non transferable.

13 DEFERRED TAX ASSETS (NET)

	As at 31st March, 2015	(In ₹) As at 31st March, 2014
Related to fixed assets	1,395,246	2,187,520
Disallowance under Income Tax Act, 1961 and carried forward losses of subsidiaries	5,979,010	37,811,688
TOTAL	7,374,256	39,999,208

14 LONG TERM LOANS AND ADVANCES (Unsecured and considered good)

	As at 31st March, 2015	(In ₹) As at 31st March, 2014
Capital advance to related parties (refer note no. 30)	9,800,000	-
Loans and advances to related parties (refer note no. 30)	179,708,006	150,725,893
Security deposits	24,042,090	45,087,061
Rent advance	-	385,889
TOTAL	213,550,096	196,198,843

15 INVENTORIES (Lower of cost or net realisable value)

	As at 31st March, 2015	(In ₹) As at 31st March, 2014
Finished realty stock	60,142,683	377,655,571
Realty work in progress	491,253,389	896,260,205
TOTAL	551,396,072	1,273,915,776

16 TRADE RECEIVABLES (Unsecured and considered good)

	As at 31st March, 2015	(In ₹) As at 31st March, 2014
Outstanding for period exceeding six months	27,222,722	24,434,121
Others	20,704,685	262,277,309
TOTAL	47,927,407	286,711,430

17 CASH AND BANK BALANCE

	As at 31st March, 2015	As at 31st March, 2014
Cash and cash equivalents		
Cheques in hand	-	192,562
Cash on hand	540,273	1,780,069
Balances with banks		
In current accounts (refer note no. 17.1)	15,501,149	16,021,365
In deposits (refer note no. 17.2)	108,174,659	222,117,191
Sub-total	<u>124,216,081</u>	<u>240,111,187</u>
Other bank balances		
In deposits (refer notes no. 17.2 and 17.3)	96,672,673	86,703,586
Sub-total	<u>96,672,673</u>	<u>86,703,586</u>
TOTAL	<u>220,888,754</u>	<u>326,814,773</u>

17.1 Includes balance in exchange dues account of ₹81,120 (previous year ₹133,827) and unclaimed dividend accounts of ₹500,395 (previous year ₹550,189).

17.2 Deposits aggregating to ₹80,667,467 (previous year ₹196,580,637) are pledged with banks as bank guarantee, deposit of ₹5,730,032 (previous year ₹4,863,473) are under lien with The Foreign Exchange Dealers' Association of India and deposit of ₹1,775,174 (previous year ₹1,775,174) are under lien with Fixed Income Money Market & Derivatives Association of India.

17.3 Deposits with maturity more than 12 months.

18 SHORT TERM LOANS AND ADVANCES

(Unsecured, considered good unless otherwise stated)

	As at 31st March, 2015	As at 31st March, 2014
Inter corporate deposits		
To related parties (refer note no. 30)	14,500,000	13,500,000
Other inter corporate deposits		
- considered doubtful	15,000,000	-
- others	61,300,000	109,076,891
Security deposits	-	96,388,919
Debenture application money to related parties (refer note no. 30)	-	211,406,410
Advance to vendors	63,700,000	78,599,262
Advance tax (net of provision)	46,355,670	89,897,411
Prepaid expenses	1,820,984	11,236,014
Others (refer note no. 18.1)	28,497,082	90,541,700
TOTAL	<u>231,173,736</u>	<u>700,646,607</u>

18.1 Others loans and advances includes advances given of ₹33,940,000 (previous year ₹52,117,250), balances with customs, central excise and service tax authorities of ₹4,044,842 (previous year ₹2,860,859) and loans to employees ₹63,375 (previous year ₹3,675,415).

19 OTHER CURRENT ASSETS

	As at 31st March, 2015	(In ₹) As at 31st March, 2014
Accrued interest	35,225,454	27,126,569
Unbilled revenue	4,739,388	7,160,772
Others (refer note no. 19.1)	98,178	1,932,587
TOTAL	40,063,020	36,219,928

19.1 Includes stamps on hand of ₹98,177 (previous year ₹125,079).

20 REVENUE FROM OPERATIONS

	2014-15	(In ₹) 2013-14
Brokerage	325,361,415	292,406,171
Sales relating to travel business	495,298,977	1,035,861,207
Real estate and related services	48,518,919	57,383,039
Sale of constructed properties	797,823,084	209,621,311
Income from services	-	10,000,000
Interest	66,845,974	92,523,092
TOTAL	1,733,848,369	1,697,794,820

21 OTHER INCOME

	2014-15	(In ₹) 2013-14
Dividend income		
Dividend from current investments	-	20,813
Dividend from long term investments	2,114,483	2,358,393
Net gain on sale of investments		
Net gain on sale of current investments	-	54,905
Net gain on sale of long term investments	-	1,433,917
Other non-operating income		
Share of profit from partnership firm	-	72,732
Exchange rate gain (net)	1,763,130	3,051,885
Gain on disposal of associate	34,824,228	-
Profit on disposal of subsidiary	-	10,556,617
Others	7,042,602	21,269,184
TOTAL	43,629,960	34,950,418
	45,744,443	38,818,446

22 VARIATION IN INVENTORIES

		(In ₹)
	2014-15	2013-14
Inventories (at close)		
Finished realty stock	377,655,571	377,655,571
Realty work in progress	140,185,778	868,488,607
	<u>517,841,349</u>	<u>1,246,144,178</u>
Inventories (at commencement)		
Finished realty stock	377,655,571	377,655,571
Realty work in progress	868,488,607	1,058,633,705
	<u>1,246,144,178</u>	<u>1,436,289,276</u>
TOTAL	<u><u>728,302,829</u></u>	<u><u>190,145,098</u></u>

23 EMPLOYEE BENEFIT EXPENSES

		(In ₹)
	2014-15	2013-14
Salaries	159,076,158	197,806,967
Contribution to provident and other funds	6,761,589	7,761,956
Staff welfare	5,298,516	7,137,686
Gratuity	2,846,949	350,858
TOTAL	<u><u>173,983,212</u></u>	<u><u>213,057,467</u></u>

24 FINANCE COSTS

		(In ₹)
	2014-15	2013-14
Interest expense	69,084,686	99,041,579
Other borrowing cost	1,904,678	7,475,721
TOTAL	<u><u>70,989,364</u></u>	<u><u>106,517,300</u></u>

25 DEPRECIATION AND AMORTISATION EXPENSES

		(In ₹)
	2014-15	2013-14
Depreciation	25,246,332	28,252,305
TOTAL	<u><u>25,246,332</u></u>	<u><u>28,252,305</u></u>

26 OTHER EXPENSES

		(In ₹)
	2014-15	2013-14
Operating and other expenses		
Brokerage paid	69,877,903	46,291,942
Business promotion	17,741,770	34,135,124
Bad debts	10,030,392	974,264
Computer and software expenses	2,967,728	5,494,629
Contingent provision against standard assets	(105,208)	26,565
Contingent provisions against doubtful assets	15,000,000	-
Depository charges	423,948	1,106,468
Donation (refer note no. 26.1)	1,546,000	405,000
Electricity expenses	6,371,237	8,342,978
Insurance	1,452,360	3,716,960
Loss on sale of investments	2,115,831	-
Membership and subscription fees	5,292,362	4,078,028
Motor car expenses	1,111,620	723,903
NSE and SEBI charges	516,183	1,463,875
Payment to auditors	2,564,245	2,279,658
Postage and telegram expenses	488,711	549,821
Printing and stationery	1,733,864	3,172,432
Professional fees	56,042,718	41,120,413
Provision for contingencies	6,942,044	5,581,156
Rent, rates and taxes	21,972,565	29,044,681
Repairs and maintenance	10,793,945	16,578,161
Research expenses	-	450,000
Sales commission	7,415,904	7,273,888
Service tax	868,529	351,618
Stamp duty	15,093,789	12,499,696
Telephone expenses	11,934,623	17,291,548
Travelling and conveyance expenses	13,268,584	15,647,438
Other expenses	11,117,370	18,121,671
Prior period expenditure	6,399,002	-
Share of loss from limited liability partnership	5,676,732	331,848
Loss on disposal of subsidiaries	15,381,856	-
TOTAL	322,036,607	277,053,765

26.1 Donation includes expenditure related to Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII of ₹800,000.

27 Companies included in consolidation:

Name of the Companies	Relationship	Proportion of ownership interest
Intime Spectrum Commodities Private Limited	Direct Subsidiaries	100.00%
ITI Capital Holdings Private Limited	Direct Subsidiaries	100.00%
Crest Wealth Management Private Limited [Formerly known as ITI Wealth Management Private Limited]	Direct Subsidiaries	100.00%
Caladium Properties Private Limited	Direct Subsidiaries	100.00%
Crest Residency Private Limited	Direct Subsidiaries	100.00%
Tamarind Tours Private Limited (upto September 14, 2014)	Direct Subsidiaries	75.00%
ITI Securities Limited	Indirect Subsidiaries	Note-1
Prebon Yamane (India) Limited	Indirect Subsidiaries	Notes-2 and 5
ITI Financial Services Limited (upto October 15, 2014)	Indirect Subsidiaries	Note-3
ITI Investor Services Limited (upto October 15, 2014)	Indirect Subsidiaries	Note-3
Ramayana Realtors Private Limited	Associates	38.96% (Note 4)
Classic Mall Development Company Private Limited	Associates	42.19%
Starboard Hotels Private Limited	Associates	49.99%
Classic Housing Projects Private Limited	Associates	48.00%
Escort Developers Private Limited	Associates	50.00%
Edelweiss Fund Advisors Private Limited	Associates	40.00%
Tamarind Tours Private Limited (w.e.f. September 14, 2014)	Associates	26.00%
SAI Consulting Engineers Private Limited (upto November 04, 2014)	Associates	30.00%
Trinity Ventures	Joint Venture	10.00%

Notes:

- 1) 91% of ITI Securities Limited is held by ITI Capital Holdings Private Limited.
- 2) 52% of Prebon Yamane (India) Limited is held by ITI Capital Holdings Private Limited.
- 3) 100% of ITI Financial Services Limited and ITI Investor Services Limited were held by ITI Capital Holdings Private Limited.
- 4) During the year, the Company has diluted its interest in Ramayana Realtors Private Limited from 43.97% to 38.96%.
- 5) All the above companies are incorporated in India, and have a uniform financial year as parent, except for Prebon Yamane (India) Limited. Prebon Yamane (India) Limited has extended its financial year by a period of three months, to close on 31st March, 2015. Financial statements giving effect to such extension has been compiled for a period of fifteen months from 1st January, 2014 to 31st March, 2015. Hence, the consolidated current year financial statements are not comparable with the previous year consolidated financial statements.

28 The break-up of investment made in associates is as under:

		(In ₹)
	Cost of acquisition	Goodwill included in cost of acquisition
Classic Mall Development Company Private Limited	629,025,372	364,981,389
Ramayana Realtors Private Limited	128,201,662	56,568,318
Starboard Hotels Private Limited	24,993,991	-
Classic Housing Projects Private Limited	50,126	-
Edelweiss Fund Advisors Private Limited	500,000	-
Escort Developers Private Limited	15,950,000	15,700,000
Tamarind Tours Private Limited	500,000	-
TOTAL	799,221,151	437,249,707

29 Change in the name of the Company:

Pursuant to the approval of the members obtained at the Extra Ordinary General Meeting of the Company held on August 14, 2014 the name of the Company stands changed from "Sharyans Resources Limited" to "Crest Ventures Limited" w.e.f. September 01, 2014.

30 Disclosure in respect of applicability of Accounting Standard 18 "Related Party Disclosures".

(i) List of related parties and relationship:

Sr. No.	Name of the Party	Relationship
1.	Classic Mall Development Company Private Limited	Associate
2.	Starboard Hotels Private Limited	Associate
3.	Classic Housing Projects Private Limited	Associate
4.	Escort Developers Private Limited	Associate
5.	SAI Consulting Engineers Private Limited (upto November 04, 2014)	Associate
6.	Edelweiss Fund Advisors Private Limited	Associate
7.	Crest Residency Private Limited (upto June 19, 2013)	Associate
8.	Tamarind Tours Private Limited (w.e.f. September 15, 2014)	Associate
9.	Kara Property Ventures LLP	Associate
10.	Trinity Ventures	Joint Venture
11.	Vijay Choraria - Managing Director	Key managerial personnel (KMP)
12.	Sunita Choraria	Relative of KMP
13.	Fine Estates Private Limited	Entity controlled by KMP
14.	Priyanka Finance Private Limited	Entity controlled by KMP
15.	Associated Luggage Company Private Limited	Entity controlled by relative of KMP
16.	Bridge Equities Private Limited	Entity controlled by relative of KMP
17.	Fine Business Facilitators Private Limited	Entity controlled by relative of KMP

(ii) Transactions during the year with related parties:

(In ₹)				
Nature of transactions	Associates	Key managerial personnel	Entity controlled by KMP / relative of KMP	Total
1. Sales relating to travel business	13,359 (-)	- (-)	- (-)	13,359 (-)
2. Interest income	20,638,738 (40,501,912)	- (-)	- (-)	20,638,738 (40,501,912)
3. Dividend income	2,103,428 (2,103,428)	- (-)	- (-)	2,103,428 (2,103,428)
4. Other non operating income	- (1,125,000)	- (-)	- (-)	- (1,125,000)
5. Rent paid	- (-)	- (-)	182,585 (168,540)	182,585 (168,540)
6. Interest paid	- (-)	- (-)	14,851,182 (36,138,872)	14,851,182 (36,138,872)

(In ₹)				
Nature of transactions	Associates	Key managerial personnel	Entity controlled by KMP / relative of KMP	Total
7. Managerial remuneration	- (-)	1,800,000 (1,800,000)	- (-)	1,800,000 (1,800,000)
8. Travelling expenses	56,853 (-)	- (-)	- (-)	56,853 (-)
9. Share of loss from limited liability partnership	5,676,732 (331,848)	- (-)	- (-)	5,676,732 (331,848)
10. Purchase / subscription of investments	159,956,400 (24,843,590)	- (-)	- (-)	159,956,400 (24,843,590)
11. Sale / redemption of investments	- (124,800,000)	- (-)	- (-)	- (124,800,000)
12. Net loan taken/(repaid)	- (-)	- (-)	7,135,000 (119,525,000)	7,135,000 (119,525,000)
13. Net loans and advances given / (returned) (including debenture application money)	(171,624,298) (159,055,697)	- (-)	- (-)	(171,624,298) (159,055,697)
Balance as at 31st March, 2015				
14. Short term borrowings	- (-)	- (-)	128,985,000 (121,850,000)	128,985,000 (121,850,000)
15. Long term loans and advances	189,508,006 (150,725,893)	- (-)	- (-)	189,508,006 (150,725,893)
16. Short term loans and advances	14,500,000 (224,906,410)	- (-)	- (-)	14,500,000 (224,906,410)
17. Corporate guarantee given	5,000,000 (-)	- (-)	- (-)	5,000,000 (-)

Note : Previous year figures are indicated in brackets.

Disclosure in respect of related party transactions during the year:

(In ₹)			
Particulars	Relationship	2014-15	2013-14
1. Sales relating to travel business			
Classic Mall Development Company Private Limited	Associate	13,359	-
2. Interest income			
Classic Mall Development Company Private Limited	Associate	-	21,798,229
Classic Housing Projects Private Limited	Associate	496,754	2,572,958
Starboard Hotels Private Limited	Associate	4,968,173	2,571,881
Kara Property Ventures LLP	Associate	15,140,070	13,558,844
Ramayana Realtors Private Limited	Associate	33,738	-
Escort Developers Private Limited	Associate	3	-
3. Dividend income			
SAI Consulting Engineers Private Limited	Associate	2,103,428	2,103,428

(In ₹)			
Particulars	Relationship	2014-15	2013-14
4. Other non-operating income			
Ramayana Realtors Private Limited	Associate	-	1,125,000
5. Rent paid			
Fine Estates Private Limited	Entity controlled by KMP	182,585	168,540
6. Interest paid			
Fine Estates Private Limited	Entity controlled by KMP	-	20,449,466
Priyanka Finance Private Limited	Entity controlled by KMP	13,988,712	14,710,724
Associated Luggage Company Private Limited	Entity controlled by relative of KMP	-	724,173
Bridge Equities Private Limited	Entity controlled by relative of KMP	348,507	129,163
Fine Business Facilitators Private Limited	Entity controlled by relative of KMP	513,963	125,346
7. Managerial remuneration			
Vijay Choraria	KMP	1,800,000	1,800,000
8. Travelling expenses			
Tamarind Tours Private Limited	Associate	56,853	-
9. Share of loss from limited liability partnership			
Kara Property Ventures LLP	Associate	5,676,732	331,848
10. Purchase / subscription of investments			
Escort Developers Private Limited	Associate	3,400,000	-
Starboard Hotels Private Limited	Associate	156,556,400	24,843,590
11. Sale / redemption of investments			
Classic Housing Projects Private Limited	Associate	-	124,800,000
12. Net loan taken/(repaid)			
Fine Estates Private Limited	Entity controlled by KMP	-	(35,000,000)
Priyanka Finance Private Limited	Entity controlled by KMP	13,435,000	(81,450,000)
Associated Luggage Company Private Limited	Entity controlled by relative of KMP	-	(7,775,000)
Bridge Equities Private Limited	Entity controlled by relative of KMP	(3,000,000)	2,100,000
Fine Business Facilitators Private Limited	Entity controlled by relative of KMP	(3,300,000)	2,600,000
13. Net loans and advances given /returned (including debenture application money)			
Classic Mall Development Company Private Limited	Associate	-	(182,500,000)
Escort Developers Private Limited	Associate	(3,400,000)	(5,200,000)
Kara Property Ventures LLP	Associate	(50,517,888)	69,157,893
Ramayana Realtors Private Limited	Associate	(41,650,000)	(29,170,000)
Starboard Hotels Private Limited	Associate	(90,556,410)	(11,343,590)
Classic Housing Projects Private Limited	Associate	14,500,000	-

31 Lease Rentals:

- a. The Group has given properties on operating lease and lease rent amounting to ₹15,530,963 (previous year ₹21,422,562) has been credited to profit and loss account. The future minimum lease income is as under:

	As at 31st March, 2015	As at 31st March, 2014
Not later than one year	17,785,441	16,595,601
Later than one year and not later than five years	66,738,565	56,035,690
Later than five years	502,525	2,643,520
TOTAL	85,026,531	75,274,811

- b. General description of lease term:
- Lease rentals are charged on the basis of agreed terms.
 - Asset given on lease for a period of 5 to 9 years.
- c. The Group has taken various commercial premises under operating leases. These lease agreements are generally renewed on expiry. The future minimum lease payments is as under:

	As at 31st March, 2015	As at 31st March, 2014
Not later than one year	8,246,775	7,813,550
Later than one year and not later than five years	4,526,000	1,855,350
Later than five years	-	-
TOTAL	12,772,775	9,668,900

32 Earnings per share (EPS):

	As at 31st March, 2015	As at 31st March, 2014
(a) Net Profit after tax as per statement of profit and loss attributable to equity shareholders (₹)	223,282,510	101,483,672
(b) Weighted average number of equity shares used as denominator for calculating basic and diluted EPS	17,370,000	17,370,000
(c) Basic and diluted earnings per share (₹)	12.85	5.84
(d) Face value per equity share (₹)	10.00	10.00

33 In Compliance with Accounting Standard 27 "Financial Reporting of Interest in Joint Venture" the required information is as under:

- a. Trinity Ventures is a jointly controlled entity having its place of business in India. The Company is having 10% (previous year 10%) of ownership interest.
- b. In respect of jointly controlled entity, the Company's share of assets, liabilities, income and expenditure of the joint venture is as follows:

	As at 31st March, 2015	As at 31st March, 2014
Assets		
Current assets	241,138	279,524
Liabilities		
Current liabilities and provisions	4,174	664
Income	-	-
Expenditure	116	30,442

34 Segment information:

Primary segment information (by business segments):

(In ₹)

Particulars	Broking and related activities		Real estate and related activities		Travel and related activities		Investing and financial activities		Others		Total	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Segment revenue	351,714,027	342,121,216	842,251,201	275,016,501	497,106,075	1,038,913,092	86,509,328	78,725,720	2,012,181	1,836,736	1,779,592,812	1,736,613,265
Segment results	28,287,513	(4,625,374)	23,657,894	27,339,497	(33,731,565)	6,447,254	(20,934,732)	(2,050,497)	(911,430)	971,871	(3,632,320)	28,082,751
Unallocated expenses											2,177,929	298,627
Income tax											45,059,025	103,475,964
Share of profit of associate											276,756,188	185,893,674
Minority interest											2,604,404	8,718,162
Profit after tax											223,282,510	101,483,672
Segment assets	178,440,117	609,392,687	676,485,944	1,372,425,549	-	241,159,897	2,147,614,458	2,034,306,723	53,089,018	87,029,179	3,055,629,537	4,344,314,035
Unallocated assets											54,973,000	131,710,783
Total assets											3,110,602,537	4,476,024,818
Segment liabilities	93,680,965	389,288,936	163,933,158	926,347,264	-	280,579,009	573,534,312	810,471,101	-	-	831,148,435	2,406,686,310
Unallocated liabilities											39,299,420	27,684,856
Total liabilities											870,447,855	2,434,371,166
Capital expenditure	739,331	1,842,729	10,470,011	438,653	2,694,120	26,492,071	-	-	-	-	13,903,462	28,773,453
Segment depreciation	13,652,885	13,327,980	1,808,485	581,385	9,784,962	14,342,940	-	-	-	-	25,246,332	28,252,305
Non cash expenses other than depreciation	12,037,811	8,144,105	1,191,889	44,000	-	27,736	20,571,524	358,413	-	30,925	33,801,224	8,605,179

The group operates solely in one geographic segment namely “Within India” and hence no separate information for geographic segment wise disclosure is required.

The group's primary business are reflected based on the principal business activities carried on by the group. The group's primary business activities are broking on the National Commodities and Derivatives Exchange Limited, The Multi Commodity Exchange, The BSE Limited, The National Stock Exchange of India Limited and Foreign Exchange Dealers Association of India, real estate development, investing in subsidiary companies, and travel and related services.

“Others” business segment constitutes profit on investments. This not being the normal business activity of the Company is shown as “Others”.

Segment revenue, results, assets and liabilities include identifiable to each segment an amounts allocated on a reasonable basis. Unallocated expenditure consist of common expenditure incurred for all segments and expenses incurred at the corporate level. The assets and liabilities that cannot be allocated between the segments are shown as unallocated corporate assets and liabilities respectively.

The accounting policies adopted for segment reporting are in line with the accounting policies adopted for preparation of financial information as disclosed above.

Business under the segment travel and related activities was conducted through subsidiary Tamarind Tours Private Limited from August 24, 2006. The holding in Tamarind Tours Private Limited has been diluted to 26% during the year. Hence the above figures in tours and related activities segment are for the period April 01, 2014 to September 14, 2014.

35 Additional Information, as required under Schedule III to the Companies Act, 2013, of entities consolidated as subsidiaries, associates and joint ventures:

(In ₹)

Name of the entity	Net assets i.e. total assets minus liabilities		Share in profit/(loss)	
	As % of consolidated net assets	Amount	As % of consolidated profit/(loss)	Amount
Parent Company				
Crest Ventures Limited	89.43	1,940,006,076	49.26	109,982,643
Indian subsidiaries				
1 Intime Spectrum Commodities Private Limited	0.52	11,265,824	(1.87)	(4,165,079)
2 ITI Capital Holdings Private Limited	4.03	87,507,401	(43.73)	(97,651,253)
3 Crest Wealth Management Private Limited	1.16	25,217,385	(1.35)	(3,021,897)
4 Caladium Properties Private Limited	0.23	4,973,900	2.70	6,028,391
5 Crest Residency Private Limited	0.14	3,100,820	0.04	91,813
6 Tamarind Tours Private Limited	-	-	(9.92)	(22,148,252)
7 ITI Securities Limited	0.27	5,919,285	(7.24)	(16,159,828)
8 Prebon Yamane (India) Limited	6.26	135,899,294	7.94	17,728,558
9 ITI Financial Services Limited	-	-	6.78	15,143,867
10 ITI Investor Services Limited	-	-	(0.13)	(283,811)
Minority interests in all subsidiaries	(3.27)	(70,892,461)	(1.17)	(2,604,404)
Associates (Investment as per the equity method)				
1 Ramayana Realtors Private Limited	5.76	124,916,892	(1.45)	(3,233,167)
2 Classic Mall Development Company Private Limited	47.20	1,023,882,145	107.62	240,303,265
3 Starboard Hotels Private Limited	1.14	24,763,691	(0.10)	(230,300)
4 Classic Housing Projects Private Limited	3.23	70,117,069	15.61	34,843,903
5 Escort Developers Private Limited	0.74	15,951,304	0.00	1,304
6 Edelweiss Fund Advisors Private Limited	0.17	3,734,881	(0.15)	(329,502)
7 Tamarind Tours Private Limited	0.29	6,283,013	2.59	5,783,013
8 SAI Consulting Engineers Private Limited	-	-	(0.17)	(382,328)
Joint Ventures				
1 Trinity Ventures	0.01	236,964	(0.02)	(41,896)

36 Disclosure regarding derivatives instruments:

- Category-wise quantitative data about derivative instrument that are outstanding at the balance sheet date - Nil;
- The purpose, viz., hedging or speculation, for which such derivative instrument have been acquired - Nil;
- The Foreign currency exposures that are not hedged by a derivative instrument or otherwise as of balance sheet date in respect of other liability ₹NIL (previous year ₹NIL) and receivables of USD19,678 ₹1,208,568 (Previous year USD 14,860 ₹1,025,478).

37 Contingent Liabilities and Commitments:

- a. Bank guarantee given of ₹NIL (previous year ₹220,000,000) to the Exchanges. Corporate guarantee given to banks against bank guarantees issued to associates ₹5,000,000 (previous year ₹NIL) and others ₹72,000,000 (previous year ₹NIL).
- b. Taxation matters in respect of which appeal is pending ₹4,409,466 (previous year ₹4,873,186).
- c. SEBI Liability:

Prebon Yamane (India) Limited (PYIndia) was assigned the wholesale debt market (WDM) membership of ITI Securities Limited (ITI) pursuant to joint venture agreement between Prebon Group and ITI. The National Stock Exchange of India Limited (NSE) has confirmed the assignment to be treated as a continuation of the WDM segment membership granted to ITI. However PYIndia was intimated in July 2004 vide NSE's Letter that the Securities and Exchange Board of India (SEBI) has not approved the PYIndia application of registration as a trading member on Futures and Options (F & O) segment for non-payment of registration fees amounting to ₹43,720,256 and interest thereon. PYIndia had subsequently remitted the principle amount of SEBI registration fee as aforesaid and 20% interest thereon (amounting to ₹2,696,590) under the SEBI (Interest Liability Regularisation) Scheme, 2004 under protest and without any prejudice to its rights and claims. Thereafter, PYIndia filed an appeal in the Securities Appellate Tribunal (SAT) against the fee demand of SEBI and for refund of the said payment. SAT, vide its order dated August 17, 2005 upheld the PYIndia's contention that the fee continuity benefit was available to the PYIndia and directed SEBI to refund the said amount. Thereafter SEBI filed an appeal to the Supreme Court on October 26, 2005 and the Supreme Court on December 16, 2005 admitted the appeal of SEBI whilst granting an ad interim stay on the SAT order directed SEBI to deposit the said amount with SAT pending hearing of the appeal. PYIndia has filed a counter affidavit with the Supreme Court on March 03, 2006 and the Supreme court also vide its interim relief order dated March 28, 2006 stated that the Company has the liberty to withdraw the deposited amount subject to furnishing a bank guarantee from a nationalised bank for an equivalent amount, it further states as and when the final order is passed against the Company, it shall repay the entire amount withdrawn alongwith interest. The provision for contingent liability on account of interest payment in the event of final order being passed against PYIndia is made in the financial statements.

38 The material difference in the accounting policies of the Company and it's subsidiaries are as under:

Item	Name of subsidiary	Amount in ₹	Percentage of proportion of Item
Depreciation	Prebon Yamane (India) Limited	2,115,839	8.38%

39 The previous year figures have been regrouped, reworked, rearranged and reclassified, wherever necessary.

As per our report of even date

For Chaturvedi & Shah

Chartered Accountants

(Firm Registration No. 101720W)

Jignesh Mehta

Partner

Membership No. 102749

For and on behalf of the Board

Vijay Choraria

Managing Director

[DIN:00021446]

Manish Goswami

Director

[DIN:01075923]

Vishal Mehta

Chief Financial Officer

[PAN:AIHPM8436B]

Rohan Gavas

Company Secretary

[Membership No.A25891]

Place: Mumbai

Date: May 05, 2015

Form AOC -1
(Pusuant to first provision of sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)
PART-A: Subsidiaries

Name of the Subsidiary	ITI Securities Limited 1 st April, 2014 to 31 st March, 2015	Intime Spectrum Commodities Private Limited 1 st April, 2014 to 31 st March, 2015	ITI Capital Holdings Private Limited 1 st April, 2014 to 31 st March, 2015	Crest Wealth Management Private Limited 1 st April, 2014 to 31 st March, 2015	Prebon Yamane (India) Limited 1 st January 2014 to 31 st March, 2015	Caladium Properties Private Limited 1 st April, 2014 to 31 st March, 2015	Crest Residency Private Limited 1 st April, 2014 to 31 st March, 2015
Reporting currency	₹	₹	₹	₹	₹	₹	₹
Share capital	1,700.00	125.00	45.00	425.00	294.83	1.00	1.00
Reserve and surplus	(1,640.81)	(12.34)	830.07	(172.83)	1,063.73	48.74	30.01
Total assets	960.12	113.50	1,302.19	252.45	2,752.15	2,020.36	31.24
Total liabilities	900.93	0.84	427.11	0.28	1,393.58	1,970.62	0.24
Investments	529.77	-	1,301.52	0.06	-	0.03	-
Turnover	12.74	9.16	61.32	45.75	2,917.38	563.23	2.13
Profit before taxation	(161.59)	(39.02)	(976.51)	(20.13)	308.81	83.15	1.70
Provision for taxation	-	2.64	-	10.09	131.51	22.86	0.78
Profit after taxation	(161.59)	(41.66)	(976.51)	(30.22)	177.28	60.29	0.92
Proposed dividend	-	-	-	-	141.51	-	-
% of shareholding	Note-3	100	100	100	Note-4	100	100

Notes:

1. Name of the subsidiaries which are yet to commence operations	NIL
2. Name of the subsidiaries which have been liquidated or sold during the year	ITI Financial Services Limited and ITI Investor Services Limited
3. 91% of ITI Securities Limited i.e. 4,549,940 shares are held by ITI Capital Holdings Private Limited.	
4. 52% of Prebon Yamane (India) Limited i.e. 1,533,033 shares are held by ITI Capital Holdings Private Limited.	

PART-B Associates and Joint Venture

Name of the Entity	Classic Mall Development Company Private Limited 31 st March 2014	Edelweiss Fund Advisors Private Limited 31 st March 2014	Escort Developers Private Limited 31 st March 2014	Starboard Hotels Private Limited 31 st March 2014	Ramayana Realtors Private Limited 31 st March 2014	Classic Housing Projects Private Limited 31 st March 2014	Tamarind Tours Private Limited 31 st March 2014	Trinity Ventures 31 st March 2014	Kara Property Ventures LLP 31 st March 2014
Latest Audited Balance Sheet Date	31 st March 2014	31 st March 2014	31 st March 2014	31 st March 2014	31 st March 2014	31 st March 2014	31 st March 2014	31 st March 2014	31 st March 2014
Share of Associate held by the Company as on 31 st March 2015									
i) No. of Shares	3,247,760	50,000	25,000	2,499,374	903,591	5,000	50,000	N/A.	N.A.
ii) Amount of Capital Contributed	6290.25	5.00	159.50	249.94	1,282.03	0.50	5.00	2.37	2.50
iii) Extent of Holding (%)	42.19%	40.00%	50.00%	49.99%	38.96%	48.00%	26.00%	10.00%	50.00%
Description of how there is significant influence	Note-3	Note-3	Note-3	Note-3	Note-3	Note-3	Note-3	As per Accounting Standard 27	As per Accounting Standard 13
Reason why the associate is not consolidated	-	-	-	-	-	-	-	-	-
Net worth attributable to Shareholding as per latest Audited Balance Sheet	7,851.69	40.64	159.33	248.24	909.27	477.25	35.90	2.37	1645.43
Profit/(Loss) for the year									
ii) Considered in Consolidation	2,403.03	(3.30)	0.01	(2.30)	(32.33)	348.44	57.83	0.42	(56.37)
ii) Not considered in Consolidation	-	-	-	-	-	-	-	-	-

Notes:

1. Names of associates or joint ventures which are yet to commence its operations	NIL
2. Name of associates or joint ventures which have been liquidated or sold during the year	SAI Consulting Engineers Private Limited
3. There is a significant influence due to percentage (%) of shareholding.	

ACCOUNTING RATIOS AND CAPITALISATION STATEMENT

The following tables present certain accounting and other ratios on basis derived from our audited financial statements as at and for the fiscal 2014 and 2015 and for nine months ended December 31, 2015 included in the chapter “Financial Information” on page 68 of the Draft Letter of Offer.

Accounting Ratios (based on standalone Financial Statements and Financial Results):

(₹ in Lacs)

Particulars	Nine months period ended December 31, 2015	Year Ended March 31, 2015	Year Ended March 31, 2014
Earnings Per Share			
(a) Basic Earnings Per Share (after excluding extraordinary items)	(0.54)	6.33	0.67
(b) Diluted Earnings Per Share (after excluding extraordinary items)	(0.54)	6.33	0.67
Return on Net Worth	(0.01)	0.06	0.01
Net Asset Value/Book Value per Equity Share of Rs.10 each (after excluding revaluation reserves)	94.34	111.69	105.96

Accounting Ratio (based on consolidated Financial Statements and Financial Results):

(₹ in lacs)

Particulars	Nine months period ended December 31, 2015	Year Ended March 31, 2015	Year Ended March 31, 2014
Earnings Per Share			
(a) Basic Earnings Per Share (after excluding extraordinary items)	10.19	12.85	5.84
(b) Diluted Earnings Per Share (after excluding extraordinary items)	10.19	12.85	5.84
Return on Net Worth (after excluding revaluation reserves and extra-ordinary items)	0.08	0.10	0.05
Net Asset Value/Book Value per Equity Share of Rs.10 each (after excluding revaluation reserves)	135.07	124.89	113.28

The Ratios have been computed as below:

Earnings Per Share	Profit after tax Net worth
Net worth:	Aggregate of the paid up share capital and reserves and surplus as reduced by revaluation reserve
Return On Net worth:	Profit after tax Net worth
Net Asset Value per Equity Share (₹):	Net Worth Number of equity shares outstanding at the end of the year/Period

Capitalisation Statement:

The following tables present the capitalisation statement as per the audited standalone financial statements of the Company as at March 31, 2015 and the reviewed standalone financial statements of the Company as at December 31, 2015:

(₹ in lacs)

Particulars	Pre Issue as at December 31, 2015	Pre Issue as at 31 March 2015	Post Issue [#]
Borrowings			
Long Term Debt	3,396.21	830.76	
Short Term Debt	1,466.59	2,016.92	
Current Maturities of Long-term Debt	1,124.01	1,489.50	
Total Debt	5,986.81	4,337.18	
Shareholder's Fund			
Equity Share Capital	1,737.00	1,737.00	
Reserves & Surplus	14,650.70	17,663.06	
Total Shareholders' Fund	16,387.70	19,400.06	
Total Debt/Equity	0.37	0.22	
Long Term Debt/Equity	0.28	0.12	

[#]The corresponding post issue figures will be determined upon finalization of issue price.

The following tables present the capitalisation statement as per the audited consolidated financial statements of the Company as at March 31, 2015 and the reviewed consolidated financial statements of the Company as at December 31, 2015:

(₹ in lacs)

Particulars	Pre Issue as at December 31, 2015	Pre Issue as at 31 March 2015	Post Issue [#]
Borrowings			
Long Term Debt	3,396.21	830.76	
Short Term Debt	1,466.59	2,016.92	
Current Maturities of Long-term Debt	1,124.01	1,489.50	
Total Debt	5,986.81	4,337.18	
Shareholder's Fund			
Equity Share Capital	1,737.00	1,737.00	
Reserves & Surplus	21,725.02	19,955.62	
Total Shareholders' Fund	23,462.02	21,692.62	
Total Debt/Equity	0.26	0.20	
Long Term Debt/Equity	0.19	0.11	

[#]The corresponding post issue figures will be determined upon finalization of issue price.

STOCK MARKET DATA FOR EQUITY SHARES

The Equity Shares of the Company are listed on the BSE and the NSE with effect from March 16, 1994 and December 27, 2006 respectively. Stock market data for our Equity Shares has been given separately for the BSE and the NSE. As our Equity Shares are actively traded on both BSE and NSE, stock market data has been given separately for each of these Stock Exchanges.

The high, low prices and average of closing prices recorded on the BSE and the NSE for the preceding three Financial Years and the number of Equity Shares traded on the days the high and low prices were recorded are stated below:

BSE

Year ending March 31	High (₹)*	Date of high	No. of shares traded on date of high	Total volume traded on date of high (₹ in lacs)	Low (₹)*	Date of low	No. of shares traded on date of low	Total volume of traded on date of low (₹ in lacs)	Average price for the year (₹)**
Mar-13	67.85	April 04, 2012	74,457	48.55	42.50	March 07, 2013	6,33,833	269.56	54.06
Mar-14	61.90	January 23, 2014	36,323	20.53	25.30	October 28, 2013	11,690	3.43	36.45
Mar-15	64.50	September 30, 2014	349	0.21	26.05	May 14, 2014	532	0.15	46.77

(Source: www.bseindia.com)

* High and low prices are based on the high and low of the daily prices.

** Average of the daily closing prices.

NSE

Year ending March 31	High (₹)*	Date of high	No. of shares traded on date of high	Total volume traded on date of high (₹ in lacs)	Low (₹)*	Date of low	No. of shares traded on date of low	Total volume of traded on date of low (₹ in lacs)	Average price for the year (₹)**
Mar-13	69.70	April 03, 2012	52,118	35.07	42.00	March 21, 2013	3,051	1.33	54.13
Mar-14	63.00	January 23, 2014	35,287	20.07	26.40	November 05, 2013	10,554	3.07	36.26
Mar-15	63.85	March 4, 2015	915	0.54	25.00	May 09, 2014	450	0.13	46.64

(Source: www.nseindia.com)

* High and low prices are based on the high and low of the daily prices.

** Average of the daily closing prices.

The high and low prices and volume of the Equity Shares traded on the respective dates during the last six months is as follows:

BSE

Month	Date of high	High (₹)*	Volume (No. of shares)	Total volume traded on date of high (₹ in lacs)	Date of low	Low (₹)*	Volume (No. of shares)	Total volume traded on date of low (₹ in lacs)	Average price for the month (₹)**
February 2016	February 8, 2016	52.80	102	5,382	February 26, 2016	31.70	20,279	6.43	43.39
January 2016	January 6, 2016	58.50	6,094	0.11	January 21, 2016	46.25	60	0.03	53.74
December 2015	December 8, 2015	52.00	1,545	0.79	December 21, 2015	44.55	911	0.42	47.52
November 2015	November 4, 2015	54.00	2,063	1.06	November 17, 2015	42.00	4,092	1.72	45.22
October 2015	October 27, 2015	48.00	844	0.36	October 8, 2015	39.25	320	0.13	42.07
September 2015	September 23, 2015	47.80	200	0.08	September 7, 2015	37.75	17,034	6.45	41.26

(Source: www.bseindia.com)

* High and low prices are based on the high and low of the daily closing prices.

**Average of the daily closing prices.

NSE

Month	Date of high	High (₹)*	Volume (No. of shares)	Total volume traded on date of high (₹ in lacs)	Date of low	Low (₹)*	Volume (No. of shares)	Total volume traded on date of low (₹ in lacs)	Average price for the month (₹)**
February 2016	February 1, 2016	54.55	1,160	0.58	February 26, 2016	31.35	21,435	6.78	43.25
January 2016	January 7, 2016	59.45	405	0.23	January 13, 2016	47.00	1,779	0.94	53.18
December 2015	December 8, 2015	53.35	447	0.22	December 14, 2015	44.10	3,048	1.40	47.93
November 2015	November 05, 2015	52.90	5,763	2.71	November 18, 2015	41.10	1,000	0.42	44.73
October 2015	October 27, 2015	47.45	271	0.13	October 14, 2015	37.20	1,393	0.56	41.18
September 2015	September 02, 2015	45.50	120	0.05	September 18, 2015	37.15	70.00	0.03	40.08

(Source: www.bseindia.com)

* High and low prices are based on the high and low of the daily prices.

**Average of the daily closing prices.

In the event the high or low or closing price of the Equity Shares are the same on more than one day, the day on which there has been higher volume of trading has been considered for the purposes of this chapter.

The closing price of the Equity Shares as on February 9, 2016, the trading day immediately following the day on which Board approved the Issue, was 45.50 and 46.20 on the BSE and the NSE respectively.

Week end closing prices of the Equity Shares for the last four weeks on BSE and NSE are as below:

BSE

Week Ended on	Closing Price (₹)	Highest Price (₹)*	Date of High	Low price (₹)*	Date of Low
March 11, 2016 [#]	38.25	42.00	March 09, 2016	38.25	March 10, 2016
March 4, 2016 [#]	41.00	41.95	March 03, 2016	35.00	March 01, 2016
February 26, 2016	36.00	42.00	February 23, 2016	31.70	February 26, 2016
February 19, 2016	42.00	48.50	February 15, 2016	36.05	February 18, 2016

(Source: www.bseindia.com)

**High and low prices are based on the high and low of the daily prices*

[#] As there was no trading in shares of the Company on the last day of the week, the preceding date on which shares of the Company were traded has been considered.

NSE

Week Ended on	Closing Price (₹)	Highest Price (₹)*	Date of High	Low price (₹)*	Date of Low
March 11, 2016	38.05	43.30	March 08, 2016	35.75	March 08, 2016
March 4, 2016	39.90	44.35	March 03, 2016	33.00	March 02, 2016
February 26, 2016	38.90	41.90	February 23, 2016	31.35	February 26, 2016
February 19, 2016 [#]	42.95	45.80	February 17, 2016	39.95	February 18, 2016

(Source: www.nseindia.com)

** High and low prices are based on the high and low of the daily prices*

[#] As there was no trading in shares of the Company on the last day of the week, the preceding date on which shares of the Company were traded has been considered.

The closing market price of our Equity Shares as on March 15, 2016, the trading day immediately prior to the date of the Draft Letter of Offer, was ₹ 39.00 and ₹ 37.50 on BSE and NSE, respectively.

MATERIAL DEVELOPMENTS

In accordance with circular no.F.2/5/SE/76 dated February 5, 1977 issued by the Ministry of Finance, Government of India, as amended by Ministry of Finance, Government of India through its circular dated March 8, 1977, our working results on consolidated and standalone basis for the period from [●] to [●] are set out in the table below:

Consolidated basis

(₹ in lacs)	
Particulars	Amount
Sales/ Income from operations	[●]
Other Income	[●]
Estimated Gross Profit excluding Depreciation & Taxes	[●]
Provision for Depreciation	[●]
Provision for Taxation	[●]
Estimated Net Profit/(loss)	[●]

Standalone basis

(₹ in lacs)	
Particulars	Amount
Sales/ Income from operations	[●]
Other Income	[●]
Estimated Gross Profit excluding Depreciation & Taxes	[●]
Provision for Depreciation	[●]
Provision for Taxation	[●]
Estimated Net Profit/(loss)	[●]

Material changes and commitments

There are no material changes and commitments, other than as disclosed to the Stock Exchanges since March 31, 2015 till date of the Draft Letter of Offer.

SECTION VIII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND DEFAULTS

Except as described below, there are no outstanding litigations including, suits, or civil prosecutions and taxation related proceedings against us that would have a material adverse effect on our business or financial position. Further, there are no defaults, non-payment of statutory dues including, institutional/ bank dues and dues payable to holders of any debentures, bonds and fixed deposits that would have a material adverse effect on our business other than unclaimed liabilities against us as of the date of the Draft Letter of Offer.

Further, except as disclosed below, we are not subject to any other outstanding litigations which may or may not impact our future revenues which have monetary value of more than 1% of our net worth, for the last completed financial year on an individual basis;

Further from time to time, we have been and continue to be involved in legal proceedings filed by and against us, arising in the ordinary course of our business.

Further, except as disclosed below, there are no litigations against us involving moral turpitude, material violations of statutory regulations and or proceedings relating to economic offences which have arisen since our incorporation.

LITIGATION INVOLVING OUR COMPANY

A. Litigation against our Company

Civil Litigation

- 1. Writ Petition No. 10568 of 2015 filed by Mr. Samir Narain Bhojwani (“Petitioner”) against Mr. Yusuf Khan alias Mr. Dilip Kumar, Sharyans Resources Limited (currently known as Crest Ventures Limited) Gold Beam Construction Private Limited and Prajita Developers Private Limited (“Respondents”) before the High Court of Judicature at Bombay***

Brief Facts: The Petitioner had filed R.A.E Suit No. 1063 of 2010 before the Small Causes Court at Bandra, Mumbai (“**Small Causes Suit**”) against Respondent No. 1 to 4, the Defendants in the Small Causes Suit *inter alia* for recovering possession of property being land together with hereditaments, buildings standing on Plot bearing CTS Nos. C-1395, C-1396 and C-1397 forming part of Survey Nos. 326, Plot No. 3 admeasuring 2412 sq. yards equivalent to 2013.9 sq. mtrs. bearing Plot No. 16 of Pali Hill Estate in village Danda, Bandra-West, Mumbai -400 050 (“**Suit Property**”). The Petitioner had applied for injunction against Respondents from carrying out the work of excavation of the Suit Property and/or from carrying out construction of new building and doing any other development activities on the Suit Property and also order and injunction against the respondents from dealing with and/or encumbering in any manner whatsoever the suit property. An ad-interim injunction was granted in favour of the Petitioner and against Respondents by an order dated September 25, 2013. By an order dated October 31, 2013 the Small Causes Court at Bandra vacated the ad-interim order granted. The Petitioners filed a Miscellaneous Application No. 87 of 2013 challenging the order dated October 31, 2013 vacating the ad interim order. The Appellate bench of the small causes court at Bandra dismissed the appeal by an order dated August 12, 2015 and therefore the writ petition was filed before the Bombay High Court.

The Petitioner has *inter alia* claimed for the following reliefs:

- The Court to issue a Writ of Certiorari calling for records and proceedings in relation to the order passes dismissing the Miscellaneous Appeal No. 87 of 2013.
- Pending the final disposal of the Petition the Respondents, their servants and agents be restrained by an injunction from carrying out the work of excavation of the Suit Property and from dealing with and/or disposing off and/or encumbering the Suit Property.

The above petition is pending at pre admission stage and the next date for hearing is June 29, 2016.

Criminal Litigation

Nil

Tax Litigation

B. Litigation by our Company

Civil Litigation

1. ***Suit No. 2077 of 2011 filed by Sharyans Resources Limited (currently known as Crest Ventures Limited) (“Plaintiff”) against Mrs Cynthia Allams (“Defendant”) before the High Court of Judicature at Bombay.***

Brief Facts: The Plaintiff has filed the suit for seeking partition by metes and bounds of the property bearing CTS No. C/807, Bandra, admeasuring 365 sq. yards together with the bungalow ‘Blaise Villa’ and garage (“**Suit Property**”) and for seeking injunction for restraining the Defendant from dealing/disposing off, creating third party title or doing any other development activities on the Suit Property. The Suit Property absolutely vested in the legal heirs of Blaise D’mello in the following manner:

- (i) Mr. Ivan D’mello -30%
- (ii) Mr. Denzil D’mello-30%
- (iii) Mr. Bertram Dimello-20%
- (iv) Defendant – 20%

It has been stated that by a Deed of Conveyance registered with the sub Registrar of assurances at Bombay under serial No. BDR-15/8487/2007 (“**Deed**”) all the legal heirs expect the Defendant conveyed their share being 80% share, right, title and interest in the Suit Property. It has been stated that pursuant to and on basis of the Deed the name of the Plaintiff was entered into the revenue records/property register of the Suit Property. Thus the Suit Property was divided between the Plaintiff and the Defendant in the ratio of 80:20, however the Defendant was in possession of the Suit Property. The Defendant through its advocate’s letter dated May 23, 2011 denied being aware about the Deed. The Defendant through its advocate’s letter dated June 15, 2011 had also denied the Plaintiffs right to ownership of 80% of the Suit Property or the right to partition and take possession of the Suit Property.

The Plaintiff has *inter alia* claimed for the following reliefs:

- (i) The Suit Property be portioned by metes and bounds and in the alternate grant to leave to the Plaintiff to buy the share of the Defendant in the Suit Property at a valuation ascertained by the Court.
- (ii) That the Defendant, her servants, agents and/or any persons claiming by through or under her be restrained by perpetual order and injunction from alienating, encumbering, selling, transferring or altering the status of the Suit Property.
- (iii) That pending the hearing and final disposal of the suit a court receiver, High Court, Bombay be appointed and the Defendant be restrained by a temporary order and injunction from alienating, encumbering, selling, transferring or altering the status of the Suit Property.

The suit is pending at the High Court of Judicature of Bombay.

Criminal Litigation

Nil

Tax Litigation

Nil

LITIGATION INVOLVING OUR SUBSIDIARIES

A. Litigation against the Subsidiaries

Civil Litigation

Appeal filed by Prebon Yamane (India) Limited (“Appellant”) against the Securities and Exchange Board of India (“Respondent”) before the Securities Appellate Tribunal

Brief Facts: The Respondent had raised a demand notice dated August 27, 2004 directing the Appellant to pay ₹ 4,64,17,206, the principal amount of ₹ 4,37,20,256 and interest of ₹ 26,96,950 under the SEBI (Interest Regularization Scheme), 2003 (together referred to as “Initial Claim Amount”), as turnover linked registration fees under the SEBI (Stock Broker and Sub-brokers Regulations), 1992 and denied the Appellant the benefit of fee continuity. The Appellant challenged the demand notice before the Securities Appellate Tribunal (“SAT”). SAT vide an order dated August 17, 2005 held that the Appellant was indeed entitled to fee continuity benefit and directed the Respondent to refund the Initial Claim Amount within 4 weeks. The Respondent then challenged the SAT order before the Hon’ble Supreme Court by way of a civil appeal and the Hon’ble Supreme Court vide interim order dated December 16, 2005 directed the Respondent to deposit the Initial Claim Amount with the SAT. Thereafter, the Hon’ble Supreme Court vide its order dated March 27, 2006 permitted the Appellant to withdraw the Initial Claim Amount subject to furnishing a bank guarantee which was to be renewed pending final disposal of the Appeal filed by SEBI. In October 2010, a Bank Guarantee for the Initial Claim Amount issued by Corporation Bank in favour of the SAT was provided. Accordingly, the Appellant withdrew a sum of ₹ 6,20,12,878 together with accumulated interest of ₹ 1,55,96,032 till October 2010. The Hon’ble Supreme Court vide an order dated November 3, 2015 allowed the Respondent’s appeal and held that the Appellant was not eligible for the fee continuity benefit.

Thereafter, the Appellant has paid a sum of ₹ 8,15,11,450 to the Respondent and indicated that appropriate proceedings for release of the Bank Guarantee for the Initial Claim Amount, which is valid till August 15, 2016, would be initiated. The Respondent has however claimed that an additional sum of ₹ 1,11,59,887 is payable as interest by the Appellant and has issued a notice dated March 10, 2016 calling upon the Appellant to deposit the said amount within fifteen days, failing which attachment proceedings would be commenced against the Appellant. Being aggrieved with the notice, the Appellant on March 11, 2016 has filed the present appeal before SAT and has contended that its liability has been discharged by payment of ₹ 8,15,11,450 and no further amount is owed to the Respondent. The Appeal is pending before SAT.

Criminal Litigation

Nil

Tax Litigation

B. Litigation by the Subsidiaries

Civil Litigation

Nil

Criminal Litigation

Nil

GOVERNMENT AND OTHER STATUTORY APPROVALS

We have received the necessary consents, licenses, permissions and approvals from the Government of India and various governmental agencies required for our present business and to undertake the Issue and no further material approvals are required for carrying on our present activities. In addition, except as mentioned in this section “*Government and Other Statutory Approvals*”, as on the date of the Draft Letter of Offer, there are no pending regulatory and government approvals and no pending renewals of licenses or approvals in relation to the activities undertaken by us or in relation to the Issue.

Approvals for its business:

Except as stated below under the heading “*Government and Other Statutory Approvals*”, we have received the necessary consents, licenses, permissions and approvals from the Government of India and various governmental agencies required for our present business and no further material approvals are required for carrying on our present activities.

Approvals applied for but not yet received as on date of the Draft Letter of Offer

Nil

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Issue of Equity Shares to the Eligible Equity Shareholders is being made in accordance with the

1. Resolution passed by our Board of Directors under Sections 62(1)(a) and other provision of the Companies Act, at its meeting held on February 8, 2016.
2. In-principle approval from BSE dated [●].
3. In-principle approval from NSE dated [●].
4. RBI approval dated [●] in relation to pricing of Equity Shares renounced in favour of persons resident outside India.

The Board of Directors or Committee thereof in their meeting held on [●] have determined the Issue Price as ₹ [●] per Equity Share and the Rights Entitlement as [●] Equity Share(s) for every [●] Equity Share(s) held on the Record Date. The Issue Price has been arrived at in consultation with the Lead Manager.

RBI Approval for Renunciation

Our Company proposes to apply to the RBI for seeking its approval for renunciation of the Rights Entitlement by (a) an Equity Shareholder resident in India, in favour of any person resident outside India (other than OCBs); (b) an Equity Shareholder resident outside India (other than OCBs), in favour of any person resident in India; and (c) an Equity Shareholder resident outside India (other than OCBs), in favour of any other person resident outside India (other than OCBs).

Prohibition by SEBI or RBI

Neither we, the Promoters, the Promoter Group entities, the Directors nor any other company to which the above persons are associated as promoters, directors or persons in control, have 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 the SEBI.

Except as state below none of the directors of the Company are associated with the capital market in any other manner.

Name of Director	Security Market Related Entity	Relationship in security market related entity
Mr. V. R. Galkar	Crest Wealth Management Private Limited	Director
Mr. Vijay Choraria	Prebon Yamane (India) Limited	Promoter
	A.K. Equities Private Limited	Promoter and Director

Except Prebon Yamane (India) Limited, SEBI has not initiated action against any entity, as stated above with which the Directors are associated. For details of the ongoing litigation of Prebon Yamane (India) Limited, please refer to the section titled “Outstanding Litigations and Defaults” on page 140 of the Draft Letter of Offer.

Further neither us, the Promoters, the Promoter Group entities, the Group Companies nor the relatives of the Promoter have been declared willful defaulters by the RBI or any other authority and no violations of securities laws have been committed by them in the past and no proceedings in relation to such violations are currently pending against them.

Except as stated in the section titled “Our Management” on page 64 of the Draft Letter of Offer, none of our directors hold current or have held directorships in the last five years in a listed company whose shares have been suspended from trading on BSE or NSE or in a listed company that has been/ was delisted from any stock exchange.

Eligibility for the Issue

We are a Company incorporated under the Companies Act, 1956 and our Equity Shares are listed on BSE and NSE. We are eligible to undertake the Issue in terms of Chapter IV of the SEBI ICDR Regulations.

We are eligible to make disclosures in the Draft Letter of Offer as per clause (5) Part E of Schedule VIII of the SEBI ICDR Regulations as we are in compliance with the following:

- a) we have been filing periodic reports, statements and information in compliance with the Listing Agreement and SEBI Listing Regulations for the last three years immediately preceding the date of filing the Draft Letter of Offer with SEBI;
- b) the reports, statements and information referred to in sub-clause (a) above are available on the website of the BSE and the NSE which are recognised stock exchange with nationwide trading terminals;
- c) we have an investor grievance-handling mechanism which includes meeting of the Shareholders' or Investors' Grievance Committee at frequent intervals, appropriate delegation of power by the Board as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

Compliance with Regulation 4(2) of the SEBI Regulations

Our Company is in compliance with the conditions specified in regulation 4(2) of the SEBI Regulations, to the extent applicable.

DISCLAIMER CLAUSE OF SEBI

AS REQUIRED, A COPY OF THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE SUBMISSION OF THE DRAFT LETTER OF OFFER TO SEBI SHOULD NOT, IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE, OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT LETTER OF OFFER. THE LEAD MANAGER, INGA CAPITAL PRIVATE LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT LETTER OF OFFER ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT LETTER OF OFFER, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE THE LEAD MANAGER, INGA CAPITAL PRIVATE LIMITED, HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED MARCH 16, 2016 WHICH READS AS FOLLOWS:

- 1) WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT LETTER OF OFFER PERTAINING TO THE ISSUE;**
- 2) ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE**

JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY, WE CONFIRM THAT:

- a) **THE DRAFT LETTER OF OFFER FILED WITH SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
- b) **ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ ISSUED BY SEBI, THE GOVERNMENT OF INDIA AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
- c) **THE DISCLOSURES MADE IN THE DRAFT LETTER OF OFFER ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956 AND COMPANIES ACT, 2013 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 LETTER OF OFFER ARE REGISTERED WITH SEBI AND THAT UNTIL DATE SUCH REGISTRATION IS VALID.**
- 4) **WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS – NOT APPLICABLE. THE COMPANY HAS NOT ENTERED INTO ANY UNDERWRITING ARRANGEMENT FOR THE ISSUE.**
- 5) **WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED/ SOLD/ TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT LETTER OF OFFER WITH SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT LETTER OF OFFER – NOT APPLICABLE.**
- 6) **WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED WHICH RELATES TO SPECIFIED SECURITIES 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 LETTER OF OFFER – NOT APPLICABLE**
- 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, AS AMENDED 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 ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE – NOT APPLICABLE**
- 8) **WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE "MAIN OBJECTS"**

LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE 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.

- 9) WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 73 OF THE COMPANIES ACT, 1956 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID COMPANY ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE LETTER OF OFFER. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKER(S) TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION. – NOTED FOR COMPLIANCE (INCLUDING THE CORRESPONDING SECTION 40 UNDER THE COMPANIES ACT, 2013).TRANSFER OF MONIES RECEIVED PURSUANT TO THE ISSUE SHALL BE RELEASED TO THE COMPANY AFTER FINALISATION OF THE BASIS OF ALLOTMENT IN COMPLIANCE WITH REGULATION 56 OF THE SEBI ICDR REGULATIONS.
- 10) WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT LETTER OF OFFER THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE.
- 11) WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED 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 LETTER OF OFFER:
 - a) AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY; AND
 - b) AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY SEBI FROM TIME TO TIME.
- 13) WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED, WHILE MAKING THE ISSUE.
- 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 ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.
- 15) WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT LETTER OF OFFER WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.
- 16) WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER BELOW (WHO IS RESPONSIBLE FOR PRICING THE ISSUE)', AS PER

FORMAT SPECIFIED BY SEBI THROUGH THE CIRCULAR – NOT APPLICABLE

- 17) **WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISED FROM LEGITIMATE BUSINESS TRANSACTIONS. – COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS OF THE COMPANY REPORTED AS PER THE ACCOUNTING STANDARD 18 IN THE FINANCIAL STATEMENTS OF THE COMPANY INCLUDED IN THE DRAFT LETTER OF OFFER, IN RELIANCE ON THE CERTIFICATE DATED MARCH 14, 2016 OF M/S. CHATURVEDI & SHAH., CHARTERED ACCOUNTANTS, FIRM REGISTRATION NUMBER 101720W ISSUED IN ACCORDANCE WITH ACCOUNTING STANDARD 18.**
- 18) **WE CERTIFY THAT THE ENTITY IS ELIGIBLE UNDER 106Y (1) (A) OR (B) (AS THE CASE MAY BE) TO LIST ON THE INSTITUTIONAL TRADING PLATFORM, UNDER CHAPTER XC OF THESE REGULATIONS. (IF APPLICABLE) – NOT APPLICABLE.**

THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER SECTION 34 OR SECTION 36 OF THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCE AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT LETTER OF OFFER.

Caution

Disclaimer clauses from the Company and the Lead Manager

We and the Lead Manager accept no responsibility for statements made otherwise than in the Draft Letter of Offer or in any advertisement or other material issued by us or by any other persons at our instance and anyone placing reliance on any other source of information would be doing so at his own risk.

We and the Lead Manager shall make all information available to the Equity Shareholders and no selective or additional information would be available for a section of the Equity Shareholders in any manner whatsoever including at presentations, in research or sales reports etc. after filing of the Draft Letter of Offer with SEBI.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in the Draft Letter of Offer. You must not rely on any unauthorized information or representations.

The Draft Letter of Offer is rights to purchase the Equity Shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in the Draft Letter of Offer is current only as of its date.

Investors who invest in the Issue will be deemed to have represented to us and Lead Manager and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares, and are relying on independent advice/ evaluation as to their ability and quantum of investment in the Issue.

Disclaimer with respect to jurisdiction

The Draft Letter of Offer has been prepared under the provisions of Indian laws and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in Mumbai, India only.

Designated Stock Exchange

The Designated Stock Exchange for the purpose of the Issue will be BSE.

Disclaimer Clause of BSE

As required, a copy of the Draft Letter of Offer has been submitted to the BSE. The Disclaimer Clause as will be intimated by the BSE to us, post scrutiny of the Draft Letter of Offer, shall be included in the Letter of Offer prior to filing with the Stock Exchanges.

Disclaimer Clause of NSE

As required, a copy of the Draft Letter of Offer has been submitted to the NSE. The Disclaimer Clause as will be intimated by the NSE to us, post scrutiny of the Draft Letter of Offer, shall be included in the Letter of Offer prior to filing with the Stock Exchanges.

Disclaimer Clause of RBI

The Company is having a valid certificate of registration dated December 14, 2007 issued by the Reserve Bank of India under Section 45 IA of the Reserve Bank of India Act, 1934. However, the RBI does not accept any responsibility or guarantee about the present position as to the financial soundness of the Company or for the correctness of any of the statements or representations made or opinions expressed by the Company and for the repayment of deposits / discharge of liabilities by the Company.

Filing

The Draft Letter of Offer has been filed with the Corporation Finance Department of the SEBI, located at SEBI Bhavan, C-4-A, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051, India for its observations. After SEBI gives its observations, the Letter of Offer will be filed with the Designated Stock Exchange as per the provisions of the Companies Act.

Selling Restrictions

The distribution of the Draft Letter of Offer and the issue of Equity Shares on a rights basis to persons in certain jurisdictions outside India may be restricted by the legal requirements prevailing in those jurisdictions. Persons into whose possession the Draft Letter of Offer may come are required to inform themselves about and observe such restrictions. We are making the Issue of Equity Shares on a rights basis to our Eligible Equity Shareholders and will dispatch the Letter of Offer/ Abridged Letter of Offer and CAFs to the Eligible Equity Shareholders who have provided an Indian address.

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose, except that the Draft Letter of Offer is filed with SEBI for observations. Accordingly, the rights or Equity Shares may not be offered or sold, directly or indirectly, and the Draft Letter of Offer may not be distributed in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction.

Receipt of the Draft Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, under those circumstances, the Draft Letter of Offer must be treated as sent for information only and should not be copied or redistributed. Accordingly, persons receiving a copy of the Draft Letter of Offer should not, in connection with the issue of the rights or Equity Shares or rights, distribute or send the same in or into the United States or any other jurisdiction where to do so would or might contravene local securities laws or regulations. If the Draft Letter of Offer is received by any person in any such territory, or by their agent or nominee, they must not seek to subscribe to the Equity Shares or the rights referred to in the Draft Letter of Offer.

Neither the delivery of the Draft Letter of Offer nor any sale hereunder, shall under any circumstances create any implication that there has been no change in the Company's affairs from the date hereof or that the information contained herein is correct as at any time subsequent to this date.

IMPORTANT INFORMATION FOR INVESTORS – ELIGIBILITY AND TRANSFER RESTRICTIONS

As described more fully below, there are certain restrictions regarding the rights and Equity Shares that affect potential investors. These restrictions are restrictions on the ownership of Equity Shares by such persons following the offer.

The rights and the Equity Shares have not been and will not be registered under the Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) (“U.S. Persons”) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws.

The rights and the Equity Shares have not been and will not be registered, listed or otherwise qualified in any jurisdiction outside India and may not be offered or sold, and bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Until the expiry of 40 days after the commencement of the Issue, an offer or sale of rights or Equity Shares within the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the Securities Act.

Eligible Investors

The rights or Equity Shares are being offered and sold only to persons who are outside the United States and are not U.S. Persons, nor persons acquiring for the account or benefit of U.S. Persons, in offshore transactions in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. All persons who acquire the rights or Equity Shares are deemed to have made the representations set forth immediately below.

Equity Shares and Rights Offered and Sold in the Issue

Each purchaser acquiring the rights or Equity Shares, by its acceptance of the Draft Letter of Offer and of the rights or Equity Shares, will be deemed to have acknowledged, represented to and agreed with us and the Lead Managers that it has received a copy of the Draft Letter of Offer and such other information as it deems necessary to make an informed investment decision and that:

- I. the purchaser is authorized to consummate the purchase of the rights or Equity Shares in compliance with all applicable laws and regulations;
- II. the purchaser acknowledges that the rights and Equity Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state of the United States and, accordingly, may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act;
- III. the purchaser is purchasing the rights or Equity Shares in an offshore transaction meeting the requirements of Rule 903 of Regulation S under the Securities Act;
- IV. the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the rights or Equity Shares, is a non-U.S. Person and was located outside the United States at each time (i) the offer was made to it and (ii) when the buy order for such rights or Equity Shares was originated, and continues to be a non-U.S. Person and located outside the United States and has not purchased such rights or Equity Shares for the account or benefit of any U.S. Person or any person in the United States or entered into any arrangement for the transfer of such rights or Equity Shares or any economic interest therein to any U.S. Person or any person in the United States;
- V. the purchaser is not an affiliate of the Company or a person acting on behalf of an affiliate;

- VI. if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such rights or Equity Shares, or any economic interest therein, such rights or Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only (A) outside the United States in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S under the Securities Act and (B) in accordance with all applicable laws, including the securities laws of the states of the United States. The purchaser understands that the transfer restrictions will remain in effect until the Company determines, in its sole discretion, to remove them, and confirms that the proposed transfer of the rights or Equity Shares is not part of a plan or scheme to evade the registration requirements of the Securities Act;
- VII. the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any “directed selling efforts” as defined in Regulation S under the Securities Act in the United States with respect to the rights or the Equity Shares;
- VIII. the purchaser understands that such rights or Equity Shares (to the extent they are in certificated form), unless the Company determine otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

THE EQUITY SHARES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, AND IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES.

- IX. the purchaser agrees, upon a proposed transfer of the rights or the Equity Shares, to notify any purchaser of such rights or Equity Shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the rights or Equity Shares being sold;
- X. the Company will not recognize any offer, sale, pledge or other transfer of such rights or Equity Shares made other than in compliance with the above-stated restrictions; and
- XI. the purchaser acknowledges that the Company, the Lead Manager, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such rights or Equity Shares are no longer accurate, it will promptly notify the Company, and if it is acquiring any of such rights or Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.
- XII. Each person in a Member State of the EEA which has implemented the Prospectus Directive (each, a “Relevant Member State”) who receives any communication in respect of, or who acquires any rights or Equity Shares under, the offers contemplated in the Draft Letter of Offer will be deemed to have represented, warranted and agreed to with Lead Manager and the Company that in the case of any rights or Equity Shares acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive:
- XIII. the rights or Equity Shares acquired by it in the placement have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, as that term is defined in the Prospectus Directive, or in circumstances in which the prior consent of the Lead Manager has been given to the offer or resale; or
- XIV. where rights or Equity Shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those rights or Equity Shares to it is not treated under the Prospectus

Directive as having been made to such persons.

For the purposes of this provision, the expression an “offer of Equity Shares to the public” in relation to any of the rights or Equity Shares in any Relevant Member States means the communication in any form and by any means of sufficient information on the terms of the offer and the rights or Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for the rights or Equity Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State.

Listing

The existing Equity Shares are listed on the BSE and the NSE. We have made applications to the BSE and the NSE for obtaining in-principle approval in respect of the Rights Equity Shares. We will apply to the BSE and the NSE for listing and trading of the Rights Equity Shares.

If the permission to deal in and for an official quotation of the securities is not granted by any of the Stock Exchanges mentioned above, we shall forthwith repay, without interest, all monies received from applicants in pursuance of the Letter of Offer.

We will issue and dispatch Allotment advice/ share certificates/demat credit and/or letters of regret along with refund order or credit the Allotted Equity Shares to the respective beneficiary accounts, if any, within a period of 15 days from the Issue Closing Date.

If such money is not repaid beyond eight days after our Company becomes liable to repay it, i.e., the date of refusal of an application for such a permission from a Stock Exchange, or on expiry of 15 days from the Issue Closing Date in case no permission is granted, whichever is earlier, then our Company and every Director who is an officer in default shall, on and from such expiry of eight days, be liable to repay the money, with interest as per applicable law.

Consents

Consents in writing of the Directors, the Auditors, the Lead Manager, the Legal Counsel, the Registrar to the Issue and the Banker(s) to the Issue* to act in their respective capacities have been obtained and such consents have not been withdrawn up to the date of the Draft Letter of Offer.

**Consents will be obtained before filing of Letter of Offer.*

M/s. Chaturvedi & Shah, Chartered Accountants, our Auditors, have given their written consent for the inclusion of their report appearing in the Draft Letter of Offer and such consent and report have not been withdrawn up to the date of the Draft Letter of Offer.

Expert

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

Our Company has received written consent from the Auditor to include its name as an expert under Section 2(38) and Section 26(5) of the Companies Act in the Draft Letter of Offer in relation to the (1) report of the Auditors on audited financial statements dated May 5, 2015 and the (2) limited review report on the limited reviewed unaudited standalone and consolidated financial statement for quarter and nine months ended December 31, 2015. Our Company has also received written consent from the Auditor, to include its name as an expert under Section 26(5) of the Companies Act in the Draft Letter of Offer in relation to the report on statement of tax benefits dated March 14, 2016 and such consent has not been withdrawn as of the date of the Draft Letter of Offer. The term “experts” and consent thereof does not represent an expert or consent within the meaning under the 1933 Securities Act of the United States of America.

Issue Related Expenses

The Issue related expenses include, inter alia, Lead Manager’s fee, printing and distribution expenses, advertisement and marketing expenses and Registrar, legal and depository fees and other expenses and are estimated at ₹ [●] (approximately [●] % of the total Issue size) and will be met out of the proceeds of the Issue.

Activity	Expense (in ₹ million)*	Expense (% of total expenses)*	Expense (% of Issue Size)*
Fees of Lead Manager, bankers to the Issue, legal advisor, registrar to the Issue and out of pocket expenses	[●]	[●]	[●]
Expenses relating to advertising, printing, distribution, marketing and stationery expenses	[●]	[●]	[●]
Regulatory fees, filing fees, listing fees, Depository fees, auditor fees and miscellaneous expenses	[●]	[●]	[●]
Total estimated Issue expenses	[●]	[●]	[●]

*Amount will be finalized at the time of filing the Letter of Offer and determination of Issue Price and other details.

Investor Grievances and Redressal System

We have adequate arrangements for the redressal of investor complaints in compliance with the corporate governance requirements under the SEBI Listing Regulations. Additionally, we have been registered with the SEBI Complaints Redress System (“SCORES”) as required by the SEBI Circular no. CIR/ OIAE/ 2/ 2011 dated June 3, 2011. Consequently, investor grievances are tracked online by us.

The share transfer and dematerialization for us is being handled by Link Intime India Private Limited, Registrar and Share Transfer Agent, which is also the Registrar to the Issue. Letters are filed category wise after being attended to. All investor grievances received by us have been handled by the Registrar and Share Transfer agent in consultation with the compliance officer.

Our Stakeholders Relationship Committee comprises of Mr. Mahesh Shirodkar and Mr. Vijay Choraria. Our Stakeholders Relationship Committee oversees the reports received from the Registrar and Share Transfer agent and facilitates the prompt and effective resolution of complaints from our shareholders and investors.

Investor Grievances arising out of the Issue

The investor grievances arising out of the Issue will be handled by Link Intime India Private Limited, the Registrar to the Issue. The Registrar will have a separate team of personnel handling post-Issue correspondences only.

All grievances relating to the Issue may be addressed to the Registrar to the Issue or the SCSB in case of ASBA Applicants giving full details such as folio no. / demat account no., name and address, contact telephone/ cell numbers, email id of the first applicant, number of Equity Shares applied for, CAF serial number, amount paid on application and the name of the bank/ SCSB and the branch where the CAF was deposited, along with a photocopy of the acknowledgement slip. In case of renunciation, the same details of the Renouncee should be furnished.

The average time taken by the Registrar for attending to routine grievances will be within 30 days from the date of receipt of complaints. In case of non-routine grievances where verification at other agencies is involved, it would be the endeavour of the Registrar to attend to them as expeditiously as possible. We undertake to resolve the Investor grievances in a time bound manner.

Registrar to the Issue

Link Intime India Private Limited

C- 13, Pannalal Silk Mills Compound,
L.B.S. Marg,
Bhandup (West), Mumbai - 400 078,
Maharashtra, India

Tel No.: +91 22 61715400

Fax No.: +91 22 2596 0329

Email: cvl.rights@linkintime.co.in

Investor Grievance E-mail: cvl.rights@linkintime.co.in

Website: www.linkintime.co.in

Contact Person: Mr. Dinesh Yadav

SEBI Registration: INR000004058

Investors may contact the Compliance Officer in case of any pre-Issue/ post -Issue related problems such as non-receipt of Allotment advice/ share certificates/ demat credit/ refund orders etc. The contact details of the Compliance Officer are as follows:

Mr. Rohan Gavas

Crest Ventures Limited

4th Floor, Kalpataru Heritage,

127, M.G. Road, Fort,

Mumbai – 400 001,

Maharashtra, India

Telephone: +91-22-40512500;

Facsimile: +91-22-40512555

Website: www.crest.co.in

Email: rights@crest.co.in

Status of Complaints

- (a) Total number of complaints received during Fiscal 2013: 9
- (b) Total number of complaints received during Fiscal 2014: 2
- (c) Total number of complaints received during Fiscal 2015: 2
- (d) Time normally taken for disposal of various types of investor complaints: 30 days
 - Share transfer process: Within 15 days after receiving full set of documents
 - Share transmission process: Within 21 days after receiving full set of documents
 - Other Complaints: Within 30 days from the receipt of the Complaint

Status of outstanding investor complaints

As on the date of the Draft Letter of Offer, there were no outstanding investor complaints.

Changes in Auditors during the last three years

There has been no change in Auditors during last three years.

Minimum Subscription

If we do not receive the minimum subscription of 90% of the Issue, we shall refund the entire subscription amount received within 15 days from the Issue Closing Date. In the event that there is a delay of making refunds beyond such period as prescribed by applicable laws, our Company shall pay interest for the delayed period at rates prescribed under applicable laws. The above is subject to the terms mentioned under the section titled '*Terms of the Issue - Basis of Allotment*' on page 183 of the Draft Letter of Offer.

SECTION IX – OFFERING INFORMATION

TERMS OF THE ISSUE

The Rights Equity Shares proposed to be issued are subject to the terms and conditions contained in the Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, including the CAF, the SAF, RBI approval, the Memorandum of Association and Articles of Association, the provisions of the Companies Act, the terms and conditions as may be incorporated in the FEMA, applicable guidelines and regulations issued by SEBI and RBI, or other statutory authorities and bodies from time to time, the SEBI Listing Regulations, terms and conditions as stipulated in the allotment advice or security certificate and rules as may be applicable and introduced from time to time. All rights/ obligations of Equity Shareholders in relation to application and refunds pertaining to the Issue shall apply to the Renouncee(s) as well.

Please note that, in terms of SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011, all QIBs, Non-Institutional Investors (including all companies or body corporate) and other investors (applicants whose application amount exceeds ₹ 200,000) complying with the eligibility conditions of SEBI circular dated December 30, 2009 can participate in the Issue only through the ASBA process. Further, all QIB Investors and Non-Institutional Investors are mandatorily required to use the ASBA facility, even if application amount does not exceed ₹ 200,000. All Retail Individual Investors complying with the conditions prescribed under the SEBI circular dated December 30, 2009 may optionally apply through the ASBA process provided they are eligible ASBA investors. The Investors who are (i) not QIBs, (ii) not Non-Institutional Investors, or (iii) investors whose application amount is less than ₹ 200,000 can participate in the Issue either through the ASBA process or the non ASBA process. ASBA Investors should note that the ASBA process involves application procedures that may be different from the procedure applicable to non ASBA process. ASBA Investors should carefully read the provisions applicable to such applications before making their application through the ASBA process. For details, please see “*Procedure for Application through the Applications Supported by Blocked Amount (“ASBA”) Process*” on page 174 of the Draft Letter of Offer. Notwithstanding anything contained hereinabove, all Renouncees (including Renouncees who are Individuals) shall apply in the Issue only through the non-ASBA process.

Further, in terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making applications by banks on own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public issues/ rights issues and clear demarcated funds should be available in such account for ASBA applications. SCSBs applying in the Issue using the ASBA facility shall be responsible for ensuring that they have a separate account in its own name with any other SCSB having clear demarcated funds for applying in the Issue and that such separate account shall be used as the ASBA Account for the application, for ensuring compliance with the applicable regulations.

Please note that in terms of the SEBI (Foreign Portfolio Investors) Regulations, 2014 (“SEBI FPI Regulations”), foreign institutional investor or qualified foreign investor who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995.

Authority for the Issue

The Issue has been authorised by a resolution of our Board passed at its meetings held on February 8, 2016 pursuant to Section 62 of the Companies Act, 2013.

Basis for the Issue

The Rights Equity Shares are being offered for subscription for cash to those existing equity shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories for the purpose of the Rights Issue in respect of the Equity Shares held in the electronic form and on the register of members in respect of the Equity Shares held in physical form at the close of business hours on the Record Date, fixed in consultation with the Designated Stock Exchange. The basis of allotment for the Rights Equity Shares shall be fixed in consultation with the Designated Stock Exchange.

Rights Entitlement

As your name appears as a beneficial owner in respect of the Equity Shares held in the electronic form or appears in the register of members as an Equity Shareholder as on the Record Date, i.e., [●], you are entitled to the number of Equity Shares as set out in Part A of the CAFs.

Pursuant to a resolution passed by the Board of our Company at its meeting held on [●], has determined a Rights Entitlement of [●] Rights Equity Shares for every [●] fully paid-up Equity Shares held on the Record Date and a price of [●] per Rights Equity Share as the Issue Price.

The distribution of the Draft Letter of Offer and the issue of the Equity Shares on a rights basis to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. We are making the issue of the Equity Shares on a rights basis to the Equity Shareholders and the Letter of Offer, the Abridged Letter of Offer and the CAFs will be dispatched only to those Equity Shareholders who have a registered address in India or who have provided an Indian address. Any person who acquires Rights Entitlements or the Rights Equity Shares will be deemed to have declared, warranted and agreed, by accepting the delivery of the Letter of Offer, the Abridged Letter of Offer and the CAFs, that it is not and that at the time of subscribing for the Equity Shares or the Rights Entitlements, it will not be, in the United States and in other restricted jurisdictions.

Persons who may acquire Rights Entitlements or come into possession of the Letter of Offer or Abridged Letter of Offer or CAF are advised to consult their own legal advisors as to restrictions applicable to them and to observe such restrictions. The Letter of Offer may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorized. No action has been or will be taken that would permit the offering of the Equity Shares or Rights Entitlements pursuant to the Issue to occur in any jurisdiction other than India, or the possession, circulation or distribution of the Letter of Offer or CAF in any jurisdiction where action for such purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer, the Abridged Letter of Offer or CAF may not be distributed or published in or from any jurisdiction except under circumstances that will result in compliance with applicable law and procedures of and in any such jurisdiction. Recipients of the Letter of Offer, the Abridged Letter of Offer or the CAF, including Eligible Equity Shareholders and Renouncees, are advised to consult their legal counsel prior to applying for the Rights Entitlement and additional Equity Shares or accepting any provisional allotment of Equity Shares, or making any offer, sale, resale, pledge or other transfer of the Equity Shares or Rights Entitlement.

For Eligible Equity Shareholders wishing to apply through the ASBA process for the Issue, kindly refer section titled “*Procedure for Application through the Applications Supported by Blocked Amount (“ASBA”) Process*” on page 174 of the Draft Letter of Offer.

PRINCIPAL TERMS OF THE EQUITY SHARES ISSUED UNDER THE ISSUE

Face Value

Each Equity Share will have the face value of ₹ 10.

Issue Price

Each Rights Equity Share shall be offered at an Issue Price of ₹ [●] for cash at a premium of ₹ [●] per Rights Equity Share. The Issue Price has been arrived at by us in consultation with Inga Capital Private Limited, Lead Manager.

Rights Entitlement Ratio

The Rights Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of [●] Rights Equity Shares for every [●] Equity Shares held on the Record Date.

Terms of Payment

The full amount of Issue Price is payable on application.

Fractional Entitlements

The Right Equity Shares are being offered on a rights basis to the existing Equity Shareholders in the ratio of [●] Rights Equity Shares for every [●] Equity Shares held as on the Record Date. For Equity Shares being offered on a rights basis under the Issue, if the shareholding of any of the Equity Shareholders is less than [●] Equity Shares or is not in a multiple of [●] Equity Shares, the fractional entitlement of such Equity Shareholders shall be ignored for computation of the Rights Entitlement. However, Equity Shareholders whose fractional entitlements are being ignored will be given preference in the allotment of one additional Equity Share each, if such Equity Shareholders have applied for additional Equity Shares over and above their Rights Entitlement.

Also, those Equity Shareholders holding less than [●] Equity Shares and therefore entitled to 'Zero' Equity Shares under the Issue shall be dispatched a CAF with 'Zero' entitlement. Such Equity Shareholders are entitled to apply for additional Equity Shares and would be given preference in the allotment of one additional Rights Equity Share if, such Equity Shareholders have applied for the additional Equity Shares. However, they cannot renounce the same to third parties. CAFs with zero entitlement shall be non-negotiable/ non – renounceable.

Ranking

The Equity Shares being issued shall be subject to the provisions of our Memorandum of Association and Articles of Association. The Equity Shares issued under the Issue shall rank *pari passu*, in all respects including dividend, with our existing Equity Shares, provided that voting rights and dividend payable shall be in proportion to the paid-up value of Equity Shares held. In terms of Article 98 of the Articles of Association, money paid in advance of calls shall not confer a right to dividend or participation in profits of our Company.

Mode of payment of dividend

In the event of declaration of dividend, we shall pay dividend to Equity Shareholders as per the provisions of the Companies Act and the provisions of our Articles of Association.

Listing and trading of Equity Shares proposed to be issued

Our existing Equity Shares are currently listed and traded on BSE (Scrip Code: 511413) and the NSE (Scrip Code: CREST) under the ISIN – INE559D01011.

The listing and trading of the Equity Shares issued pursuant to the Issue shall be based on the current regulatory framework applicable thereto. Accordingly, any change in the regulatory regime would affect the schedule. Upon Allotment, the Equity Shares shall be traded on Stock Exchanges in the demat segment only.

We have made an application for “in-principle” approval for listing of the Equity Shares to the BSE and the NSE and have received such approval from the BSE and the NSE pursuant to the letter numbers [●] and [●], dated [●] and [●], respectively. We will apply to the BSE and the NSE for final approval for the listing and trading of the Equity Shares. No assurance can be given regarding the active or sustained trading in the Equity Shares or that the price at which the Equity Shares offered under the Issue will trade after listing on the Stock Exchanges. All steps for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares to be allotted pursuant to the Issue shall be taken as soon as possible from the finalisation of the basis of allotment but not later than 7 working days of finalization of basis of allotment. The Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the BSE and the NSE under the existing ISIN for Equity Shares.

Rights of the equity shareholder

Subject to applicable laws, the equity shareholders shall 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 in person or by proxy;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation;
- Right to free transferability of Equity Shares; and
- Such other rights as may be available to a shareholder of a listed public company under the Companies Act and the Memorandum of Association and Articles of Association.

General Terms of the Issue

Market Lot

The Equity Shares of our Company are tradable only in dematerialized form. The market lot for the Equity Shares in dematerialised mode is one. In case an Equity Shareholder holds Equity Shares in physical form, we would issue to the allottees one certificate for the Equity Shares allotted to each folio (“**Consolidated Certificate**”). In respect of Consolidated Certificates, we will upon receipt of a request from the respective Equity Shareholders, split such Consolidated Certificates into smaller denominations within one week’s time from the receipt of the request in respect thereof. We shall not charge a fee for splitting any of the Consolidated Certificates.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint tenants with the benefit of survivorship subject to the provisions contained in the Articles of Association.

Nomination

In terms of Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, nomination facility is available in respect of the Equity Shares. An Investor can nominate any person by filling the relevant details in the CAF in the space provided for this purpose.

In case of Equity Shareholders who are individuals, a sole Equity Shareholder or the first named Equity Shareholder, along with other joint Equity Shareholders, if any, may nominate any person(s) who, in the event of the death of the sole holder or all the joint-holders, as the case may be, shall become entitled to the Equity Shares. A person, being a nominee, becoming entitled to the Equity Shares by reason of the death of the original Equity Shareholder(s), shall be entitled to the same advantages to which he would be entitled if he were the registered holder of the Equity Shares. Where the nominee is a minor, the Equity Shareholder(s) may also make a nomination to appoint, in the prescribed manner, any person to become entitled to the Equity Share(s), in the event of death of the said holder, during the minority of the nominee. A nomination shall stand rescinded upon the sale of the Equity Shares by the person nominating. A transferee will be entitled to make a fresh nomination in the manner prescribed. Fresh nominations can be made only in the prescribed form available on request at our Registered Office or such other person at such addresses as may be notified by us. The Investor can make the nomination by filling in the relevant portion of the CAF.

In terms of Section 72 of the Companies Act, 2013 any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as the holder of the 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 ninety days, our Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Only one nomination would be applicable for one folio. Hence, in case the Equity Shareholder(s) has already registered the nomination with us, no further nomination needs to be made for Equity Shares that may be allotted in the Issue under the same folio.

In case the allotment of Equity Shares is in dematerialised form, there is no need to make a separate nomination for the Equity Shares to be allotted in the Issue. Nominations registered with respective Depository Participant ("DP") of the investor would prevail. Any investor desirous of changing the existing nomination is requested to inform their respective DP.

Offer to Non Resident Eligible Equity Shareholders/ Investors

Applications received from NRs for Equity Shares under the Issue shall be *inter alia*, subject to the conditions laid down in the RBI approval and the conditions imposed from time to time by the RBI under FEMA, in the matter of receipt and refund of Application Money, Allotment, issue of letters of Allotment/ allotment advice/ share certificates, payment of interest and dividends. General permission has been granted to any person resident outside India to purchase shares offered on a rights basis by an Indian company in terms of FEMA and Regulation 6 of notification No. FEMA 20/2000-RB dated May 3, 2000. The Abridged Letter of Offer and CAF shall be dispatched to non-resident Eligible Equity Shareholders at their Indian address only. If an NR or NRI Investors has specific approval from RBI, in connection with his shareholding, he should enclose a copy of such approval with the Application Form.

Our Board of Directors may, at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the Issue. The Equity Shares purchased on a rights basis by Non-Residents shall be subject to the same conditions including restrictions in regard to the repatriability as are applicable to the original equity shares against which equity shares are issued on a right basis.

CAFs will be made available for eligible NRIs at our Registered Office and with the Registrar to the Issue.

In case of change of status of holders i.e. from Resident to Non-Resident, a new demat account must be opened.

DETAILS OF SEPARATE COLLECTING CENTRES FOR NON-RESIDENT APPLICATIONS SHALL BE PRINTED ON THE CAF.

Notices

All notices to the Equity Shareholder(s) required to be given by us shall be published in one English national daily with wide circulation, one Hindi national daily with wide circulation and one regional language daily newspaper with wide circulation in the state where our registered office is located and/ or will be sent by ordinary post/ registered post/ speed post to the registered address of the Equity Shareholders in India or the Indian address provided by the Equity Shareholders, from time to time. However, the distribution of the Letter of Offer / Abridged Letter of Offer and the issue of Equity Shares on a rights basis to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions.

Subscription by the Promoters

Our Promoters have by way of their letters dated March 14, 2016, undertaken to subscribe, either through themselves or through other members of the Promoter and/or Promoter Group to subscribe to their Rights Entitlement in full in the Issue, in compliance with regulation 10(4) of Takeover Regulations.

Our Promoters have also confirmed that they intend to either through themselves or through other members of the Promoter and/or Promoter Group (i) subscribe to additional Equity Shares, and (ii) subscribe for unsubscribed portion in the Issue, if any such that atleast minimum subscription of 90% of the Issue is achieved. Further, they reserve the

right to additionally subscribe for any unsubscribed portion over and above minimum subscription in order to achieve full subscription in the Issue. Such subscription to additional Equity Shares and the unsubscribed portion, if any, shall be in accordance with regulation 10(4) of Takeover Regulations subject to their shareholding not exceeding 75% of the issued, outstanding and fully paid up Equity Share capital in accordance with the provisions of the SEBI Listing Regulations.

Such subscription for Equity Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding. Any such acquisition of additional Equity Shares of the Company shall not result in a change of control of the management of the Company in accordance with provisions of the Takeover Regulations and shall be exempt in terms of Regulation 10 (4) (a) and (b) of the Takeover Regulations.

Presently our Company is complying with clause 38 of the SEBI Listing Regulations read with Rule 19A of the Securities Contracts (Regulation) Rules, 1957, in connection with the requirement of maintaining the minimum public shareholding, i.e. at least 25% of the total paid up equity capital is held by public, for continuous listing. For details, please see section titled “*Terms of the Issue*” on page 155 of the Draft Letter of Offer.

Procedure for Application

The CAF for Rights Equity Shares offered as a part of the Issue would be printed in black ink for all Eligible Equity Shareholders. The CAF along with the Abridged Letter of Offer shall be dispatched through registered post or speed post at least three days before the Issue Opening Date. In case the original CAFs are not received by the Eligible Equity Shareholders or is misplaced by them, they may request the Registrar to the Issue, for issue of a duplicate CAF, by furnishing the registered folio number, DP ID, Client ID and their full name and address. In case the signature of the Eligible Equity Shareholder(s) does not match with the specimen registered with us, the application is liable to be rejected.

Please note that neither the Company, nor the Lead Manager nor the Registrar shall be responsible for delay in the receipt of the CAF/ duplicate CAF attributable to postal delays or if the CAF/ duplicate CAF are misplaced in the transit.

Please note that in accordance with the provisions of SEBI circular bearing number CIR/CFD/DIL/1/2011 dated April 29, 2011, all Applicants who are QIBs or Non Institutional Investors must mandatorily make use of ASBA facility.

All QIB applicants, Non-Institutional Investors and other applicants whose application amount exceeds ₹ 200,000 can participate in the Issue only through the ASBA process, subject to their fulfilling the eligibility conditions to be an ASBA Investor. Further all QIB applicants and Non-Institutional Investors are mandatorily required to use ASBA, even if application amount does not exceed ₹ 200,000, subject to their fulfilling the eligibility conditions to be an ASBA Investor. The Investors who are (i) not QIBs, (ii) not Non-Institutional Investors or (iii) investors whose application amount is less than ₹ 200,000 can participate in the Issue either through the ASBA process or the non ASBA process.

Please also note that by virtue of the Circular No. 14 dated September 16, 2003 issued by the RBI, Overseas Corporate Bodies (“OCBs”) have been derecognized as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Equity Shareholder being an OCB is required to obtain prior approval from RBI for applying in the Issue.

The CAF consists of four parts:

- Part A: Form for accepting the Equity Shares offered as a part of the Issue, in full or in part, and for applying for additional Equity Shares;
- Part B: Form for renunciation of Equity Shares;
- Part C: Form for application of Equity Shares by Renouncee(s);

- Part D: Form for request for split Application forms.

Options available to the Equity Shareholders

The CAFs will clearly indicate the number of Equity Shares that Equity Shareholder is entitled to. An Eligible Equity Shareholder can:

- Apply for his Rights Entitlement of Equity Shares in full;
- Apply for his Rights Entitlement of Equity Shares in part (without renouncing the other part);
- Apply for his Rights Entitlement of Equity Shares in part and renounce the other part of the Equity Shares;
- Apply for his Rights Entitlement in full and apply for additional Equity Shares;
- Renounce his Rights Entitlement in full.

Acceptance of the Issue

You may accept the offer to participate and apply for the Equity Shares, either in full or in part without renouncing the balance by filling Part A of the CAFs and submit the same along with the application money payable to the collection branches of the Banker(s) to the Issue as mentioned on the reverse of the CAFs before the close of the banking hours on or before the Issue Closing Date or such extended time as may be specified by the Board of Directors in this regard. Investors at centres not covered by the branches of the Banker(s) to the Issue can send their CAFs together with the cheque drawn at par on a local bank at [●] demand draft payable at Mumbai to the Registrar to the Issue by registered post / speed post so as to reach the Registrar to the Issue prior to the Issue Closing Date. Please note that neither the Company nor the Lead Manager nor the Registrar to the Issue shall be responsible for delay in the receipt of the CAF attributable to postal delays or if the CAF is misplaced in transit. Such applications sent to anyone other than the Registrar to the Issue are liable to be rejected. For further details on the mode of payment, please see the headings “*Mode of Payment for Resident Equity Shareholders/ Investors*” and “*Mode of Payment for Non-Resident Equity Shareholders/ Investors*” on page 167 and 167, respectively of the Draft Letter of Offer.

Additional Equity Shares

You are eligible to apply for additional Equity Shares over and above your Rights Entitlement, provided that you are eligible to apply under applicable law and have applied for all the Rights Equity Shares offered without renouncing them in whole or in part in favour of any other person(s). Applications for additional Rights Equity Shares shall be considered and allotment shall be made at the sole discretion of the Board, subject to sectoral caps and in consultation if necessary with the Designated Stock Exchange and in the manner prescribed under “*Terms of the Issue*” on page 155 of the Draft Letter of Offer.

If you desire to apply for additional Equity Shares, please indicate your requirement in the place provided for additional Equity Shares in Part A of the CAF. The Renouncees applying for all the Equity Shares renounced in their favour may also apply for additional Equity Shares.

Where the number of additional Equity Shares applied for exceeds the total number of Equity Shares available for Allotment, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange.

Renunciation

The Issue includes a right exercisable by you to renounce the Equity Shares offered to you either in full or in part in favour of any other person or persons. Your attention is drawn to the fact that we shall not Allot and/ or register the Equity Shares in favour of more than three persons (including joint holders), partnership firm(s) (partners of the

partnership firm are eligible for allotment of Rights Equity Shares if they have applied for the same in their individual capacity as partners of such firm) or their nominee(s), minors other than who have a valid beneficiary account, as per demographic details provided by Depositories, HUF (karta of a HUF are eligible for allotment of Rights Equity Shares if they have applied for the same on behalf of or for the benefit of the HUF), any trust or society (unless the same is registered under the Societies Registration Act, 1860 or the Indian Trust Act, 1882 or any other applicable law relating to societies or trusts and is authorized under its constitution or bye-laws to hold Equity Shares, as the case may be). Additionally, existing Equity Shareholders may not renounce in favour of persons or entities in the United States, or to, or for the account or benefit of a “U.S. Person” (as defined in Regulation S), or who would otherwise be prohibited from being offered or subscribing for Equity Shares or Rights Entitlement under applicable securities laws.

Any renunciation other than as stated above is subject to the renouncer(s)/renounee(s) obtaining the approval of the FIPB and/or necessary permission of the RBI under the FEMA and such permissions should be attached to the CAF or SAF. In case of Applications which are not accompanied by the aforesaid approvals, our Board reserves the right to reject such CAF or SAF.

The RBI has, pursuant to a letter dated [●] (the “RBI Letter”), has conveyed its no-objection to renunciation of Rights Entitlement by the following:

[●]

Renunciations by Overseas Corporate Bodies

By virtue of the Circular No. 14 dated September 16, 2003 issued by the RBI, Overseas Corporate Bodies (“OCBs”) have been derecognized as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Accordingly, the existing Equity Shareholders who do not wish to subscribe to the Equity Shares being offered but wish to renounce the same in favour of Renounee shall not renounce the same (whether for consideration or otherwise) in favour of OCB(s).

The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/ 2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. Shareholders renouncing their rights in favour of OCBs may do so provided such Renounee obtains a prior approval from the RBI. On submission of such approval to us at our Registered Office, the OCB shall receive the Abridged Letter of Offer and the CAF.

Part ‘A’ of the CAF must not be used by any person(s) other than those in whose favour this offer has been made. If used, this will render the application invalid. Submission of the CAF to the Banker(s) to the Issue at its collecting branches specified on the reverse of the CAF with the form of renunciation (Part ‘B’ of the CAF) duly filled in shall be conclusive evidence for us of the fact of renouncement to the person(s) applying for Equity Shares in Part ‘C’ of the CAF for the purposes of Allotment of such Equity Shares. The Renounees applying for all the Equity Shares renounced in their favour may also apply for additional Equity Shares. Part ‘A’ of the CAF must not be used by the Renounee(s) as this will render the application invalid. Renounee(s) will have no further right to renounce any Equity Shares in favour of any other person.

Procedure for renunciation

To renounce all the Equity Shares offered to an Equity Shareholder in favour of one Renounee

If you wish to renounce the offer indicated in Part ‘A’, in whole, please complete Part ‘B’ of the CAF. In case of joint holding, all joint holders must sign Part ‘B’ of the CAF. The person in whose favour renunciation has been made should complete and sign Part ‘C’ of the CAF. In case of joint Renounees, all joint Renounees must sign Part ‘C’ of the CAF.

To renounce in part/ or renounce the whole to more than one person(s)

If you wish to either accept this offer in part and renounce the balance or renounce the entire offer under the Issue in favour of two or more Renouncees, the CAF must be first split into requisite number of SAFs. Please indicate your requirement of SAFs in the space provided for this purpose in Part 'D' of the CAF and return the entire CAF to the Registrar to the Issue so as to reach them latest by the close of business hours on the last date of receiving requests for SAFs. On receipt of the required number of SAFs from the Registrar, the procedure as mentioned in paragraph above shall have to be followed.

In case the signature of the Equity Shareholder(s), who has renounced the Equity Shares, does not match with the specimen registered with us/ Depositories, the application is liable to be rejected.

Renouncee(s)

The person(s) in whose favour the Equity Shares are renounced should fill in and sign Part 'C' of the CAF and submit the entire CAF to any of the collection branches of the Banker(s) to the Issue as mentioned in the reverse of the CAF on or before the Issue Closing Date along with the application money in full. The Renouncee cannot further renounce.

Change and/ or introduction of additional holders

If you wish to apply for the Equity Shares jointly with any other person(s), not more than three (including you), who is/ are not already a joint holder with you, it shall amount to renunciation and the procedure as stated above for renunciation shall have to be followed. Even a change in the sequence of the name of joint holders shall amount to renunciation and the procedure, as stated above shall have to be followed.

However, this right of renunciation is subject to the express condition that the Board of Directors shall be entitled in its absolute discretion to reject the request for Allotment from the Renouncee(s) without assigning any reason thereof. All such applications will be treated as applications from Renouncees and shall have to be made through the non-ASBA process only to be considered valid for allotment. Please also see section titled "*Terms of the Issue*" on page 155 of the Draft Letter of Offer.

APPLICATIONS FOR NON-ASBA INVESTORS

Eligible Equity Shareholders who are eligible to apply under the Non – ASBA process

The option of applying for Equity Shares through non – ASBA process is available only to Eligible Equity Shareholders of our Company on the Record Date as well as Renouncees whose application not exceed ₹ 200,000. **All Applicants who are QIBs and Non – Institutional Investors can apply in the Issue only through the ASBA process.**

Instructions for Options for Non-ASBA Investors

The summary of options available to the Eligible Equity Shareholder is presented below. You may exercise any of the following options with regard to the Rights Equity Shares offered, using the CAF:

Sr. No.	Option Available	Action Required
(i)	Accept whole or part of your Rights Entitlement without renouncing the balance.	Fill in and sign Part A (All joint holders must sign in the same sequence)
(ii)	Accept your Rights Entitlement in full and apply for additional Rights Equity Shares	Fill in and sign Part A including Block III relating to the acceptance of entitlement and Block IV relating to additional Equity Shares (All joint holders must sign in the same sequence)
(iii)	Accept a part of your Rights Entitlement and renounce the balance to one or more Renouncee(s)	Fill in and sign Part D (all joint holders must sign in the same sequence) requesting for SAFs. Send the CAF to the Registrar to the Issue so as to reach them on or before the last date for receiving requests for SAFs. Splitting will be permitted only once.

Sr. No.	Option Available	Action Required
	OR	On receipt of the SAF take action as indicated below.
	Renounce your Rights Entitlement of all the Rights Equity Shares offered to you to more than one Renouncee	For the Equity Shares you wish to accept, if any, fill in and sign Part A. For the Rights Equity Shares you wish to renounce, fill in and sign Part B indicating the number of Equity Shares renounced and hand it over to the Renouncee. Each of the Renouncee should fill in and sign Part C for the Equity Shares accepted by them.
(iv)	Renounce your Rights Entitlement in full to one person (Joint Renouncees are considered as one)	Fill in and sign Part B (all joint holders must sign in the same sequence) indicating the number of Equity Shares renounced and hand it over to the Renouncee. The Renouncee must fill in and sign Part C (All joint Renouncees must sign)
(v)	Introduce a joint holder or change the sequence of joint holders	This will be treated as a renunciation. Fill in and sign Part B and the Renouncee must fill in and sign Part C.

In case of Equity Shares held in physical form, applicants must provide information in the CAF as to their respective bank account numbers, name of the bank, to enable the Registrar to print the said details on the refund order. Failure to comply with this may lead to rejection of application. In case of Equity Shares held in demat form, bank account details furnished by the Depositories will be printed on the refund order.

Please note that:

- Options iii-iv will not be available for Equity Shareholders applying through ASBA process.
- Part 'A' of the CAF must not be used by any person(s) other than the Eligible Equity Shareholder to whom the Letter of Offer has been addressed. If used, this will render the application invalid.
- Request for SAF should be made for a minimum of one Equity Share or, in either case, in multiples thereof, and one SAF for the balance Equity Shares, if any.
- Request by the Equity Shareholder for the SAF(s) should reach the Registrar on or before last date for receiving request for SAF(s).
- Only the Equity Shareholder to whom the Letter of Offer has been addressed shall be entitled to renounce and to apply for SAF(s). Forms once split cannot be split further.
- SAFs will be sent to the Equity Shareholder(s) by post at the applicant's sole risk.
- Equity Shareholders may not renounce in favour of persons or entities in the restricted jurisdictions including the United States or to or for the account or benefit of a "U.S. Person" (as defined in Regulation S), or who would otherwise be prohibited from being offered or subscribing for Equity Shares or Rights Entitlement under applicable securities laws.
- Submission of the CAF to the Banker(s) to the Issue at its collecting branches specified on the reverse of the CAF with the form of renunciation (Part 'B' of the CAF) duly filled in shall be conclusive evidence for us of the person(s) applying for Equity Shares in Part 'C' of the CAF to receive Allotment of such Equity Shares.
- While applying for or renouncing their Rights Entitlement, joint Equity Shareholders must sign the CAF in the same order as per specimen signatures recorded with us or the Depositories.
- Non-resident Equity Shareholders: Application(s) received from Non-Resident/ NRIs, or persons of Indian

origin residing abroad for allotment of Equity Shares allotted as a part of the Issue shall, inter alia, be subject to conditions, as may be imposed from time to time by the RBI under FEMA in the matter of refund of application money, allotment of Equity Shares, subsequent issue and allotment of Equity Shares, interest, export of share certificates, etc. In case a Non-Resident or NRI Eligible Equity Shareholder has specific approval from the RBI, in connection with his shareholding, he should enclose a copy of such approval with the CAF.

- Applicants must write their CAF number at the back of the cheque / demand draft.
- The RBI has mandated that CTS 2010 standard non-compliant cheques can be presented in clearing only in reduced frequency, specifically once a week, on Mondays of every week from November 2014 onwards. This would have an impact on timelines for the issuance of final certificates, hence the CAFs accompanied with non-CTS cheques could get rejected.

Availability of duplicate CAF

In case the original CAF is not received, or is misplaced by the Equity Shareholder, the Registrar to the Issue will issue a duplicate CAF on the request of the Eligible Equity Shareholder who should furnish the registered folio number/ DP and Client ID number and his/ her full name and address to the Registrar to the Issue. Please note that the request for duplicate CAF should reach the Registrar to the Issue at least 7 days prior to the Issue Closing Date. Please note that those who are making the application in the duplicate form should not utilize the original CAF for any purpose including renunciation, even if it is received/ found subsequently. If the Eligible Equity Shareholder violates such requirements, he/ she shall face the risk of rejection of either original CAF or both the applications.

Neither the Registrar nor the Lead Manager or our Company, shall be responsible for postal delays or loss of duplicate CAFs in transit, if any.

Application on Plain Paper

An Equity Shareholder who has neither received the original CAF nor is in a position to obtain the duplicate CAF may make an application to subscribe to the Issue on plain paper, along with account payee cheque/pay order / demand draft drawn on a bank (after deducting banking and postal charges) payable at Mumbai which should be drawn in favour of “[●]– **Rights Issue - R**” in case of resident shareholders applying on non-repatriable basis and in favour of “[●]– **Rights Issue – NR**” in case of non-resident shareholders applying on repatriable basis and send the same by registered post directly to the Registrar to the Issue so as to reach Registrar to the Issue on or before the Issue Closing Date. The envelope should be superscribed “[●]– **Rights Issue - R**” in case of resident shareholders and Non-resident shareholders applying on non-repatriable basis, and “[●]– **Rights Issue – NR**” in case of non-resident shareholders applying on repatriable basis.

The application on plain paper, duly signed by the applicant(s) including joint holders, in the same order as per specimen recorded with us or the Depositories, must reach the office of the Registrar to the Issue before the Issue Closing Date and should contain the following particulars:

- Name of Issuer, being Crest Ventures Limited;
- Name and address of the Equity Shareholder including joint holders;
- Registered Folio Number/ DP and Client ID no.;
- Number of Equity Shares held as on Record Date;
- Number of Equity Shares entitled to;
- Number of Equity Shares applied for;

- Number of additional Equity Shares applied for, if any;
- Total number of Equity Shares applied for;
- Total amount paid at the rate of ₹ [●] per Equity Share;
- Particulars of cheque/ demand draft;
- Savings/ Current Account Number and name and address of the bank where the Equity Shareholder will be depositing the refund order. In case of Equity Shares allotted in demat form, the bank account details will be obtained from the information available with the Depositories;
- Except for applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to the Issue; Documentary evidence for exemption to be provided by the applicants;
- Share certificate numbers and distinctive numbers of Equity Shares, if held in physical form;
- Allotment option preferred - physical or demat form, if held in physical form (Rights Equity Shares will be allotted in physical form only if the Equity Shares held on the Record Date i.e. [●] are in the physical form);
- If the payment is made by a draft purchased from NRE/ FCNR/ NRO account, as the case may be, an account debit certificate from the bank issuing the draft confirming that the draft has been issued by debiting the NRE/ FCNR/ NRO account;
- Signature of the Equity Shareholders to appear in the same sequence and order as they appear in our records / Depositories; and
- For ASBA Investors, application on plain paper should have details of their ASBA Account.
- Additionally, all such applicants are deemed to have accepted the following:

“I/ We understand that neither the Rights Entitlement nor the Equity Shares have been, and will be, registered under the United States Securities Act of 1933 (the “US Securities Act”) or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the “United States”) or to, or for the account or benefit of a “U.S. Person” as defined in Regulation S of the US Securities Act (“Regulation S”). I/ we understand the Equity Shares referred to in this application are being offered in India but not in the United States. I/ we understand the offering to which this application relates is not, and under no circumstances is to be construed as, an offering of any Equity Shares or Rights Entitlement for sale in the United States, or as a solicitation therein of an offer to buy any of the said Equity Shares or Rights Entitlement in the United States. Accordingly, I/ we understand this application should not be forwarded to or transmitted in or to the United States at any time. I/ we understand that neither us, nor the Registrar, the Lead Manager or any other person acting on behalf of us will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar, the Lead Manager or any other person acting on behalf of us have reason to believe is, a resident of the United States or a “U.S. Person” (as defined in Regulation S) or is ineligible to participate in the Issue under the securities laws of their jurisdiction.

I/ We will not offer, sell or otherwise transfer any of the Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.

I/ We understand and agree that the Rights Entitlement and Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

I/ We (i) am/ are, and the person, if any, for whose account I/ we am/ are acquiring such Rights Entitlement and/ or the Equity Shares is/ are, outside the United States, (ii) am/ are not a “U.S. Person” as defined in Regulation S, and (iii) am / are acquiring the Rights Entitlement and/ or the Equity Shares in an offshore transaction meeting the requirements of Regulation S.

I/ We acknowledge that we, the Lead Manager, their affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.”

Please note that those who are making the application otherwise than on original CAF shall not be entitled to renounce their rights and should not utilize the original CAF for any purpose including renunciation even if it is received subsequently. If the Eligible Equity Shareholder violates such requirements, he/ she shall face the risk of rejection of both the applications. We shall refund such application amount to the Eligible Equity Shareholder without any interest thereon and no liability shall arise on part of our Company, Lead Manager and its Directors.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an application being rejected, with our Company, the Lead Manager and the Registrar not having any liability to the Investor.

Last date for Application

The last date for submission of the duly filled in CAF is [●]. The Board of Directors may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date,

If the CAF together with the amount payable is not received by the Banker(s) to the Issue/ Registrar to the Issue on or before the close of banking hours on the aforesaid last date or such date as may be extended by the Board or any authorised committee thereof, the invitation to offer contained in the Letter of Offer shall be deemed to have been declined and the Board or any authorised committee thereof shall be at liberty to dispose of the Equity Shares hereby offered, as provided under section titled “*Terms of the Issue*” on page 155 of the Draft Letter of Offer.

Mode of payment for Resident Equity Shareholders/ Investors

- All cheques/ drafts accompanying the CAF should be drawn in favour of “[●]– Rights Issue - R” crossed ‘A/c Payee only’ ;
- Investors residing at places other than places where the bank collection centres have been opened by us for collecting applications, are requested to send their CAFs together with Demand Draft for the full application amount, net of bank and postal charges favouring the Banker(s) to the Issue, crossed ‘A/c Payee only’ and marked “[●] – Rights Issue - R” payable at Mumbai directly to the Registrar to the Issue by registered post so as to reach them on or before the Issue Closing Date. We, the Lead Manager or the Registrar to the Issue will not be responsible for postal delays or loss of applications in transit, if any.

Applications through mails should not be sent in any other manner except as mentioned above. The CAF along with the application money must not be sent to our Company or the Lead Manager. Applicants are requested to strictly adhere to these instructions.

Mode of payment for Non-Resident Equity Shareholders/ Investors

- As regards the application by non-resident Equity Shareholders/ Investors, the following conditions shall apply:
- Individual non-resident Indian applicants who are permitted to subscribe for Equity Shares by applicable local securities laws can also obtain application forms from the following address:

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

Fax: + 91- 22- 2596 – 0329

Email: cvl.rights@linkintime.co.in

Website: www.linkintime.co.in

Investor Grievance Email: cvl.rights@linkintime.co.in

Contact Person: Mr. Dinesh Yadav

SEBI Registration Number: INR000004058

Note: The Letter of Offer/ Abridged Letter of Offer and CAFs to NRIs shall be sent only to their Indian address, if provided.

- Applications will not be accepted from non-resident from any jurisdiction where the offer or sale of the Rights Entitlements and Equity Shares may be restricted by applicable securities laws.
- All non-resident investors should draw the cheques/ demand drafts for the full application amount, net of bank and postal charges and which should be submitted along with the CAF to the Banker(s) to the Issue/ collection centres or to the Registrar to the Issue.
- Non-resident investors applying from places other than places where the bank collection centres have been opened by the Company for collecting applications, are requested to send their CAFs together with Demand Draft for the full application amount, net of bank and postal charges, and marked “[●] – Rights Issue - R” payable at Mumbai directly to the Registrar to the Issue by registered post so as to reach them on or before the Issue Closing Date. The Company or the Registrar to the Issue will not be responsible for postal delays or loss of applications in transit, if any.
- Payment by non-residents must be made by demand draft payable at Mumbai / cheque payable drawn on a bank account maintained at Mumbai or funds remitted from abroad in any of the following ways:

Application with repatriation benefits

- (i) By Indian Rupee drafts purchased from abroad and payable at Mumbai or funds remitted from abroad (submitted along with Foreign Inward Remittance Certificate);
- (ii) By local cheque / bank drafts remitted through normal banking channels or out of funds held in Non-Resident External Account (NRE) or FCNR Account maintained with banks authorized to deal in foreign currency in India, along with documentary evidence in support of remittance;
- (iii) By Rupee draft purchased by debit to NRE/ FCNR Account maintained elsewhere in India and payable in Mumbai;
- (iv) FIIs/FPIs registered with SEBI must remit funds from special non-resident rupee deposit account;
- (v) Non-resident investors applying with repatriation benefits should draw cheques/ drafts in favour of “[●]– Rights Issue - NR” and must be crossed ‘account payee only’ for the full application amount;
- (vi) Investors may note that where payment is made by drafts purchased from NRE/ FCNR accounts, as the case may be, an Account Debit Certificate from the bank issuing the draft confirming that the draft has been issued by debiting the NRE/ FCNR account should be enclosed with the CAF. Otherwise the application shall be considered incomplete and is liable to be rejected.

Application without repatriation benefits

- (i) As far as non-residents holding Equity Shares on non-repatriation basis are concerned, in addition to the modes specified above, payment may also be made by way of cheque drawn on Non-Resident (Ordinary) Account maintained in India or Rupee Draft purchased out of NRO Account maintained elsewhere in India but payable at Mumbai. In such cases, the Allotment of Equity Shares will be on non-repatriation basis.
- (ii) All cheques/ drafts submitted by non-residents applying on a non-repatriation basis should be drawn in favour of '[●]– Rights Issue – R' and must be crossed 'account payee only' for the full application amount. The CAFs duly completed together with the amount payable on application must be deposited with the Collecting Bank indicated on the reverse of the CAFs before the close of banking hours on or before the Issue Closing Date. A separate cheque or bank draft must accompany each CAF.
- (iii) Investors may note that where payment is made by drafts purchased from NRE/ FCNR/ NRO accounts, as the case may be, an Account Debit Certificate from the bank issuing the draft confirming that the draft has been issued by debiting the NRE/ FCNR/ NRO account should be enclosed with the CAF. Otherwise the application shall be considered incomplete and is liable to be rejected.
- (iv) New demat account shall be opened for holders who have had a change in status from resident Indian to NRI. Any application from a demat account which does not reflect the accurate status of the Applicant are liable to be rejected.

Notes:

- In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Equity Shares can be remitted outside India, subject to tax, as applicable according to the I.T. Act.
- In case Equity Shares are allotted on a non-repatriation basis, the dividend and sale proceeds of the Equity Shares cannot be remitted outside India.
- The CAF duly completed together with the amount payable on application must be deposited with the Collecting Bank indicated on the reverse of the CAFs before the close of banking hours on or before the Issue Closing Date. A separate cheque or bank draft must accompany each CAF.
- In case of an application received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines/ rules prescribed by RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.

General instructions for non-ASBA Investors

- i. Please read the instructions printed on the CAF carefully.
- ii. Applicants that are not QIBs or are not Non – Institutional Investor or those whose Application Money does not exceed ₹ 200,000 may participate in the Issue either through ASBA or the non-ASBA process. Eligible Equity Shareholders who have renounced their entitlement (in full or in part), Renouncees and Applicants holding Equity Shares in physical form and/or subscribing in the Issue for Allotment in physical form may participate in the Issue only through the non ASBA process.
- iii. Application should be made on the printed CAF, provided by us except as mentioned under the head “*Application on Plain Paper*” on page 176 of the Draft Letter of Offer and should be completed in all respects. The CAF found incomplete with regard to any of the particulars required to be given therein, and/ or which are not completed in conformity with the terms of the Draft Letter of Offer or Abridged Letter of Offer are liable to be rejected and the money paid, if any, in respect thereof will be refunded without interest and after deduction of bank commission and other charges, if any. The CAF must be filled in English and the names of all the Investors, details of occupation, address, father's/ husband's name must be filled in block letters.

- iv. Eligible Equity Shareholders participating in the Issue other than through ASBA are required to fill Part A of the CAF and submit the CAF along with Application Money before close of banking hours on or before the Issue Closing Date or such extended time as may be specified by the Board in this regard. The CAF together with the cheque/ demand draft should be sent to the Banker(s) to the Issue/ Collecting Bank or to the Registrar to the Issue and not to us or Lead Manager to the Issue. Investors residing at places other than cities where the branches of the Banker(s) to the Issue have been authorised by us for collecting applications, will have to make payment by demand draft payable at Mumbai of an amount net of bank and postal charges and send their CAFs to the Registrar to the Issue by registered post / speed post. If any portion of the CAF is/ are detached or separated, such application is liable to be rejected. **CAF's received after banking hours on closure day will be liable for rejection.**
- v. Applications where separate cheques/ demand drafts are not attached for amounts to be paid for Equity Shares are liable to be rejected.
- vi. Except for applications on behalf of the Central and State Government, the residents of Sikkim and the officials appointed by the courts, all Investors, and in the case of application in joint names, each of the joint Investors, should mention his/ her PAN allotted under the I.T. Act, irrespective of the amount of the application. CAFs without PAN will be considered incomplete and are liable to be rejected.
- vii. Investors, holding Equity Shares in physical form, are advised that it is mandatory to provide information as to their savings/ current account number and the name of the bank with whom such account is held in the CAF to enable the Registrar to the Issue to print the said details in the refund orders, if any, after the names of the payees. Application not containing such details is liable to be rejected.
- viii. All payment should be made by cheque/ demand draft only. Application through the ASBA process as mentioned above is acceptable. Cash payment is not acceptable. In case payment is effected in contravention of this, the application may be deemed invalid and the application money will be refunded and no interest will be paid thereon.
- ix. Signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in English or Hindi and thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/ her official seal. The Equity Shareholders must sign the CAF as per the specimen signature recorded with us/ Depositories.
- x. In case of an application under power of attorney or by a body corporate or by a society, a certified true copy of the relevant power of attorney or relevant resolution or authority to the signatory to make the relevant investment under the Issue and to sign the application and certified true a copy of the Memorandum and Articles of Association and/ or bye laws of such body corporate or society must be lodged with the Registrar to the Issue giving reference of the serial number of the CAF. In case the above referred documents are already registered with us, the same need not be a furnished again. In case these papers are sent to any other entity besides the Registrar to the Issue or are sent after the Issue Closing Date, then the application is liable to be rejected. In no case should these papers be attached to the application submitted to the Banker(s) to the Issue.
- xi. In case of joint holders, all joint holders must sign the relevant part of the CAF in the same order and as per the specimen signature(s) recorded with us or the Depositories. Further, in case of joint Investors who are Renouncees, the number of Investors should not exceed three. In case of joint Investors, reference, if any, will be made in the first Investor's name and all communication will be addressed to the first Investor.
- xii. Application(s) received from NRs/ NRIs, or persons of Indian origin residing abroad for Allotment of Equity Shares shall, inter alia, be subject to conditions, as may be imposed from time to time by the RBI under FEMA, in the matter of refund of application money, Allotment of Equity Shares, subsequent issue and Allotment of Equity Shares, interest, export of share certificates, etc. In case a NR or NRI Equity Shareholder has specific approval from the RBI, in connection with his shareholding, he should enclose a copy of such approval with the CAF. Additionally, applications will not be accepted from NRs/ NRIs in the United States or its territories and possessions, or any other jurisdiction where the offer or sale of the Rights Entitlements and Equity Shares may be restricted by applicable securities laws.

- xiii. All communication in connection with application for the Equity Shares, including any change in address of the Equity Shareholders should be addressed to the Registrar to the Issue prior to the date of Allotment in the Issue quoting the name of the first/ sole Investor, folio numbers and CAF number. Please note that any intimation for change of address of Equity Shareholders, after the date of Allotment, should be sent to our Registrar and Transfer Agent, in the case of Equity Shares held in physical form and to the respective depository participant, in case of Equity Shares held in dematerialized form.
- xiv. SAFs cannot be re-split.
- xv. Only the Equity Shareholder(s) and not Renouncee(s) shall be entitled to obtain SAFs.
- xvi. Investors must write their CAF number at the back of the cheque/ demand draft.
- xvii. Only one mode of payment per application should be used. The payment must be by cheque/ demand draft drawn on any of the banks, including a co-operative bank, which is situated at and is a member or a sub member of the Bankers Clearing House located at the centre indicated on the reverse of the CAF where the application is to be submitted.
- xviii. A separate cheque/ draft must accompany each CAF. Outstation cheques/ demand drafts or post-dated cheques and postal/ money orders will not be accepted and applications accompanied by such outstation cheques/ outstation demand drafts/ money orders or postal orders will be rejected.
- xix. No receipt will be issued for application money received. The Banker(s) to the Issue/ Collecting Bank/ Registrar will acknowledge receipt of the same by stamping and returning the acknowledgment slip at the bottom of the CAF.
- xx. The distribution of the Letter of Offer and issue of Equity Shares and Rights Entitlements to persons in certain jurisdictions outside India may be restricted by legal requirements in those jurisdictions. Persons in such jurisdictions are instructed to disregard the Letter of Offer and not to attempt to subscribe for Equity Shares.
- xxi. Investors are requested to ensure that the number of Equity Shares applied for by them do not exceed the prescribed limits under the applicable law.
- xxii. The Reserve Bank of India has issued standard operating procedure in terms of paragraph 2(a) of RBI circular number DPSS.CO.CHD.No./133/04.07.05/2013-14 dated July 16, 2013, detailing the procedure for processing CTS 2010 and Non-CTS 2010 instruments in the three CTS grid locations. As per this circular, processing of non-CTS cheques shall be done only on three days of the week. As prescribed by the SEBI Circular No.CIR/CFD/DIL/3/2010 dated April 22, 2010, the Equity Shares are required to be listed within 12 Working Days of the closure of the issue. In order to enable compliance with the above timelines, investors are advised to use CTS cheques or use ASBA facility to make payment. Investors using non-CTS cheques are cautioned that applications accompanied by such cheques are liable to be rejected due to any clearing delays beyond 6 working days from the date of the closure of the issue, in terms of the aforesaid SEBI Circular.

Do's for non-ASBA Investors:

- Check if you are eligible to apply i.e. you are an Equity Shareholder on the Record Date;
- Read all the instructions carefully and ensure that the cheque/ draft option is selected in part A of the CAF and necessary details are filled in;
- In the event you hold Equity Shares in dematerialised form, ensure that the details about your depository participant and beneficiary account are correct and the beneficiary account is activated as the Equity Shares will be allotted in the dematerialized form only;
- Ensure that your Indian address is available to us and the Registrar, in case you hold Equity Shares in physical

form or the depository participant, in case you hold Equity Shares in dematerialised form;

- Ensure that the value of the cheque/ draft submitted by you is equal to the {(number of Equity Shares applied for) X (Issue Price of Equity Shares, as the case may be)} before submission of the CAF. Investors residing at places other than cities where the branches of the Banker(s) to the Issue have been authorised by us for collecting applications, will have to make payment by demand draft payable at Mumbai of an amount net of bank and postal charges;
- Ensure that you receive an acknowledgement from the collection branch of the Banker(s) to the Issue for your submission of the CAF in physical form;
- Ensure that you mention your PAN allotted under the I.T. Act with the CAF, except for Applications on behalf of the Central and State Governments, residents of the state of Sikkim and officials appointed by the courts;
- Ensure that the name(s) given in the CAF is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the CAF is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the CAF;
- Ensure that the demographic details are updated, true and correct, in all respects.

Don'ts for non-ASBA Investors:

- Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction;
- Do not apply on duplicate CAF after you have submitted a CAF to a collection branch of the Banker(s) to the Issue;
- Do not pay the amount payable on application in cash, by money order or by postal order;
- Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
- Do not submit Application accompanied with Stock invest;

Grounds for Technical Rejections for non-ASBA Investors

Investors are advised to note that applications are liable to be rejected on technical grounds, including the following:

- Amount paid does not tally with the amount payable;
- Bank account details (for refund) are not given and the same are not available with the DP (in the case of dematerialized holdings) or the Registrar (in the case of physical holdings);
- Submission of CAFs to the SCSBs;
- Submission of plain paper Applications to any person other than the Registrar to the Issue;
- Age of Investor(s) not given (in case of Renouncees);
- Except for CAFs on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN not given for application of any value;
- In case of CAF under power of attorney or by limited companies, corporate, trust, relevant documents are not submitted;

- If the signature of the Equity Shareholder does not match with the one given on the CAF and for Renouncee(s) if the signature does not match with the records available with their Depositories;
- CAFs are not submitted by the Investors within the time prescribed as per the CAF and the Letter of Offer;
- CAFs not duly signed by the sole/ joint Investors;
- CAFs/ SAFs by OCBs not accompanied by a copy of an RBI approval to apply in the Issue;
- CAFs accompanied by Stockinvest/ outstation cheques/ post-dated cheques/ money order/ postal order/ outstation demand draft;
- In case no corresponding record is available with the Depositories that matches three parameters, namely, names of the Investors (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's identity;
- CAFs that do not include the certifications set out in the CAF to the effect that the subscriber is not a "U.S. Person" (as defined in Regulation S) and does not have a registered address (and is not otherwise located) in the United States or other restricted jurisdictions and is authorized to acquire the Rights Entitlements and Equity Shares in compliance with all applicable laws and regulations;
- CAFs which have evidence of being executed in/ dispatched from restricted jurisdictions;
- CAFs by ineligible non-residents (including on account of restriction or prohibition under applicable local laws) and where the registered address in India has not been provided;
- CAFs where we believe that CAF is incomplete or acceptance of such CAF may infringe applicable legal or regulatory requirements;
- In case the GIR number is submitted instead of the PAN;
- CAFs submitted by Renouncees where Part B of the CAF is incomplete or is unsigned. In case of joint holding, all joint holders must sign Part 'B' of the CAF;
- Applications by persons not competent to contract under the Contract Act, 1872, as amended, except Application by minors having valid demat accounts as per the demographic details provided by the Depositories.
- Applications by Renouncees who are persons not competent to contract under the Indian Contract Act, 1872, including minors;
- Multiple CAFs, including cases where an Investor submits CAFs along with a plain paper application; and
- Applications from QIBs, Non-Institutional Investors (including applications for less than ₹ 200,000) or Investors applying in the Issue for Equity Shares for an amount exceeding ₹ 200,000, not through ASBA process.

Please read the Letter of Offer or Abridged Letter of Offer and the instructions contained therein and in the CAF carefully before filling in the CAF. The instructions contained in the CAF are an integral part of the Letter of Offer and must be carefully followed. The CAF is liable to be rejected for any non-compliance of the provisions contained in the Letter of Offer or the CAF.

PROCEDURE FOR APPLICATION THROUGH THE APPLICATIONS SUPPORTED BY BLOCKED AMOUNT (“ASBA”) PROCESS

This section is for the information of the ASBA Investors proposing to subscribe to the Issue through the ASBA Process. The Lead Manager and we are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Letter of Offer. Investors who are eligible to apply under the ASBA Process are advised to make their independent investigations and to ensure that the CAF is correctly filled up.

The Lead Manager, we, our directors, affiliates, associates and their respective directors and officers and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to applications accepted by SCSBs, applications uploaded by SCSBs, applications accepted but not uploaded by SCSBs or applications accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for applications uploaded by SCSBs, the amount payable on application has been blocked in the relevant ASBA Account.

Please note that pursuant to the applicability of the directions issued by SEBI *vide* its circular bearing number CIR/CFD/DIL/1/ 2011 dated April 29, 2011, all applicants who are (i) QIBs, (ii) Non-Institutional Investors or (iii) other applicants whose application amount exceeds ₹ 200,000 can participate in the Issue only through the ASBA process, subject to them complying with the requirements of SEBI Circular dated December 30, 2009. Further, all QIB applicants and Non-Institutional Investors are mandatorily required to use ASBA, even if application amount does not exceed ₹ 200,000, subject to their fulfilling the eligibility conditions to be an ASBA Investor. The Investors who are (i) not QIBs, (ii) not Non-Institutional Investors, or (iii) investors whose application amount is less than ₹ 200,000 can participate in the Issue either through the ASBA process or the non ASBA process. Notwithstanding anything contained hereinabove, all Renouncees (including Renouncees who are Individuals) shall apply in the Issue only through the non-ASBA process.

Further, in terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 2, 2013 it is clarified that for making applications by banks on own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications. SCSBs applying in the Issue using the ASBA facility shall be responsible for ensuring that they have a separate account in its own name with any other SCSB having clear demarcated funds for applying in the Issue and that such separate account shall be used as the ASBA Account for the application, in accordance with the applicable regulations.

The list of banks which have been notified by SEBI to act as SCSBs for the ASBA Process is provided on www.sebi.gov.in and/or such other website(s) as may be prescribed by the SEBI / Stock Exchange(s) from time to time. For details on Designated Branches of SCSBs collecting the CAF, please refer the above mentioned SEBI link.

Equity Shareholders who are eligible to apply under the ASBA Process

The option of applying for Rights Equity Shares through the ASBA Process is available only to the Equity Shareholders on the Record Date.

To qualify as ASBA Applicants, Eligible Equity Shareholders:

- are required to hold Equity Shares in dematerialized form as on the Record Date and apply for (i) their Rights Entitlement or (ii) their Rights Entitlement and Equity Shares in addition to their Rights Entitlement in dematerialized form;
- should not have renounced their Right Entitlement in full or in part;
- should not have split the CAF and further renounced it;
- should not be Renouncees;
- should apply through blocking of funds in bank accounts maintained with SCSBs; and

- are eligible under applicable securities laws to subscribe for the Rights Entitlement and the Rights Equity Shares in the Issue.

CAF

The Registrar will dispatch the CAF to all Eligible Equity Shareholders as per their Rights Entitlement on the Record Date for the Issue. Those Eligible Equity Shareholders who must apply or who wish to apply through the ASBA will have to select for this ASBA mechanism in Part A of the CAF and provide necessary details.

Eligible Equity Shareholders desiring to use the ASBA Process are required to submit their applications by selecting the ASBA option in Part A of the CAF. Application in electronic mode will only be available with such SCSBs who provide such facility. The Eligible Equity Shareholder shall submit the CAF to the Designated Branch of the SCSB for authorising such SCSB to block an amount equivalent to the amount payable on the application in the ASBA Account.

More than one ASBA Investor may apply using the same ASBA Account, provided that SCSBs will not accept a total of more than five CAFs with respect to any single ASBA Account as provided for under the SEBI Circular dated December 30, 2009.

Acceptance of the Issue

You may accept the Issue and apply for the Rights Equity Shares either in full or in part, by filling Part A of the respective CAFs sent by the Registrar, selecting the ASBA option in Part A of the CAF and submit the same to the Designated Branch of the SCSB before the close of the banking hours on or before the Issue Closing Date or such extended time as may be specified by the Board of Directors or any committee thereof in this regard.

Mode of payment

The Eligible Equity Shareholder applying under the ASBA Process agrees to block the entire amount payable on application with the submission of the CAF, by authorizing the SCSB to block an amount, equivalent to the amount payable on application, in an ASBA Account.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the CAF, the SCSB shall block an amount equivalent to the amount payable on application mentioned in the CAF until it receives instructions from the Registrar. Upon receipt of instructions from the Registrar, the SCSBs shall transfer amount to the extent of Equity Shares allotted in the Rights Issue as per the Registrar's instruction from the ASBA Account. This amount will be transferred in terms of the SEBI ICDR Regulations, into the separate bank account maintained by our Company for the purpose of the Issue. The balance amount blocked shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue to the respective SCSB.

The Equity Shareholders applying under the ASBA Process would be required to give instructions to the respective SCSBs to block the entire amount payable on their application at the time of the submission of the CAF.

The SCSB may reject the application at the time of acceptance of CAF if the ASBA Account, details of which have been provided by the Equity Shareholder in the CAF does not have sufficient funds equivalent to the amount payable on application mentioned in the CAF. Subsequent to the acceptance of the application by the SCSB, we would have a right to reject the application only on technical grounds.

Please note that in accordance with the provisions of the SEBI circular number CIR/CFD/DIL/1/2011 dated April 29, 2011 all QIBs and Non-Institutional Investors complying with the eligibility conditions prescribed under the SEBI circular dated December 30, 2009 must mandatorily invest through the ASBA process.

Options available to the Eligible Equity Shareholders applying under the ASBA Process

The summary of options available to the Equity Shareholders is presented below. You may exercise any of the following options with regard to the Equity Shares, using the respective CAFs received from Registrar:

Sr. No.	Option Available	Action Required
1.	Accept whole or part of your Rights Entitlement without renouncing the balance	Fill in and sign Part A of the CAF (All joint holders must sign)
2.	Accept your Rights Entitlement in full and apply for additional Equity Shares	Fill in and sign Part A of the CAF including Block III relating to the acceptance of entitlement and Block IV relating to additional Equity Shares (All joint holders must sign)

The Eligible Equity Shareholders applying under the ASBA Process will need to select the ASBA process option in the CAF and provide required necessary details. However, in cases where this option is not selected, but the CAF is tendered to the designated branch of the SCSBs with the relevant details required under the ASBA process option and the SCSBs block the requisite amount, then that CAF would be treated as if the Equity Shareholder has selected to apply through the ASBA process option.

Additional Equity Shares

You are eligible to apply for additional Equity Shares over and above the number of Equity Shares that you are entitled to, provided that you are eligible to apply for the Equity Shares under applicable law and you have applied for all the Equity Shares (as the case may be) offered without renouncing them in whole or in part in favour of any other person(s). Where the number of additional Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment in consultation with the Designated Stock Exchange. Applications for additional Equity Shares shall be considered and Allotment shall be made at the sole discretion of the Board, in consultation with the Designated Stock Exchange and in the manner prescribed under “*Terms of the Issue*” on page 155 of the Draft Letter of Offer.

If you desire to apply for additional Equity Shares, please indicate your requirement in the place provided for additional Equity Shares in Part A of the CAF. The Renouncee applying for all the Equity Shares renounced in their favour may also apply for additional Equity Shares.

Renunciation under the ASBA Process

ASBA Investors can neither be Renouncees, nor can renounce their Rights Entitlement.

Application on Plain Paper

An Equity Shareholder who has neither received the original CAF nor is in a position to obtain the duplicate CAF and who is applying under the ASBA Process may make an application to subscribe to the Issue on plain paper. The Equity Shareholder shall submit the plain paper application to the Designated Branch of SCSB for authorising such SCSB to block an amount equivalent to the amount payable on the application in the said bank account maintained with the same SCSB. Applications on plain paper from any address outside India will not be accepted.

The envelope should be superscribed “[●] – Rights Issue- R” or “[●] – Rights Issue- NR”, as the case may be. The application on plain paper, duly signed by the Investors including joint holders, in the same order as per the specimen recorded with us or the Depositories, must reach the office of the Registrar before the Issue Closing Date and should contain the following particulars:

- Name of Issuer, Crest Ventures Limited;
- Name and address of the Equity Shareholder including joint holders;
- Registered Folio Number/ DP and Client ID no.;
- Certificate numbers and distinctive numbers of Equity Shares, if held in physical form;

- Number of Equity Shares held as on Record Date;
- Number of Equity Shares entitled to;
- Number of Equity Shares applied for;
- Number of additional Equity Shares applied for, if any;
- Total number of Equity Shares applied for;
- Total amount to be paid at the rate of ₹ [●] per Equity Share
- Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
- In case of non-resident investors, details of the NRE/ FCNR/ NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;
- Except for applications on behalf of the Central or State Government, residents of Sikkim and the officials appointed by the courts (subject to submitting sufficient documentary evidence in support of their claim for exemption, provided that such transactions are undertaken on behalf of the Central and State Government and not in their personal capacity), PAN of the Investor and for each Investor in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to the Issue;
- Signature of the Shareholders to appear in the same sequence and order as they appear in our records or depositories records; and
- Additionally, all such applicants are deemed to have accepted the following:

“I/ We understand that neither the Rights Entitlement nor the Equity Shares have been, and will be, registered under the United States Securities Act of 1933 (the “US Securities Act”) or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the “United States” or to or for the account or benefit of a “U.S. Person” as defined in Regulation S of the US Securities Act (“Regulation S”). I/ we understand the Equity Shares referred to in this application are being offered in India but not in the United States. I/ we understand the offering to which this application relates is not, and under no circumstances is to be construed as, an offering of any Equity Shares or Rights Entitlement for sale in the United States, or as a solicitation therein of an offer to buy any of the said Equity Shares or Rights Entitlement in the United States. Accordingly, I/ we understand this application should not be forwarded to or transmitted in or to the United States at any time. I/ we understand that none of us, the Registrar, the Lead Manager or any other person acting on behalf of us will accept subscriptions from any person, or the agent of any person, who appears to be, or who, we, the Registrar, the Lead Manager or any other person acting on behalf of us have reason to believe is, a resident of the United States or a “U.S. Person” as defined in Regulation S, or is ineligible to participate in the Issue under the securities laws of their jurisdiction.

I/ We will not offer, sell or otherwise transfer any of the Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.

I/ We understand and agree that the Rights Entitlement and Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

I/ We (i) am/ are, and the person, if any, for whose account I/ we am/ are acquiring such Rights Entitlement and/ or the Equity Shares is/ are, outside the United States, (ii) am/ are not a “U.S. Person” as defined in (“Regulation S”), and (iii) am / are acquiring the Rights Entitlement and/ or the Equity Shares in an offshore transaction meeting the requirements of Regulation S.

I/ We acknowledge that we, the Lead Manager, their affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.”

Please note that those who are making the application otherwise than on original CAF shall not be entitled to renounce their rights and should not utilize the original CAF for any purpose including renunciation even if it is received subsequently. If the Investor violates such requirements, he/she shall face the risk of rejection of both the applications. We shall refund such application amount to the Investor without any interest thereon.

Option to receive Equity Shares in Dematerialized Form

EQUITY SHAREHOLDERS UNDER THE ASBA PROCESS MAY PLEASE NOTE THAT THE EQUITY SHARES UNDER THE ASBA PROCESS CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH THE EQUITY SHARES ARE HELD BY SUCH ASBA APPLICANT ON THE RECORD DATE.

General instructions for Equity Shareholders applying under the ASBA Process

- Please read the instructions printed on the CAF carefully.
- Application should be made on the printed CAF only and should be completed in all respects. The CAF found incomplete with regard to any of the particulars required to be given therein, and/ or which are not completed in conformity with the terms of the Letter of Offer and the Abridged Letter of Offer are liable to be rejected. The CAF must be filled in English.
- ASBA Applicants are required to select this mechanism in Part A of the CAF and provide necessary details, including details of the ASBA Account, authorizing the SCSB to block an amount equal to the Application Money in the ASBA Account mentioned in the CAF, and including the signature of the ASBA Account holder if the ASBA Account holder is different from the Applicant.
- The CAF in the ASBA Process should be submitted at a Designated Branch of the SCSB and whose ASBA Account/ bank account details are provided in the CAF and not to the Banker(s) to the Issue/ Collecting Banks (assuming that such Collecting Bank is not a SCSB), to us or Registrar or Lead Manager to the Issue.
- All applicants, and in the case of application in joint names, each of the joint applicants, should mention his/ her PAN allotted under the IT Act, irrespective of the amount of the application. Except for applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, CAFs without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be “suspended for credit” and no allotment and credit of Equity Shares shall be made into the accounts of such Investors.
- All payments will be made by blocking the amount in the ASBA Account. Cash payment or payment by cheque/ demand draft/ pay order is not acceptable. In case payment is effected in contravention of this, the application may be deemed invalid and the application money will be refunded and no interest will be paid thereon.
- Signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in English or Hindi and thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/ her official seal. The Equity Shareholders must sign the CAF as per the specimen signature recorded with us and/ or Depositories.
- In case of joint holders, all joint holders must sign the relevant part of the CAF in the same order and as per the

specimen signature(s) recorded with the depository/ us. In case of joint applicants, reference, if any, will be made in the first applicant's name and all communication will be addressed to the first applicant.

- All communication in connection with application for the Equity Shares, including any change in address of the Equity Shareholders should be addressed to the Registrar to the Issue prior to the date of Allotment in the Issue quoting the name of the first/ sole applicant Equity Shareholder, folio numbers and CAF number.
- Only the person or persons to whom the Equity Shares have been offered and not renouncee(s) shall be eligible to participate under the ASBA process.
- Only persons outside restricted jurisdictions and who are eligible to subscribe for Rights Entitlement and Equity Shares under applicable securities laws are eligible to participate.
- Only the Equity Shareholders holding shares in demat are eligible to participate through ASBA process.
- Equity shareholders who have renounced their entitlement in part/ full are not entitled to apply using ASBA process.
- Please note that pursuant to the applicability of the directions issued by SEBI vide its circular bearing number CIR/CFD/DIL/1/ 2011 dated April 29, 2011, all applicants who are QIBs, Non-Institutional Investor and other applicants whose application amount exceeds ₹ 200,000 can participate in the Issue only through the ASBA process, subject to their fulfilling the eligibility conditions to be an ASBA Investors. Further, all QIB applicants and Non-Institutional Investors are mandatorily required to use ASBA, even if application amount does not exceed ₹ 200,000, subject to their fulfilling the eligibility conditions to be an ASBA Investor. The Investors who are (i) not QIBs, (ii) not Non-Institutional Investors, or (iii) investors whose application amount is less than ₹ 200,000 can participate in the Issue either through the ASBA process or the non ASBA process. Notwithstanding anything contained hereinabove, all Renouncees (including Renouncees who are Individuals) shall apply in the Issue only through the non-ASBA process.
- Further, in terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 2, 2013 it is clarified that for making applications by banks on own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications. SCSBs applying in the Issue using the ASBA facility shall be responsible for ensuring that they have a separate account in its own name with any other SCSB having clear demarcated funds for applying in the Issue and that such separate account shall be used as the ASBA Account for the application, in accordance with the applicable regulations.
- In case of non – receipt of CAF, application can be made on plain paper mentioning all necessary details as mentioned under the heading “*Application on Plain Paper*” on page 176 of the Draft Letter of Offer.

Do's:

- Ensure compliance with eligibility conditions prescribed under the SEBI circular dated December 30, 2009.
- Ensure that the ASBA Process option is selected in part A of the CAF and necessary details are filled in.
- Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as Equity Shares will be allotted in the dematerialized form only.
- Ensure that the CAFs are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the CAF.
- Ensure that there are sufficient funds (equal to {number of Equity Shares as the case may be applied for} X {Issue Price of Equity Shares, as the case may be}) available in the ASBA Account mentioned in the CAF before

submitting the CAF to the respective Designated Branch of the SCSB.

- Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the CAF, in the ASBA Account, of which details are provided in the CAF and have signed the same.
- Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the CAF in physical form.
- Except for CAFs submitted on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, each applicant should mention their PAN allotted under the I T Act.
- Ensure that the name(s) given in the CAF is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the CAF is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the CAF.
- Ensure that the Demographic Details are updated, true and correct, in all respects.
- Ensure that the account holder in whose bank account the funds are to be blocked has signed authorising such funds to be blocked.
- Apply under ASBA process only if you comply with the definition of an ASBA Investor.

Dont's:

- Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction.
- Do not apply on duplicate CAF after you have submitted a CAF to a Designated Branch of the SCSB.
- Do not pay the amount payable on application in cash, by money order, by pay order or by postal order.
- Do not send your physical CAFs to the Lead Manager to Issue/ Registrar/ Collecting Banks (assuming that such Collecting Bank is not a SCSB)/ to a branch of the SCSB which is not a Designated Branch of the SCSB/ Company; instead submit the same to a Designated Branch of the SCSB only.
- Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- Do not apply if the ASBA account has already been used for five Eligible Equity Shareholders.
- Do not apply through the ASBA Process if you are not an ASBA Investor.
- Do not instruct the SCSBs to release the funds blocked under the ASBA Process.

Grounds for Technical Rejections under the ASBA Process

In addition to the grounds listed under “*Grounds for Technical Rejections for non-ASBA Investors*”, applications under the ASBA Process are liable to be rejected on the following grounds:

- Application on a SAF by a person who has renounced or by a renounee.
- Application for allotment of Rights Entitlements or additional Equity Shares which are in physical form.
- DP ID and Client ID mentioned in CAF not matching with the DP ID and Client ID records available with the

Registrar.

- Submission of an ASBA application on plain paper to a person other than a SCSB.
- Sending CAF to a Lead Manager/ Registrar/ Collecting Bank (assuming that such Collecting Bank is not a SCSB)/ to a branch of a SCSB which is not a Designated Branch of the SCSB/ Company.
- Insufficient funds are available with the SCSB for blocking the amount.
- Funds in the bank account with the SCSB whose details have been mentioned in the CAF / Plain Paper Application having been frozen pursuant to regulatory order.
- ASBA Account holder not signing the CAF or declaration mentioned therein.
- CAFs that do not include the certification set out in the CAF to the effect that the subscriber is not a “U.S. Person” (as defined under Regulation S) and does not have a registered address (and is not otherwise located) in the United States or restricted jurisdictions and is authorized to acquire the rights and the securities in compliance with all applicable laws and regulations.
- CAFs which have evidence of being executed in/ dispatched from a restricted jurisdiction or executed by or for the account or benefit of a U.S. Person (as defined in Regulation S).
- Renouncees applying under the ASBA Process.
- Submission of more than five CAFs per ASBA Account.
- QIBs, Non-Institutional Investors and other Equity Shareholders who are eligible ASBA Investors (as per conditions of the SEBI circular dated December 30, 2009) applying for Equity Shares in the Issue for value of more than ₹ 200,000 holding Equity Shares in dematerialised form and not renouncing or accepting Equity Shares from an Eligible Equity Shareholder, not applying through the ASBA process.
- QIB applicants and Non-Institutional Investors making an application of below ₹ 200,000 and not applying through the ASBA process subject to their fulfilling the eligibility conditions to be an ASBA Investor.
- The application by an Equity Shareholder whose cumulative value of Equity Shares applied for is more than ₹ 200,000 but has applied separately through split CAFs of less than ₹ 200,000 and has not done so through the ASBA process.
- Multiple CAFs, including cases where an Investor submits CAFs along with a plain paper application.
- Submitting the GIR number instead of the PAN.
- An investor, who is not complying with any or all of the conditions for being an ASBA Investor, applies under the ASBA process.
- Applications by persons not competent to contract under the Contract Act, 1872, as amended, except applications by minors having valid demat accounts as per the demographic details provided by the Depositories.
- ASBA Application by SCSBs applying through the ASBA process on own account, other than through an ASBA Account in its own name with any other SCSB.

Depository account and bank details for Equity Shareholders applying under the ASBA Process.

IT IS MANDATORY FOR ALL THE ELIGIBLE EQUITY SHAREHOLDERS APPLYING UNDER THE ASBA PROCESS TO RECEIVE THEIR EQUITY SHARES IN DEMATERIALISED FORM AND TO THE

SAME DEPOSITORY ACCOUNT IN WHICH THE EQUITY SHARES ARE HELD BY THE EQUITY SHAREHOLDER ON THE RECORD DATE. ALL EQUITY SHAREHOLDERS APPLYING UNDER THE ASBA PROCESS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE CAF. EQUITY SHAREHOLDERS APPLYING UNDER THE ASBA PROCESS MUST ENSURE THAT THE NAME GIVEN IN THE CAF IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE CAF IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE CAF / PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.

Equity Shareholders applying under the ASBA Process should note that on the basis of name of these Equity Shareholders, Depository Participant's name and identification number and beneficiary account number provided by them in the CAF / plain paper applications, as the case may be, the Registrar to the Issue will obtain from the Depository demographic details of these Equity Shareholders such as address, bank account details for printing on refund orders and occupation ("Demographic Details"). Hence, Equity Shareholders applying under the ASBA Process should carefully fill in their Depository Account details in the CAF.

These Demographic Details would be used for all correspondence with such Equity Shareholders including mailing of the letters intimating unblocking of their respective ASBA Accounts. The Demographic Details given by the Equity Shareholders in the CAF would not be used for any other purposes by the Registrar. Hence, Equity Shareholders are advised to update their Demographic Details as provided to their Depository Participants.

By signing the CAFs, the Equity Shareholders applying under the ASBA Process would be deemed to have authorised the Depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Letters intimating Allotment and unblocking the funds would be mailed at the address of the Equity Shareholder applying under the ASBA Process as per the Demographic Details received from the Depositories. The Registrar to the Issue will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Equity Shares are not allotted to such Equity Shareholders. Equity Shareholders applying under the ASBA Process may note that delivery of letters intimating unblocking of the funds may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. In such an event, the address and other details given by the Equity Shareholder in the CAF would be used only to ensure dispatch of letters intimating unblocking of the ASBA Accounts.

Note that any such delay shall be at the sole risk of the Equity Shareholders applying under the ASBA Process and none of us, the SCSBs or the Lead Manager shall be liable to compensate the Equity Shareholder applying under the ASBA Process for any losses caused due to any such delay or liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories that matches three parameters, (a) names of the Equity Shareholders (including the order of names of joint holders), (b) the DP ID, and (c) the beneficiary account number, then such applications are liable to be rejected.

Issue Schedule

Issue Opening Date:	[●]
Last date for receiving requests for SAFs:	[●]
Issue Closing Date:	[●]
Finalisation of basis of allotment with the Designated Stock Exchange	On or about [●]
Initiation of Refunds	On or about [●]
Credit of Equity Shares to demat accounts of Allottees	On or about [●]
Commencement of trading of Equity Shares on the Stock Exchanges	On or about [●]

The Board may however decide to extend the Issue period, as it may determine from time to time, but not exceeding 30 days from the Issue Opening Date.

Basis of Allotment

Subject to the provisions contained in the Draft Letter of Offer, the Letter of Offer, the Articles of Association and the approval of the Designated Stock Exchange, the Board will proceed to Allot the Equity Shares in the following order of priority:

- (i) Full Allotment to those Equity Shareholders who have applied for their Rights Entitlement either in full or in part and also to the Renouncee(s) who has/ have applied for Equity Shares renounced in their favour, in full or in part.
- (ii) Investors whose fractional entitlements are being ignored would be given preference in allotment of one additional Equity Share each if they apply for additional Equity Share. Allotment under this head shall be considered if there are any unsubscribed Equity Shares after allotment under (a) above. If number of Equity Shares required for Allotment under this head are more than number of Equity Shares available after Allotment under (i) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange, as a part of Issue and will not be a preferential allotment.
- (iii) Allotment to the Equity Shareholders who having applied for all the Equity Shares offered to them as part of the Issue and have also applied for additional Equity Shares. The Allotment of such additional Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there is an unsubscribed portion after making full Allotment in (i) and (ii) above. The Allotment of such Equity Shares will be at the sole discretion of the Board/ Committee of Directors in consultation with the Designated Stock Exchange, as a part of the Issue and will not be a preferential allotment.
- (iv) Allotment to Renouncees who having applied for all the Equity Shares renounced in their favour, have applied for additional Equity Shares provided there is surplus available after making full Allotment under (i), (ii) and (iii) above. The Allotment of such Equity Shares will be at the sole discretion of the Board/ Committee of Directors in consultation with the Designated Stock Exchange, as a part of the Issue and will not be a preferential allotment.
- (v) Allotment to any other person that the Board of Directors in their absolute discretion decide after taking into account Allotment to be made under (i) to (iv) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

In the event of over subscription, Allotment shall be made within the overall size of the Issue.

Our Promoters have, by way of their letters dated March 14, 2016, undertaken to subscribe, either through themselves or through other member(s) of Promoter and/or Promoter Group, intend to subscribe to their Rights Entitlement in full in the Issue, in compliance with regulation 10(4) of Takeover Regulations.

In addition to subscription to their Rights Entitlements, the Promoters have also confirmed that they intend to either through themselves or through other members of the Promoter and/or Promoter Group (i) subscribe to additional Equity Shares, and (ii) subscribe for unsubscribed portion in the Issue, if any such that atleast minimum subscription of 90% of the Issue is achieved. Further, they reserve the right to additionally subscribe for any unsubscribed portion over and above minimum subscription in order to achieve full subscription in the Issue. Such subscription to additional Equity Shares and the unsubscribed portion, if any, shall be in accordance with regulation 10(4) of Takeover Regulations subject to their shareholding not exceeding 75% of the issued, outstanding and fully paid up Equity Share capital in accordance with the provisions of the SEBI Listing Regulations.

Such subscription for Equity Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding. Any such acquisition of additional Equity Shares of the Company shall not result in a

change of control of the management of the Company in accordance with provisions of the Takeover Regulations and shall be exempt in terms of Regulation 10 (4) (a) and (b) of the Takeover Regulations.

Presently our Company is complying with clause 38 of the Listing Regulations read with Rule 19A of the Securities Contracts (Regulation) Rules, 1957, in connection with the requirement of maintaining the minimum public shareholding, i.e. at least 25% of the total paid up equity capital is held by public, for continuous listing.

Underwriting

Our Company has currently not entered into any underwriting arrangement. We may enter into such an arrangement for the purpose of the Issue at an appropriate time and on such terms and conditions as we may deem fit. In the event our Company enters into such an arrangement, which shall be done, prior to the filing of the Letter of Offer with the Designated Stock Exchange, we shall disclose the details of the underwriting arrangement in the Letter of Offer as required under the SEBI ICDR Regulations.

Allotment Advices/ Refund Orders

Our Company will issue and dispatch allotment advice/ share certificates/ demat credit and/ or letters of regret along with refund order or credit the allotted Equity Shares to the respective beneficiary accounts, if any, within 15 days from the Issue Closing Date. If there is a delay beyond 8 days from the stipulated period (i.e. 15 days from the closure of the Issue) our Company shall be punishable with a fine which shall not be less than five lacs rupees but which may extend to fifty lacs rupees and every officer of our Company in default shall be punishable with imprisonment for a term of one year or with fine which shall not be less than ₹ 50,000 but may extend to ₹ 300,000 or with both in accordance with Section 40 (5) of the Companies Act, 2013.

Investors residing at centres where clearing houses are managed by the Reserve Bank of India ("RBI"), payment of refund would be done through NECS and for applicants having an account at any of the centres where such facility has been made available to get refunds through direct credit and real time gross settlement ("RTGS").

In case of those Investors who have opted to receive their Rights Entitlement in dematerialized form using electronic credit under the depository system, advice regarding their credit of the Equity Shares shall be given separately. Investors to whom refunds are made through electronic transfer of funds will be sent a letter through ordinary post intimating them about the mode of credit of refund within 15 days of the Issue Closing Date.

In case of those Investors who have opted to receive their Rights Entitlement in physical form and we issue letter of allotment, the corresponding share certificates will be kept ready within two months from the date of Allotment thereof or such extended time as may be approved by the under Section 56 of the Companies Act, 2013 or other applicable provisions, if any. Investors are requested to preserve such letters of allotment, which would be exchanged later for the share certificates.

The letter of allotment/ refund order would be sent by registered post/ speed post to the sole/ first Investor's registered address in India or the Indian address provided by the Equity Shareholders from time to time. Such refund orders would be payable at par at all places where the applications were originally accepted. The same would be marked 'Account Payee only' and would be drawn in favour of the sole/ first Investor. Adequate funds would be made available to the Registrar to the Issue for this purpose.

Our Company shall ensure at par facility is provided for encashment of refund orders or pay orders at the places where applications are accepted.

As regards allotment/refund to Non-residents, the following further conditions shall apply:

In the case of Non-resident Shareholders or Investors who remit their Application Money from funds held in NRE/FCNR Accounts, refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts, the details of which should be furnished in the CAF. Subject to the applicable laws and other approvals, in case of Non-resident Shareholders or Investors who remit their application money through Indian Rupee demand drafts purchased from abroad, refund and/or payment of dividend or interest and any other

disbursement, shall be credited to such accounts and will be made after deducting bank charges or commission in US Dollars, at the rate of exchange prevailing at such time. Our Company will not be responsible for any loss on account of exchange rate fluctuations for conversion of the Indian Rupee amount into US Dollars. The Share Certificate(s) will be sent by registered post / speed post to the address in India of the Non Resident Shareholders or Investors.

The Letter of Offer/ Abridged Letter of Offer and the CAF shall be dispatched to only such Non-resident Shareholders who have a registered address in India or have provided an Indian address.

Payment of Refund

Mode of making refunds

The payment of refund, if any, would be done through any of the following modes:

- i. **NECS** – Payment of refund would be done through NECS for Investors having an account at any of centres where such facility has been made available. This mode of payment of refunds would be subject to availability of complete bank account details including the MICR code as appearing on a cheque leaf, from the Depositories/ the records of the Registrar. The payment of refunds is mandatory for Investors having a bank account at any centre where NECS facility has been made available (subject to availability of all information for crediting the refund through NECS).
- ii. **NEFT** – Payment of refund shall be undertaken through NEFT wherever the Investors' bank has been assigned the Indian Financial System Code (IFSC), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine digit MICR number and their bank account number with the Registrar or with the depository participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.
- iii. **RTGS** – If the refund amount exceeds ₹ 200,000, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC code in the CAF. In the event the same is not provided, refund shall be made through NECS or any other eligible mode. Charges, if any, levied by the refund bank(s) for the same would be borne by the Company. Charges, if any, levied by the Investor's bank receiving the credit would be borne by the Investor.
- iv. **Direct Credit** – Investors having bank accounts with the Banker(s) to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by us.
- v. For all other Investors, the refund orders will be despatched through speed post/ registered post. Such refunds will be made by cheques, pay orders or demand drafts drawn in favour of the sole/ first Investor and payable at par.
- vi. Credit of refunds to Investors in any other electronic manner permissible under the banking laws, which are in force and are permitted by the SEBI from time to time.

Refund payment to Non- resident

Where applications are accompanied by Indian rupee drafts purchased abroad and payable at Mumbai, refunds will be made in the Indian rupees based on the U.S. dollars equivalent which ought to be refunded. Indian rupees will be converted into U.S. dollars at the rate of exchange, which is prevailing on the date of refund. The exchange rate risk on such refunds shall be borne by the concerned applicant and our Company shall not bear any part of the risk.

Where the applications made are accompanied by NRE/FCNR/NRO cheques, refunds will be credited to NRE/FCNR/NRO accounts respectively, on which such cheques were drawn and details of which were provided in the CAF.

Printing of Bank Particulars on Refund Orders

As a matter of precaution against possible fraudulent encashment of refund orders due to loss or misplacement, the particulars of the Investor's bank account are mandatorily required to be given for printing on the refund orders. Bank account particulars, where available, will be printed on the refund orders/ refund warrants which can then be deposited only in the account specified. We will in no way be responsible if any loss occurs through these instruments falling into improper hands either through forgery or fraud.

Allotment advice/ Share Certificates/ Demat Credit

Allotment advice / share certificates / demat credit or letters of regret will be dispatched to the registered address of the first named Investor or respective beneficiary accounts will be credited within 15 days, from the Issue Closing Date. Allottees are requested to preserve such allotment advice (if any) to be exchanged later for share certificates. In case our Company issues allotment advice, the respective share certificates will be dispatched within one month from the date of the Allotment.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar to the Issue shall send to the Controlling Branches, a list of the ASBA Investors who have been allocated Equity Shares in the Issue, along with:

- The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for the Issue, for each successful ASBA;
- The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
- The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

Option to receive Equity Shares in Dematerialized Form

Investors shall be allotted the Equity Shares in dematerialized (electronic) form at the option of the Investor. We have signed a tripartite agreement with NSDL and the Registrar to the Issue on May 22, 2001 which enables the Investors to hold and trade in Equity Shares in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates. We have also signed a tripartite agreement with CDSL and the Registrar to the Issue on April 30, 2001 which enables the Investors to hold and trade in Equity Shares in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates.

In the Issue, the allottees who have opted for Equity Shares in dematerialized form will receive their Equity Shares in the form of an electronic credit to their beneficiary account as given in the CAF, after verification with a depository participant. Investor will have to give the relevant particulars for this purpose in the appropriate place in the CAF. Allotment advice, refund order (if any) would be sent directly to the Investor by the Registrar to the Issue but the Investor's depository participant will provide to him the confirmation of the credit of such Equity Shares to the Investor's depository account. CAFs, which do not accurately contain this information, will be given the Equity Shares in physical form. No separate CAFs for Equity Shares in physical and/ or dematerialized form should be made.

INVESTORS MAY PLEASE NOTE THAT THE EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGE ONLY IN DEMATERIALIZED FORM.

The procedure for availing the facility for Allotment of Equity Shares in the Issue in the electronic form is as under:

- Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in our records. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in our records). In case of Investors having various folios with different joint holders, the Investors will have to open separate accounts for such holdings. Those Equity Shareholders who have already opened such beneficiary account(s) need not adhere to this step.

- For Equity Shareholders already holding Equity Shares in dematerialized form as on the Record Date, the beneficiary account number shall be printed on the CAF. For those who open accounts later or those who change their accounts and wish to receive their Equity Shares by way of credit to such account, the necessary details of their beneficiary account should be filled in the space provided in the CAF. It may be noted that the Allotment of Equity Shares arising out of the Issue may be made in dematerialized form even if the original Equity Shares are not dematerialized. Nonetheless, it should be ensured that the depository account is in the name(s) of the Equity Shareholders and the names are in the same order as in our records.
- The responsibility for correctness of information (including Investor's age and other details) filled in the CAF vis-à-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in CAF should be the same as registered with the Investor's depository participant.
- If incomplete/ incorrect beneficiary account details are given in the CAF, then such shares will be credited to a demat suspense a/c which shall be opened by the Company as specified in the SEBI circular no. SEBI/CFD/DIL/LA/1/2009/24/04 dated April 24, 2009.
- The Equity Shares allotted to applicants opting for issue in dematerialized form, would be directly credited to the beneficiary account as given in the CAF after verification. Allotment advice, refund order (if any) would be sent directly to the applicant by the Registrar to the Issue but the applicant's depository participant will provide to the applicant the confirmation of the credit of such Equity Shares to the applicant's depository account. It may be noted that Equity Shares in electronic form can be traded only on the Stock Exchanges having electronic connectivity with NSDL and CDSL.
- Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Equity Shares in the Issue. In case these details are incomplete or incorrect, the application is liable to be rejected.
- Non-transferable allotment advice/refund orders will be directly sent to the Investors by the Registrar.
- Dividend or other benefits with respect to the Equity Shares held in dematerialized form would be paid to those Equity Shareholders whose names appear in the list of beneficial owners given by the Depository Participant to our Company as on the date of the book closure.

Under the SEBI FPI Regulations, purchase of equity shares by an FPI or an investor group should be below 10% of the total issued capital of an Indian company.

However, portfolio investments by FIIs are also governed by RBI under FEMA and RBI has not yet notified the corresponding amendments to regulations under FEMA. Under the FEMA regulations, no single FII can hold more than 10% of the paid up capital of an Indian company. In respect of an FII investing on behalf of its eligible sub-accounts, the investment on behalf of each eligible sub account shall not exceed 10% of the paid up capital, or 5% of the paid up capital in case such eligible sub-account is a foreign corporate or an individual. The total equity share holding of all FIIs in a company is subject to a cap of 24% of the paid up capital of the company. The 24% limit can be increased up to the applicable sectoral cap by passing a resolution by the board of the directors followed by passing a special resolution to that effect by the shareholders of the company.

Under the FPI Regulations and subject to compliance with all applicable Indian laws, FPIs may issue, subscribe or otherwise deal in offshore derivative instruments (defined under the FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying security), directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. Further, Category II FPIs under the SEBI FPI Regulations which are unregulated broad based funds and Category III FPIs under the SEBI FPI Regulations shall not issue, subscribe or otherwise deal in such offshore derivative

instruments directly or indirectly. In addition, FPIs are required to ensure that further issue or transfer of any offshore derivative instruments by or on behalf of it is made only to person regulated by an appropriate foreign regulatory authority.

Applications will not be accepted from FPIs in restricted jurisdictions-

FPIs which are QIBs, Non-Institutional Investors or whose application amount exceeds ₹ 200,000 can participate in the Rights Issue only through the ASBA process. Further, FPIs which are QIB applicants and Non-Institutional Investors are mandatorily required to use ASBA, even if application amount does not exceed ₹ 200,000.

Investment by NRIs

Investments by NRIs are governed by the Portfolio Investment Scheme under Regulation 5(3) (i) of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000. Applications will not be accepted from NRIs in restricted jurisdictions.

Only Applications accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs intending to make payment through freely convertible foreign exchange and applying on a repatriation basis could make payments through Indian Rupee drafts purchased abroad or cheques or bank drafts or by debits to their Non-Resident External (“NRE”) or Foreign Currency Non-Resident (“FCNR”) accounts, maintained with banks authorized by the RBI to deal in foreign exchange. Eligible NRIs applying on a repatriation basis are advised to use the CAF meant for Non-Residents, accompanied by a bank certificate confirming that the payment has been made by debiting to the NRE or FCNR account, as the case may be. Payment for Applications by non-resident Applicants Applying on a repatriation basis will not be accepted out of Non-Resident Ordinary (“NRO”) accounts.

Please note that pursuant to the applicability of the directions issued by SEBI vide its circular bearing number CIR/CFD/ DIL/ 1/ 2011 dated April 29, 2011, all applicants who are QIBs, Non-Institutional Investors or are applying in the Issue for Equity Shares for an amount exceeding ₹ 200,000 shall mandatorily make use of ASBA facility, subject to their fulfilling the eligibility conditions to be an ASBA Investor. Further, all QIB applicants and Non-Institutional Investors are mandatorily required to use ASBA, even if application amount does not exceed ₹ 200,000, subject to their fulfilling the eligibility conditions to be an ASBA Investor.

Procedure for Applications by Mutual Funds

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

Please note that pursuant to the applicability of the directions issued by SEBI vide its circular bearing number CIR/CFD/ DIL/ 1/ 2011 dated April 29, 2011, all applicants who are QIBs, Non-Institutional Investors or are applying in the Issue for Equity Shares for an amount exceeding ₹ 200,000 shall mandatorily make use of ASBA facility, subject to their fulfilling the eligibility conditions to be an ASBA Investor. Further, all QIB applicants and Non-Institutional Investors are mandatorily required to use ASBA, even if application amount does not exceed ₹ 200,000, subject to their fulfilling the eligibility conditions to be an ASBA Investor.

Procedure for Applications by AIFs, FVCIs and VCFs

The SEBI (Venture Capital Funds) Regulations, 1996, as amended (“**SEBI VCF Regulations**”) and the SEBI (Foreign Venture Capital Investor) Regulations, 2000, as amended (“**SEBI FVCI Regulations**”) prescribe, amongst other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI (Alternative Investments Funds) Regulations, 2012 (“**SEBI AIF Regulations**”) prescribe, amongst other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in the Issue.

Venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in the Issue. Other categories of AIFs are permitted to apply in the Issue subject to compliance with the SEBI AIF Regulations.

Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

Impersonation

As a matter of abundant caution, attention of the Investors 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 makes in a fictitious name an application to a Company for acquiring, or subscribing for, any shares therein, or otherwise induces a Company to allot, or register any transfer of shares therein to him, or any other person in a fictitious name, shall be punishable with imprisonment for a term which may extend to five years”.

Payment by Stockinvest

In terms of RBI Circular DBOD No. FSC BC 42/ 24.47.00/ 2003-04 dated November 5, 2003, the Stockinvest Scheme has been withdrawn. Hence, payment through Stockinvest would not be accepted in the Issue.

Disposal of application and application money

No acknowledgment will be issued for the application moneys received by us. However, the Banker(s) to the Issue/ Registrar to the Issue/ Designated Branch of the SCSBs receiving the CAF will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each CAF.

The Board reserves its full, unqualified and absolute right to accept or reject any application, in whole or in part, and in either case without assigning any reason thereto.

In case an application is rejected in full, the whole of the application money received will be refunded. Wherever an application is rejected in part, the balance of application money, if any, after adjusting any money due on Equity Shares allotted, will be refunded to the Applicant within a period of 15 days from the Issue Closing Date. If there is a delay beyond 8 days from the stipulated period (i.e. 15 days from the closure of the Issue) our Company shall be punishable with a fine which shall not be less than five lacs rupees but which may extend to ₹ 5 million and every officer of our Company in default shall be punishable with imprisonment for a term of one year or with fine which shall not be less than fifty thousand rupees but may extend to three lacs rupees or with both in accordance with Section 40 (5) of the Companies Act, 2013.

For further instructions, please read the CAF carefully.

Utilisation of Issue Proceeds

Our Board declares that:

1. all the moneys received out of the Issue, pursuant to an offer document shall be transferred to a separate bank account;
2. details of all monies utilised out of the issue referred to in sub-item (a) shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized under an appropriate separate head in the balance sheet of the Company indicating the purpose for which such monies had been utilised;

3. details of all unutilised monies out of the issue of shares or debentures, if any, referred to in sub-item (a) shall be disclosed under an appropriate separate head in the balance sheet of the Company indicating the form in which such unutilised monies have been invested;
4. We shall not have recourse to the Issue proceeds until the basis of allotment is approved by the designated stock exchange.

Undertakings by the Company

The Company undertakes the following:

1. the complaints received in respect of the Issue shall be attended to by the Company expeditiously and satisfactorily;
2. all steps for completion of the necessary formalities for listing and commencement of trading at all stock exchanges where the equity shares are to be listed will be taken within seven working days of finalization of basis of allotment;
3. funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed in the draft letter of offer and letter of offer shall be made available to the registrar to the issue by the Company;
4. where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within 15 days of the issue closing date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
5. adequate arrangements shall be made to collect all ASBA applications and to consider them similar to non-ASBA applications while finalising the basis of allotment;
6. that no further issue of securities shall be made till the securities offered through this offer document are listed or till the application moneys are refunded on account of non-listing, under subscription, etc.;
7. at any given time there shall be only one denomination for the Equity Shares of our Company;
8. our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time;
9. that the certificates of the securities or refund orders to the nonresident Indians shall be despatched within specified time.

Minimum Subscription

If our Company does not receive the minimum subscription of 90% of the Issue, or the subscription level falls below 90%, after the Issue Closing Date on account of withdrawal of applications, our Company shall refund the entire subscription amount received within 15 days from the Issue Closing Date. If such money is not repaid within a period of 30 days from the date of the Issue Closing Date, the application money has to be returned within such period as may be prescribed. In the event of any failure to refund the application money within the specified period, a penalty of ₹ 1,000 for each day during which the default continues or ₹ 100,000, whichever is less as per Section 39(3) of the Companies Act, 2013.

Important

- Please read the Letter of Offer carefully before taking any action. The instructions contained in the accompanying CAF are an integral part of the conditions and must be carefully followed; otherwise the application is liable to be rejected.
- All enquiries in connection with the Letter of Offer or accompanying CAF and requests for SAFs must be addressed (quoting the Registered Folio Number/ DP and Client ID number, the CAF number and the name of

the first Equity Shareholder as mentioned on the CAF and super scribed ‘[●] -Rights Issue’ on the envelope and postmarked in India) to the Registrar to the Issue at the following address:

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

Fax: + 91- 22- 2596 – 0329

Email: cvl.rights@linkintime.co.in

Website: www.linkintime.co.in

Investor Grievance Email: cvl.rights@linkintime.co.in

Contact Person: Mr. Dinesh Yadav

SEBI Registration Number: INR000004058

It is to be specifically noted that the Issue of Equity Shares is subject to the risk factors mentioned in section titled “Risk Factors” on page 9 of the Draft Letter of Offer.

The Issue will remain open for a minimum 15 days. However, the Board will have the right to extend the Issue period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date.

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The contracts referred to in para (A) below (not being contracts entered into in the ordinary course of business carried on by us) which are or may be deemed material have been entered into by us.

The contracts together with the documents referred to in para (B) below may be inspected at the Registered Office of the Company between 10.00 a.m. to 5.00 p.m. on any working day from the date of the Draft Letter of Offer until the closure of the subscription list.

A. Material contracts for inspection

1. Issue Agreement dated March 16, 2016 between the Company and Inga Capital Private Limited, Lead Manager to the Issue
2. Agreement dated March 16, 2016 between the Company and Registrar to the Issue.
3. Banker(s) to the Issue Agreement dated [●] amongst our Company, the Lead Manager, the Registrar to the Issue and the Escrow Collection Bank(s).
4. Tripartite Agreement dated May 22, 2001 between our Company, the Registrar to the Issue and NSDL.
5. Tripartite Agreement dated April 30, 2001 between our Company, the Registrar to the Issue and CDSL.

B. Material documents for inspection

1. Certified true copy of the Memorandum of Association and Articles of Association of our Company, as amended.
2. Certificate of Incorporation dated October 16, 1982 issued by the Registrar of Companies, West Bengal.
3. Certificate for commencement of business dated November 23, 1982 issued by the Registrar of Companies, West Bengal.
4. Certificate of Registration No. N- 13.01888 dated December 14, 2007 issued by the RBI to our Company, under section 45-IA of the Reserve Bank of India Act, 1934, as amended.
5. Order dated July 20, 1996, passed by the Company Law Board, Kolkata, pursuant to which the registered office of our Company was shifted from state of West Bengal to state of Maharashtra.
6. Certificate of Change of Name dated September 1, 2014 issued by Deputy Registrar of Companies, Mumbai, Maharashtra.
7. Certified true copy of the Letter of Offer dated October 31, 1995 issued by the Company for issue of equity shares on rights basis to its shareholders.
8. Resolution of the Board of Directors under section 62(1) (a) of Companies Act, 2013 passed in its meeting dated February 8, 2016 authorising the Issue.
9. Consents of the Directors, Company Secretary and Compliance Officer, Statutory Auditor, Lead Manager to the Issue, Legal Advisor to the Issue and Registrar to the Issue to include their names in the Draft Letter of Offer to act in their respective capacities.
10. Annual reports of the Company for last 5 financial years.
11. Policy to define the materiality requirement for a company to be considered as a Group Company of our Company adopted by the Board of Directors of our Company on February 8, 2016.

12. The Report of the Auditors being, M/s. Chaturvedi & Shah, Chartered Accountants, as set out therein dated May 5, 2015 in relation to our audited financial information.
13. The Limited Review Reports of the Auditors being, M/s. Chaturvedi & Shah, Chartered Accountants, as set out therein dated February 8, 2016 in relation to unaudited standalone and consolidated financial results for the quarter and nine months ended December 31, 2015.
14. Statement of tax benefits dated March 14, 2016, issued by M/s. Chaturvedi & Shah, Chartered Accountants, as set out in the Draft Letter of Offer.
15. Memorandum of Understanding dated November 2, 2015 executed by and between the Company, Kalpataru Limited and Kara Ventures.
16. Due Diligence Certificate dated March 16, 2016 by Inga Capital Private Limited, Lead Manager to the Issue.
17. In-principle listing approvals dated [●] and [●] from the BSE and the NSE, respectively.
18. Observation letter no. [●] dated [●] received from SEBI.
19. Letter issued by RBI in relation to the renunciation of the Rights Entitlement i.e. letter no. [●] dated [●].

Any of the contracts or documents mentioned in the Draft Letter of Offer may be amended or modified at any time, if so required, in our interest or if required by the other parties, without reference to the Equity Shareholders, subject to compliance with applicable law.

DECLARATION

We hereby certify that no statement made in the Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act or the rules made thereunder or regulations issued thereunder, as the case may be. We further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, the Government of India and any other competent authority in this behalf, have been duly complied with. We further certify that all disclosures made in the Draft Letter of Offer are true and correct.

Signed by the Directors of our Company

Name	Signature
Mr. Vasudeo Galkar	Sd/-
Chairman and Non - Executive Independent Director	
Mr. Vijay Choraria	Sd/-
Managing Director	
Mr. Mahesh Shirodkar	Sd/-
Non - Executive and Non Independent Director	
Ms. Ferzana Behramkamdin	Sd/-
Non - Executive and Independent Director	
Mr. Rajeev Sharma	Sd/-
Additional Non - Executive and Independent Director	

Signed by Chief Financial Officer of the Company

Mr. Vishal Mehta	Sd/-
Chief Financial Officer	

Date: March 16, 2016

Place: Mumbai

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