Draft Prospectus
Dated: April 18, 2018
Please read Section 26 of Companies Act, 2013
100% Fixed Price Issue

FIVE CORE ELECTRONICS LIMITED

Our Company was incorporated as Five Core Electronics Limited under the provisions of the Companies Act, 1956 vide certificate of incorporation dated April 11, 2002 in West Bengal, Kolkata. Subsequently, our company was shifted from the State of West Bengal to State of NCT of Delhi & Haryana by an order of the Company Law Board dated April 26, 2006 and certificate of registration for the said order issued by Deputy Registrar of Companies, West Bengal, Kolkata dated May 29, 2006. The Corporate Identification Number of Our Company is U32109DL2002PLC148250. For further details please refer to chapter titled 'Our History and Certain Other Corporate Matters' beginning on page 162 of this Draft Prospectus.

Registered Office: WZ-15B, Ground Floor, Uggarsain Market, Ashok Nagar, New Delhi – 110018
Tel No: +91 11 28128000 (100 lines)**; Fax No**: +91 11 28128011; **E-mail:**investcare@5core.in; **Website:**www.5core.com
Contact Person: Mr. Saurabh Kumar Jain, Company Secretary & Compliance Officer
Promoters of our Company: Mr. Amarjit Singh Kalra and Ms. Surinder Kaur Kalra

THE ISSUE

PUBLIC ISSUE OF 33,33,000 EQUITY SHARES OF FACE VALUE OFRs. 10/- EACH FULLY PAID UP OF FIVE CORE ELECTRONICS LIMITED ("FIVE CORE" OR "5CORE" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF Rs. 140/- PER EQUITY SHARE (THE "ISSUE PRICE") (INCLUDING A SHARE PREMIUM OF Rs. 130/- PER EQUITY SHARE AGGREGATING Rs. 4666.20 LAKHS (THE "ISSUE") BY OUR COMPANY, OF WHICH 1,69,000 EQUITY SHARES OF FACE VALUE OF Rs. 10/- EACH FULLY PAID UP WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE ("MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 31,64,000 EQUITY SHARES OF FACE VALUE OF Rs. 10/- EACH FULLY PAID UP IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.41% AND 25.07% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS Rs. 10/- EACH.
THE ISSUE PRICE IS Rs. 140/- PER EQUITY SHARE. THE ISSUE PRICE IS 14.00 TIMES THE FACE VALUE.

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount ("ASBA") process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to the chapter titled "Issue Procedure" beginning on 348 of this Draft Prospectus. A copy has been delivered for registration to the Registrar as required under Section 26 of the Companies Act, 2013.

THIS ISSUE IS BEING IN TERMS OF CHAPTER XB OF THE SEBI (ICDR) REGULATIONS, 2009 (AS AMENDED FROM TIME TO TIME)("SEBI (ICDR) REGULATIONS").

For further details please refer to "Section VII - Issue Information" beginning on page 342 of this Draft Prospectus.

RISK IN RELATION TO THE FIRST ISSUE

This being the first issue of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is Rs.10/- and the Issue Price is 14.00 times of the face value. The Issue Price (as determined and justified by the Company and the Lead Manager as stated under chapter titled "Basis for Issue Price" beginning on page 105 of this Draft Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares of our Company or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this 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 this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares 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 this Draft Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" on page 20 of this Draft Prospectus.

COMPANY'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares offered through this Draft Prospectus are proposed to be listed on the NSE Emerge Platform. Our Company has received an In-Principle approval letter dated [●] from National Stock Exchange of India Limited ("NSE") for using its name in this offer document for listing of our Equity Shares on the NSE Emerge Platform. For the purpose of this Issue, the Designated Stock Exchange will be the National Stock Exchange of India Limited.

LEAD MANAGERS TO THE ISSUE		REGISTRAR TO THE ISSUE
SARTHI CAPITAL ADVISORS PRIVATE LIMITED Unit No. 411, Fourth Floor, Pratap Bhavan, 5 Bahadur Shah Zafar Marg, New Delhi-110002 **Tel:** +91 11 23739425-27 **Fax:**+91 11 23739424 **Investor Grievance Email:**ipo@sarthiwm.in **Website:** www.sarthi.in **Contact Person:** Mr. Anand Lakhotia **SEBI Registration No.:** INM000012011	**INDIAN OVERSEAS BANK** Capital Market Services Branch, 30 & 32 Tamarind House, Tamarind Land, Fort, Mumbai - 400023 **Tel:** +91 22 22622017/2018 **Email:** iob2928@iob.in **Website:** www.sarthi.in **Contact Person:** Mr. S. Muralidharan **SEBI Registration No.:** INM000001386	**BIGSHARE SERVICES PRIVATE LIMITED** 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai – 400059 **Tel:** +91 22 62638200 **Fax:** +91 22 62638299 **E-mail:** ipo@bigshareonline.com **Website:** www.bigshareonline.com **Contact Person:** Mr. Vipin Gupta **SEBI Registration No.:**INR000001385

ISSUE PROGRAMME

ISSUE OPENS ON:[●]	ISSUE CLOSES ON:[●]

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The Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended (U.S. Securities Act) or any state securities laws in the United States and 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), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transaction in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

In this Draft Prospectus, unless the context otherwise requires, the terms and abbreviations stated hereunder shall have the meanings as assigned therewith.

Company Related Terms

Term	Description
Articles or Articles of Association or AOA	The Articles of Association of our Company, as amended from time to time
Auditor or Statutory Auditor	The Auditor of the Company being GSK & Associates LLP, Chartered Accountants, having their office at 8, 1st Floor, Rani Jhansi Road, Motia Khan Industrial Area, New Delhi – 110 055
Banker to our Company	Andhra Bank
"Board" or "Board of Directors" or "our Board"	The Board of Directors of our Company, as duly constituted from time to time, or committee(s) thereof.
Company Secretary and Compliance Officer	Mr. Saurabh Kumar Jain
Director(s)	The Director(s) of our Company, unless otherwise specified
Equity Shares	Equity Shares of our Company of face value of Rs.10/- each
Equity Shareholders	Persons holding equity shares of our Company
"Five Core Electronics Limited", or "Five Core", or "5Core", or "the Company", or "our Company" or "we", "us", or "our" and the "Issuer Company".	Five Core Electronics Limited, a public limited company incorporated under the provisions of the Companies Act, 1956.
Group Companies	Companies which are covered under the applicable accounting standards and other companies as considered material by our Board and disclosed in the chapter titled "Our Group Entities" beginning on page 196 of this Draft Prospectus.
Key Management Personnel	Key management personnel of our Company in terms of regulation 2(1)(s) of the SEBI Regulations and section 2(51) of the Companies Act, 2013 and as disclosed in the section titled "Our Management" on page 167 of this Draft Prospectus.
Memorandum of Association or Memorandum or MOA	The Memorandum of Association of our Company, as amended from time to time.
"Promoters" or "our Promoters"	Promoters of our company being Mr. Amarjit Singh Kalra and Ms. Surinder Kaur Kalra

Promoter Group	Includes such persons and entities constituting our promoter group in terms of Regulation 2(zb) of the SEBI (ICDR) Regulations and a list of which is provided in the chapter titled "Our Promoter and Promoter Group" beginning on page 183 of this Draft Prospectus.
Peer Review Auditor	The peer review auditor of our Company, being SNMG & CO. Chartered Accountants, having their office at F-378, Sarita Vihar, New Delhi-110076.
Registered Office	The Registered Office of our Company located at WZ-15B, Ground Floor, Uggarsain Market, Ashok Nagar, New Delhi-110018
RoC	Registrar of companies, NCT of Delhi & Haryana.
Subsidiaries	Companies as disclosed in the chapter titled "Our Subsidiaries" beginning on page 187 of this Draft Prospectus.

Issue Related Terms

Term	Description
Allocation / Allocation of Equity Shares	The Allocation of Equity Shares of our Company pursuant to Fresh Issue of Equity Shares to the successful Applicants.
Allotment/ Allot/ Allotted	Issue an allotment of Equity Shares of our Company pursuant to Fresh Issue of the Equity Shares to the successful Applicants.
Allottee(s)	Successful Applicants to whom Equity Shares of our Company shall have been allotted.
Applicant	Any prospective investor who makes an application for Equity Shares of our Company in terms of this Draft Prospectus.
Application Amount	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of this Draft Prospectus.
Application Form	The Form in terms of which the prospective investors shall apply for our Equity Shares in the Issue.
ASBA/ Application Supported by Blocked Amount.	Applications Supported by Blocked Amount (ASBA) means an application for Subscribing to the Issue containing an authorization to block the application money in a bank account maintained with SCSB.
ASBA Account	Account maintained with SCSBs which will be blocked by such SCSBs to the extent of the Application Amount.
ASBA Application Location(s)/ Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely [●].
ASBA Investor/ASBA applicant	Any prospective investor(s)/applicants(s) in this Issue who apply (ies) through the ASBA process.
Banker(s) to the Issue/ Public Issue Bank(s).	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and, in this case, being Axis Bank Limited.
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Applicants under the Issue and which is described under chapter titled "*Issue Procedure*" beginning on page 348 of this Draft Prospectus.
Controlling Branch	Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Applicants with the Registrar to the Issue and the Stock Exchange and a list of which is available at http://www.sebi.gov.in, or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the Applicants such as their address, PAN, occupation and bank account details.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996.

Term	Description
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms from the ASBA Applicants and a list of which is available at www.sebi.gov.in, or at such other website as may be prescribed by SEBI from time to time.
Designated Date	The date on which funds are transferred from the amount blocked by the SCSBs is transferred from the ASBA Account to the Public Issue Account, as appropriate, after the Issue is closed, following which the Equity Shares shall be allotted/transfer to the successful Applicants.
Designated Stock Exchange	National Stock Exchange of India Limited (Emerge Platform)
Draft Prospectus	The Draft Prospectus issued in accordance with section 26 of the Companies Act, 2013 and filed with the NSE under SEBI (ICDR) Regulations.
Eligible NRIs	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom this Draft Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein.
Emerge Platform of NSE	The Emerge Platform of NSE for listing of Equity Shares offered under Chapter XB of the SEBI (ICDR) Regulations which was approved by SEBI as an NSE Emerge on October 14, 2011.
First/ Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
Issue/ Issue Size/ Initial Public Issue/ Initial Public Offer/ Initial Public Offering/ IPO	Public Issue of 33,33,000 Equity Shares of face value of Rs. 10/- each fully paid of Five Core Electronics Limited for cash at a price of Rs. 140/- per Equity Share (including a premium of Rs. 130/- per Equity Share) aggregating Rs. 4666.20 Lakhs.
Issue Agreement	The Agreement cum Memorandum of Understanding dated April 14, 2018, between our Company and the Lead Managers, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Closing Date	The date on which Issue closes for subscription
Issue Opening Date	The date on which Issue opens for subscription
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both the days during which prospective Investors may submit their application.
Issue Price	The price at which the Equity Shares are being issued by our Company under this Draft Prospectus being Rs. 140/- per Equity Share of face value of Rs.10/- each fully paid
Issue Proceeds	Proceeds from the fresh Issue that will be available to our Company, being Rs. 4666.20 Lakhs
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the NSE.

Term	Description
Lead Managers/ LMs	Lead Managers to the Issue in this case being Sarthi Capital Advisors Private Limited and Indian Overseas Bank, SEBI Registered Category I Merchant Bankers.
Market Making Agreement	Market Making Agreement dated April 14, 2018 between our Company, LMs and Market Maker.
Market Maker	Market Maker appointed by our Company from time to time, in this case being Choice Equity Broking Private Limited, who has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time.
Market Maker Reservation Portion	The Reserved Portion of 1,69,000 Equity Shares of face value of Rs.10/-each fully paid for cash at a price of Rs. 140/- per Equity Share aggregating Rs. 236.60 Lakhs for the Market Maker in this Issue.
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India
Net Issue	The Issue excluding the Market Maker Reservation Portion of 31,64,000 Equity Shares of face value of Rs. 10/- each fully paid for cash at a price of Rs. 140/- Equity Share aggregating Rs. 4429.60 Lakhs by our Company.
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company. For further information about use of the Issue Proceeds and the Issue expenses, please refer to the chapter titled "Objects of the Issue" beginning on page 97 of this Draft Prospectus.
Non-Institutional Investors	All Applicants that are not Qualified Institutional Buyers or Retail Individual Investors and who have Applied for Equity Shares for an amount more than Rs. 2,00,000.
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue.
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable.

Term	Description
Person/Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Draft Prospectus	The Draft Prospectus, filed with RoC containing, *interalia,* the issue opening and closing dates and other information.
Public Issue Account	Account to be opened with the Banker to the Issue/Public Issue Bank i.e. Axis Bank Limited by our Company to receive monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.
Public Issue Account Agreement	Agreement entered into by our Company, the Registrar to the Issue, the Lead Managers, and the Public Issue Bank/Banker to the Issue dated [●] for collection of the Application Amounts.
Qualified Institutional Buyers or QIBs	QIBs, as defined under the SEBI ICDR Regulations, including public financial institutions as specified in Section 2(72) of the Companies Act, 2013 scheduled commercial banks, mutual fund registered with SEBI, FII and sub-account (other than a sub-account which is a foreign corporate or foreign individual) registered with SEBI, multilateral and bilateral development financial institution, venture capital fund registered with SEBI, foreign venture capital investor registered with SEBI, state industrial development corporation, insurance company registered with Insurance Regulatory and Development Authority, provident fund with minimum corpus of Rs. 2,500 lakhs, pension fund with minimum corpus of Rs. 2,500 lakhs, NIF, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India.
Refund Account (s)	Account(s) to which monies to be refunded to the Applicants shall be transferred from the Public Issue Account in case listing of the Equity Shares does not occur
Refund Bank(s) / Refund Banker(s)	Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Accounts will be opened in case listing of the Equity Shares does not occur, in this case being Axis Bank Limited.
Registrar /Registrar to the Issue	Registrar to the Issue, in this case being Bigshare Services Private Limited having office at 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai-400059.
Retail Individual Investor	Individual Applicants, or minors applying through their natural guardians, including HUFs (applying through their *Karta*) and ASBA Applicants, who apply for an amount less than or equal to Rs. 2,00,000.
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares in any of their Application Forms or any previous Revision Form(s).

SCSB/ Self Certified Syndicate Banker.	Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34, or at such other website as may be prescribed by SEBI from time to time.
Underwriters	Sarthi Capital Advisors Private Limited and Indian Overseas Bank.
Underwriting Agreement	The agreement dated April 14, 2018 entered into between the Underwriters and our Company.
Working Day	Unless the context otherwise requires: Working Days shall be all trading days of stock exchange excluding Sundays and bank holidays in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016.

Technical and Industry Terms

Term	Description
AMP	Amplifier
BA	Bass Amplifiers
BIS	Bureau of Indian Standards
CAFÉ	Configuring Amplifiers for the Environment
COL	Column
DEPB	Duty Entitlement Pass Book
DRC	Dynamic Range Compression
DSIR	Department of Scientific & Industrial Research Scheme
FCEXL	Five Core Exim Limited (Formerly Known as Aurum Soft Systems Limited)
FOCUS	Focus Product Scheme
HT	Home Theaters
IDEEA	Intelli Drive Energy Efficient Amplifier
LF	Low Frequency
MEIS	Merchandise Export from India Scheme
PA	Public Address
PAA	Public Addressing Amplifiers
PAS	Public Addressing System
PMS	Podium Microphone Stand
RPM	Rational Power Management

Conventional and General Terms/ Abbreviations

Term	Description
A/C	Account
Act	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications and modifications thereunder
AGM	Annual General Meeting
Articles	Articles of Association of the Company as originally framed or as altered from time to time in pursuance of any previous companies' law or of this Act
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India.
A.Y.	Assessment Year
ASBA	Applications Supported by Blocked Amount
B.A	Bachelor of Arts
B.Com	Bachelor's Degree in Commerce
BIFR	Board for Industrial and Financial Reconstruction
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CESTAT	Customs, Excise and Service Tax Appellate Tribunal
CENVAT	Central Value Added Tax
CIN	Corporate Identification Number
Companies Act	Companies Act, 1956 as amended from time to time, including sections of Companies Act, 2013 wherever notified by the Central Government.
CSO	Central Statistical Organisation
Depositories	NSDL and CDSL; Depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DIN	Director Identification Number

Term	Description
DP	Depository Participant
DP ID	Depository Participant's Identity
DB	Designated Branch
EBIDTA	Earnings before Interest, Depreciation, Tax, Amortization and extraordinary items.
ECS	Electronic Clearing Services
EGM	Extraordinary General Meeting
ESIC	Employee State Insurance Corporation
ESOP	Employee Stock Option Plan
EPS	Earnings per Share
FDI	Foreign Direct Investment
FCNR Account	Foreign Currency Non-Resident Account
FEMA	Foreign Exchange Management Act, as amended from time to time and the regulations framed there under.
FEMA Regulations	FEMA (Transfer or Issue of Security by Person Resident Outside India) Regulations, 2000 and amendments thereto.
FII(s)	Foreign Institutional Investors
FIs	Financial Institutions
FIPB	The Foreign Investment Promotion Board, Ministry of Finance, Government of India.
FV	Face Value
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000.
F.Y	Financial Year
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GOI	Government of India.
HNI	High Net worth Individual

Term	Description
HUF	Hindu Undivided Family
ICDR Regulations/ SEBI Regulations/ SEBI (ICDR) Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time.
Indian GAAP	Generally accepted accounting principles in India.
ICAI	Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International financial reporting standards.
Ind AS	Indian Accounting Standards
IPC	Indian Penal Code
IPO	Initial Public Offering
IPR	Intellectual Property Right
IT	Information Technology
IT Act	The Income-tax Act, 1961 as amended from time to time except as stated otherwise.
IT Rules	The Income-tax Rules, 1962, as amended from time to time
INR	Indian National Rupee
JV	Joint venture
KMP	The officers declared as a Key Managerial Personnel and as mentioned in the chapter titled "*Our Management*" beginning on page 167 of this Draft Prospectus.
Ltd.	Limited
MBA	Master in Business Administration
M.Com	Master Degree in Commerce
MD	Managing Director
MoU	Memorandum of Understanding
MNC	Multinational corporation
N/A or NA	Not Applicable

Term	Description
NAV	Net Asset Value
NECS	National Electronic Clearing Services
NEFT	National Electronic Fund Transfer
Net Worth	The aggregate of the paid-up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account
NOC	No Objection Certificate
NPV	Net Present Value
NR	Non-Resident
NRE Account	Non-Resident External Account
NRI	Non-Resident Indian, is a person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time.
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited.
NSE	National Stock Exchange of India Limited
p.a.	per annum
p.m	per month
PAN	Permanent Account Number
PAT	Profit After Tax
Pvt.	Private
PBT	Profit Before Tax
P/E Ratio	Price Earnings Ratio
POA	Power of Attorney
PIO	Persons of Indian Origin
QIB	Qualified Institutional Buyer
RBI	Reserve Bank of India

Term	Description
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time
Ron	Return on Net Worth
Rs. / INR	Indian Rupees
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SCSB	Self-Certified Syndicate Bank
SEBI	Securities and Exchange Board of India.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI Depository Regulations	Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.
SEBI Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
SEBI Insider Trading Regulations	The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
SEBI Takeover Regulations /Takeover Regulations / Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
Sec.	Section
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time.
SSI Undertaking	Small Scale Industrial Undertaking
Stock Exchange (s)	NSE
Sq.	Square
Sq. mtr	Square Meter
TAN	Tax Deduction Account Number

Term	Description
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
TNW	Total Net Worth
u/s	Under Section
UIN	Unique Identification Number
US/ U.S. / USA	United States of America
USD or US$	United States Dollar
U.S. GAAP	Generally accepted accounting principles in the United States of America
UOI	Union of India
Venture Capital Fund(s)/ VCF(s)	Venture capital funds as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as amended from time to time.
WDV	Written Down Value
w.e.f.	With effect from
YoY	Year over Year

Notwithstanding the following: -

(i) In the section titled *'Main Provisions of the Articles of Association'* beginning on page 369 of this Draft Prospectus, defined terms shall have the meaning given to such terms in that section;

(ii) In the section titled *'Financial Statements'* beginning on page 216 of this Draft Prospectus, defined terms shall have the meaning given to such terms in that section;

(iii) In the chapter titled *"Statement of Possible Tax Benefits"* beginning on page 107 of this Draft Prospectus, defined terms shall have the meaning given to such terms in that chapter.

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

All references to "India" are to the Republic of India and all references to the "Government" are to the Government of India.

FINANCIAL DATA

Unless stated otherwise, the financial data included in this Draft Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act and Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled 'Financial Statements' beginning on page 216 of this Draft Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act and have been restated in accordance with the SEBI (ICDR) Regulations.

Our fiscal year commences on 1st April of each year and ends on 31st March of the next year. All references to a particular fiscal year are to the 12 months period ended 31st March of that year. In this Draft Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points.

There are significant differences between Indian GAAP, IFRS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company's financial data. Accordingly, to what extent, the financial statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices / Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Prospectus should accordingly be limited.

Any percentage amounts, as set forth in "Risk Factors", "Our Business", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and elsewhere in this Draft Prospectus unless otherwise indicated, have been calculated on the basis of the Company's restated financial statements prepared in accordance with the applicable provisions of the Companies Act and Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled 'Financial Statements' beginning on page 216 of this Draft Prospectus.

CURRENCY OF PRESENTATION

In this Draft Prospectus, references to "Rupees" or "Rs." or "INR" are to Indian Rupees, the official currency of the Republic of India. All references to "$", "US$", "USD", "U.S. $" or "U.S. Dollars" are to United States Dollars, the official currency of the United States of America.

All references to 'million' / 'Million' / 'Mn' refer to one million, which is equivalent to 'ten lacs' or 'ten lakhs', the word 'Lacs / Lakhs / Lac' means 'one hundred thousand' and 'Crore' means 'ten million and 'billion / bn./ Billions' means 'one hundred crores'.

INDUSTRY & MARKET DATA

Unless otherwise stated, Industry & Market data used throughout this Draft Prospectus have been obtained from Ministry of Statistics and Programme Implementation (MOSPI), RBI, Press Information Bureau, Department of Industrial Policy & Promotion. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe that industry data used in this Draft Prospectus is reliable, it has not been independently verified. Similarly, internal Company reports, while believed by us to be reliable, have not been verified by any independent sources.

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

FORWARD-LOOKING STATEMENTS

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

Important factors that could cause actual results to differ materially from our expectations include, among others:

- Increase in price of materials and components;
- Change in customer preferences;
- Decrease in demand globally for our products;
- Fluctuations in other operating costs;
- Higher interest outgo on our loans;
- Our failure to keep our inventory under control;
- Delay in payment by our customers;
- Delay in refund of GST by Govt.
- Our failure to keep pace with rapid changes in technology;
- Our ability to successfully implement our growth strategy and expansion plans;
- Changes in environmental laws and regulations relating to the specialty chemicals;
- Our ability to meet our capital expenditure and working capital expenditure requirements;
- Our ability to attract and retain qualified personnel;
- Conflict of Interest with affiliated companies, the promoter group and other related parties; and
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- Changes in government policies and regulatory actions that apply to or affect our business;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The performance of the financial markets in India and globally;
- The occurrence of natural disasters or calamities;
- Other factors beyond our control;
- Our ability to manage risks that arise from these factors.

For a further discussion of factors that could cause our actual results to differ, refer to section titled "Risk Factors" and chapter titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 20 and 294 respectively of this Draft Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

Future looking statements speak only as of the date of this Draft Prospectus. Neither we, our Directors, Underwriters, Merchant Banker nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, the LMs and our Company will ensure that investors in India are informed of material developments until the grant of listing and trading permission by the Stock Exchange.

SECTION II – RISK FACTORS

An investment in Equity Shares involves a high degree of risk. Prospective investors should carefully consider all the information in this Draft Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of this offer including the merits and risks involved. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment in which some material respects may be different from that which prevails in other countries. The risks and uncertainties described in this section are not the only risks and uncertainties we currently face. Additional risks and uncertainties not known 3to us or that we currently deem immaterial may also have an adverse effect on our business. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. Additionally, our business operations could also be affected by additional factors that are not presently known to us or that we currently consider as immaterial to our operations.

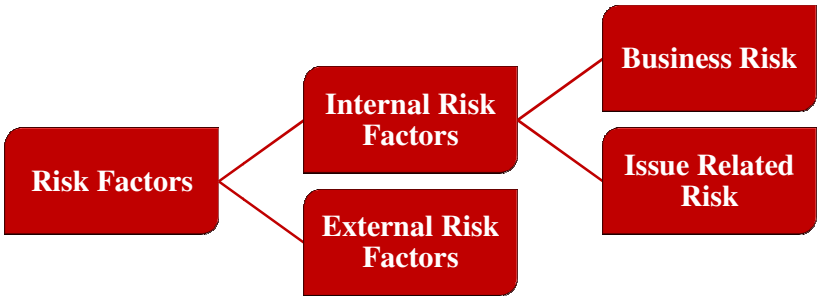
Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. To obtain a complete understanding, you should read this section in conjunction with the chapters titled "Our Business" beginning on page 118*, "Our Industry" beginning on page* 109 *and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page* 294 *respectively, of this Draft Prospectus as well as other financial information contained herein.*

The following factors have been considered for determining the materiality of Risk Factors:

- *Some events may not be material individually but may be found material collectively;*
- *Some events may have material impact qualitatively instead of quantitatively;*
- *Some events may not be material at present but may have material impact in future.*

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence the same has not been disclosed in such risk factors. Unless otherwise stated, the financial information of the Company used in this section is derived from our financial statements under Indian GAAP, as restated in this Draft Prospectus. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. For capitalized terms used but not defined in this chapter, refer to the chapter titled "Definitions and Abbreviations" beginning on page 3 *of this Draft Prospectus. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.*

The risk factors are classified as under for the sake of better clarity and increased understanding:



A. INTERNAL RISK FACTORS

I. Business Risks/ Company specific Risk

1. ***We sell our products under our brand name "5CORE" in India and globally. If we are unable to maintain quality, our brand building exercise may be adversely affected. Any deterioration in the reputation and market perception of our brand may have an adverse effect on our sales, profitability and the implementation of our growth strategy.***

   We believe that the recognition and reputation of our brand "5CORE" among customers has contributed significantly to the growth and success of our business. The ability to differentiate our brand and our products from our competitors through our branding is an important factor in attracting customers. If we fail to maintain our reputation, enhance our brand recognition or increase positive awareness of our products, it may be difficult to maintain and grow our customer base, which could have a material adverse effect on our business and prospects. However, we have understood that our brand functions as a multiplier for us. It not only increases the voice and customer awareness, but it also gives an identity and worth to our Company. It generates desire and differentiation and motivates customers to pay more for our products than they might otherwise. So, we also protect our reputation in order to preserve our credibility and trust.

2. ***Any change in the technology may render our current technologies obsolete or require us to make substantial capital investment to cope with the market.***

   Technology upgradation is a regular process and it is also essential for providing the desired quality to the customers. We are taking all the possible steps to keep our manufacturing facilities in line with the latest technology. Any further upgradation in the technology may render our current technology obsolete and require us to upgrade the existing technology or implement new technology. Further implementing new technology may require us to incur huge capital expenditure which could affect our cash flows and result of operations. However, we have a full-fledged R&D Department which is responsible for innovations in design, products, and style. This department is responsible for creating innovative new products to keep us a step ahead of the competition.

3. ***Our Group Companies/Entities are engaged in business activities similar to our own, which may cause a potential conflict of interest with us.***

   All our Group Companies/Entities are engaged in business activities that are similar to those being undertaken by our Company. Though we do not have major transactions within group, but they sell related products under same brand name "5 CORE". It is likely that we may continue similar arrangement with our related parties in the future. Such related party transactions may potentially involve conflicts of interest. There can be no assurance that these Group Companies/Entities will comply, in part or at all, with the terms as mutually agreed. In case any dispute arises in near future with the Group Companies, it may result in a conflict of interest with us, which may have an adverse impact on our business. For further information, please refer to "Our Promoters, Promoter Group and Group Companies – Common pursuits between the Company and its Group Companies" on page 196. Though the Companies Act, 2013 has brought into effect significant changes to the Indian company law framework including specific compliance requirements such as obtaining prior approval from the audit committee, board of directors and shareholders for certain related party transactions, we cannot assure you that such transactions, individually or in the aggregate, will not have an adverse effect on business and financial results, including because of potential conflicts of interest or otherwise. However, our Company shall follow the provisions as laid down under Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

4. ***Our global sales expose us to numerous and sometimes conflicting legal and regulatory requirements, and violation of these regulations could harm our business.***

Since we sell our products in 56 countries, we are subject to numerous, and sometimes conflicting, legal requirements on matters as diverse as import/export controls, trade restrictions, the environment (including electronic waste), tariffs, taxation, sanctions, government affairs, anti-corruption etc. Non-compliance with these regulations in the conduct of our business could result in fines, penalties, criminal sanctions against us or our officers, disgorgement of profits, prohibitions on doing business and have an adverse impact on our reputation. However, we have been following laws of land and meet mandatory levels of product standards and safety.

5. ***Our Company had availed certain unsecured loans on long term basis which are being repaid out of IPO proceeds.***

Our Company had availed long term unsecured loans from lenders including our Promoters and Directors. The total amount of unsecured loans as on April 12, 2018 was Rs. 319.82 Lakhs. Our Company is repaying Rs. 319.82 Lakhs out of the IPO proceeds to these unsecured lenders. The IPO proceeds shall be utilized for retiring of debt and not for business operations.

6. ***We have acquired our subsidiary, 5 Core Acoustics Private Limited in April 2017 at a price of Rs. 45 per share, whereas the book value of our subsidiary was Rs.26.37 for the financial year ended March 31, 2017.***

We have acquired our subsidiary, 5 Core Acoustics Private Limited in April 2017 at a price of Rs. 45 per share by swapping 20,21,693 equity shares of our Company at a price of Rs. 70 per share. However, the book value of our subsidiary was Rs. 26.37 for the financial year ended March 31, 2017. The prices have been decided based on the valuation of both the Companies as certified by M/s Praveen Aggarwal & Co., Chartered Accountants.For further details regarding our subsidiary, please refer to Chapter titled "Our Subsidiaries" and "Our Business" beginning on page 187 and 118 respectively of this Draft Prospectus.

7. ***Our operations are significantly dependent on our ability to successfully identify customer requirement and preferences and gain customer acceptance for our products. If we fail to do so, our business may suffer.***

Our future success depends on our ability to ensure continued demand for our products in existing and proposed markets, which requires us to continuously anticipate and respond in a timely manner to customer requirements and preferences. Further, our success is dependent on our ability to gain customer acceptance for our current and future products. If we are unable to successfully anticipate customer requirements or are unable to modify our current portfolio of products or develop new products, in a timely manner, we may lose customers or become subject to greater pricing pressures. However, with continuous market survey, marketing tools, updates from the industry in which we operate, we try to maintain and reach expectations of customers to meet market trends.

8. ***The sale of counterfeit products may affect our reputation and profitability***

Our products are subject to counterfeiting. As our brand '5 CORE' is gaining customer recognition, we encounter counterfeiting of our products, such as unauthorized imitation or replication of our designs, trademarks or labeling by third parties from time to time. Although we have been actively taking actions to combat against counterfeiting of our products, there can be no assurance that such actions will be successful in prevention of counterfeiting. A significant presence of counterfeit products in the market could have a negative impact on the value and image of our brand, result in a loss of consumer confidence in our brand, and as a consequence, adversely affect our business and results of operations.

9. ***A shortage or non-availability of electricity may adversely affect our manufacturing operations and have an adverse effect on our business, results of operations and financial condition***

Our manufacturing operations require a sustained supply of electricity which is met by Jaipur Vidyut Vitran Nigam Limited. In the event there is any disruption of power supply for long from them, the same could result in disruption of our manufacturing process which may adversely affect our results of operations and financial condition of the company. However there have been no such instances of long outages in the past few years and as precautionary measures we have installed generators to support our manufacturing activities in case of shortage of power supply.

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

We have information technology systems that support our business processes, including product manufacturing, product development, sales, order processing, procurement, inventory management, quality control, product costing, human resources, distribution, accounting and finance. These systems may be susceptible to outages due to fire, floods, power loss, telecommunications failures, natural disasters, breaking and similar events. Effective response to such disruptions will require effort and diligence on the part of our third-party vendors and employees to avoid any adverse effect to our information technology systems. In addition, our systems and proprietary data stored electronically may be vulnerable to computer viruses, cybercrime, computer hacking and similar disruptions from unauthorized tampering. The occurrence of any such events could adversely affect our business, interrupt our operations, subject us to increased operating costs and expose us to litigation.

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

We rely on various forms of transportation, such as waterways, roadways and railways to receive materials required for manufacturing our products and to deliver our finished products to our customers. Unexpected delays in those deliveries, including due to delays in obtaining customs clearance for materials imported by us or finished goods exported by us, increase in transportation costs, could significantly decrease our ability to make sales and earn profits. Manufacturing delays or unexpected demand for our products may also require us to use faster, but more expensive, transportation methods, which could adversely affect our gross margins. In addition, labour shortages or labour disagreements in the transportation infrastructure that lead to delays or interruptions of deliveries could materially adversely affect our business. Further, we cannot assure you that we will be able to secure sufficient transport capacity for these purposes. A significant disruption to our distribution network or any disruption of civil infrastructure could lead to a failure to provide products distributed by us in a timely manner, which would adversely affect our business and results of operations.

12. ***Our industry is labour intensive and our business operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.***

Our industry being labour intensive is dependent on labour force for carrying out its manufacturing operations. Shortage of skilled/ unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. We have not experienced any major disruptions in our business operations due to disputes or other problems with our work force in the past; however, there can be no assurance that we will not experience such disruptions in the future. Such disruptions may adversely affect our business and results of operations and may also divert the management's attention and result in increased costs.

India has stringent labour legislation that protects the interest of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. We are also subject to laws and regulations governing relationships with employers upon retrenchment. We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and termination of employees and work permits. Although our employees do not unionize, it may become difficult for us to maintain flexible labour policies and we may face threat of labour unrest, work stoppages and diversion of our management's attention due to union intervention, which may have a material adverse impact on our business, results of operations and financial condition.

13. ***We face foreign exchange risks, primarily in export of our products that could adversely affect our results of operations.***

We import materials and export our finished products in the overseas markets. Total imports constitute 9.60%, 7.00%, 6.03%, and 3.96% of our cost of material consumed for nine months ended December 31, 2017, year ending March 31, 2017, 2016 and 2015, respectively as per restated financial statements. Total exports constitute 67.05%, 81.81%, 79.66% and 87.54% of our total revenue from operations for nine months ended December 31, 2017, year ending March 31, 2017, 2016 and 2015, respectively as per restated financial statements. Accordingly, any decrease in the value of the Rupee against the foreign currency would increase the Rupee cost of materials. Any increase in Rupee against the foreign currency would reduce the realization of exports.

Fluctuations in the exchange rates may affect the Company to the extent of cost of material imported or exports made in foreign currency terms, the details of which are given hereunder: -

(Rs. In Lakhs)

Particulars	December 31, 2017	March 31.		
		2017	2016	2015
Value of Imports	889.31	950.23	532.11	366.18
Value of Exports	10,230.22	13,957.64	9,793.98	9,935.66

Although we closely follow our exposure to foreign currencies and selectively enter into hedging of foreign currency since we have natural hedge of imports with exports. Moreover, our Company has also availed forex hedge facility from Andhra Bank. However, a substantial appreciation in the value of rupee may lead to lower export realisation, which may adversely affect our results of operation.

14. ***Failure to offer customer support in a timely and effective manner may adversely affect our relationships with our customers.***

From time to time, our customers require our customer support team to assist them in using our products, help them in resolving post-sales issues quickly and in providing ongoing support. If we do not devote sufficient resources or are otherwise unsuccessful in assisting our customers effectively, it could adversely affect our ability to retain existing customers and could prevent prospective customers from buying our products. We may be unable to respond quickly enough to accommodate short-term increases in demand for customer support. We also may be unable to modify the nature, scope and delivery of our customer support to compete with changes in the support services provided by our competitors. Increased demand for customer support, without corresponding revenue, could increase costs and adversely affect our business, results of operations and financial condition.

Our sales are highly dependent on our business reputation and on positive recommendations from our customers. Any failure to maintain high-quality customer support, or a market perception that we do not maintain high-quality customer support, could adversely affect our reputation, business, results of operations and financial condition. However, we have built a strong "after sales team" which understand that today'ssuccessful businesses don't just sell; they build relationships with customers.

15. ***We face competition in our business from domestic & international competitors. Such competition may have an adverse impact on our business and financial performance.***

We face competition in our product categories and markets in which we operate. We compete with other international and national brands which own and operate well-known brands of good quality goods and may have greater financial resources and negotiation power with suppliers, vendors and other intermediaries than we do. Our Competitors may succeed in developing products that are more effective, more popular or cheaper than any we may develop, which may render our products obsolete or uncompetitive and adversely affect our business and financial results. Some of our competitors may have greater financial resources, better distribution network, technical and marketing resources and generate greater revenues, and therefore may be able to respond better to market changes than we can. Competition may result in pricing pressures, reduced profit margins or lost market share or a failure to grow our market share. There can be no assurance that we can effectively compete with our competitors in the future, and any such failure to compete effectively may have a material adverse effect on our business, financial condition and results of operations. However, we believe that we compete primarily on the basis of our brand image, price, innovative design, product assortment and reputation for quality.

16. ***Increase in the cost of, or a shortfall in the availability of materials and components could have an adverse effect on our business, results of operations and financial condition.***

The principal materials and components used by us for manufacturing PA systems are numerous electronics items such as transistors, capacitors, diodes, resisters, wires, magnet, glue etc. Our Company buys in domestic market as well imports certain items used for manufacturing PA systems. The price of these materials and components has been fluctuating to some extent, which is evident from the cost of materials consumed& purchased to revenue from operations ratio of 84.98%, 87.78%, 87.71% and 88.36% for nine months ended December 31, 2017, financial years 2016-17, 2015-16 and 2014-15 respectively as per standalone restated financials. The price and availability of these materials depend on several factors beyond our control, including overall economic conditions, production levels, market demand and competition for such materials and components, production and transportation cost, duties and taxes and trade restrictions.

Any increase in material/component prices may affect our procurement of materials and components and will result in corresponding increases in our product costs, while the increase in the selling price of the finished products may not be proportionate to the increase in material/component price. Such change in pricing may adversely affect our sales, cash flow and our overall profitability. We usually do not enter into long term supply contracts with any of our material/component suppliers and typically place orders with them based on our assessment of demand for our products. The absence of long term contracts at fixed prices exposes us to volatility in the prices of materials that we require. If we are unable to compensate for or pass on our increased costs to end-customer, such price increases could have an adverse impact on our result of operations, financial condition and cash flows. We also face a risk that one or more of our existing suppliers may discontinue their supplies to us. Any inability on our part to procure materials/components from alternate suppliers in a timely fashion, or on terms acceptable us, may adversely affect our operations. However, in the past we have not faced any problem on non-supply of materials/components by our suppliers and have been able to pass on increased cost to end-customers.

17. ***We currently avail benefits under certain export promotion schemes. Any discontinuance of such schemes by the Government may adversely affect profitability.***

We currently avail benefits under certain export promotion schemes like Duty Drawback, Merchandise Export from India Schemeetc. They contribute 1.94%, 2.45%, 3.03% & 7.64% of our revenue from operations on standalone basis for nine months ended December 31, 2017, financial years 2016-17, 2015-16 and 2014-15 respectively. There has been a decline in these benefits over a period of time. Any further reduction or withdrawal of benefits or our inability to meet any of the conditions prescribed under any of the schemes would adversely affect our business, results of operations and financial condition. However, the Government has been encouraging exports and we do not foresee any discontinuance of such export benefits.

18. ***In case of our inability to obtain, renew or maintain the statutory and regulatory licenses, permits and approvals required to operate our business it may have a material adverse effect on our business.***

We require certain statutory and regulatory permits, licenses and approvals to operate our business. Though we believe that we have obtained those permits and licenses which are adequate to run our business except factory license for our manufacturing unit situated at F-24 to F-27, F-38 to F-41 and E-47(B) to E-50 RIICO Industrial Area, Sare Khurd, Bhiwadi, Alwar, Rajasthan- 301019. Moreover, our Subsidiary Company, 5 Core Acoustics Private Limited is yet to file application for factory license for its manufacturing unit located at C-828, RIICO Industrial Area, Phase-II, Bhiwadi, Alwar, Rajasthan-301019.However, there is no assurance that there are no other statutory/regulatory requirements which we are required to comply with. However, some of the approvals are granted for a fixed period of time and need renewal from time to time. We are required to renew such permits, licenses and approvals. Further, certain licenses and registrations obtained by our Company contain certain terms and conditions, which are required to be complied with. Any default by our Company in complying with the same, may result in interalia the cancellation of such licenses, consents, authorizations and/or registrations, which may adversely affect our operations. There can be no assurance that the relevant authorities will issue or renew any of such permits or approvals in time or at all. Failure to renew, maintain or obtain the required permits or approvals in time may result in the interruption of our operations and may have a material adverse effect on our business.

For further details, please refer to section titled “Government and Other Statutory Approvals” beginning on page 322 of this Draft Prospectus.

19. ***Breakdowns of our major plants or machineries or failures to repair or maintain the same may affect our business.***

Breakdowns of our major plants or machineries may significantly increase our machineries purchase cost/repair and the depreciation of our plants and machineries, as well as change the way our management estimates the useful life of our plants and machineries. In such cases, we may not be able to acquire new plants or machineries or repair the damaged plants or machineries in time or at all, particularly where our plants or machineries are not readily available from the market or require services from original machinery manufacturers. Some of our major machineries or parts may be costly to replace or repair. We may experience significant price increases due to supply shortages, inflation, transportation difficulties or unavailability.

20. *Our Company had negative cash flows from our operating, investing activities as well as financing activities in some of the previous year(s) as per the Restated Standalsone Financial Statements.*

Our Company had negative cash flows from our operating, investing activities as well as financing activities in some of the previous year(s) as per the Restated Standalsone Financial Statements and the same are summarized as under:

(Rs. in Lakhs)

Particulars	As on December 30, 2017	As on March 31,				
		2017	2016	2015	2014	2013
Cash Flow from/ (used in) Operating Activities	1,237.44	(885.43)	(553.65)	464.05	(890.46)	489.42
Cash Flow from/ (used in) Investing Activities	(1,608.25)	(795.32)	(98.70)	(32.70)	(85.07)	(120.08)
Cash Flow from/ (used in) Financing Activities	419.61	2,297.98	1,071.30	(395.70)	1,066.18	(331.35)

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flow in future, it may adversely affect our business and financial operations.

21. *Our manufacturing units and R&D unit are not owned by us.*

The details of manufacturing units and R&D unit not owned by us are given below:-

S No	Location of the property	Ownership/Licensor / Lessor	Property Kind	Purpose
1.	F-622, Phase- I, Bhiwadi, Alwar, Rajasthan- 301019	Rajasthan Financial Corporation	Leasehold	Manufacturing Unit
2.	F-24 to F-27, F-38 to F-41 and E-47(B) to E-50 RIICO Industrial Area, Sare Khurd, Bhiwadi, Alwar, Rajasthan- 301019	Rajasthan State Industrial Development and Investment Corporation	Leasehold	Manufacturing Unit
3.	C-116, Basement, Fateh Nagar, Delhi- 110018	Mr. Amarjit Singh Kalra	Rented	R&D Unit
4.	C-116, Ground Floor, Fateh Nagar, Delhi- 110018	Ms. Surinder Kaur Kalra	Rented	R&D Unit

Our manufacturing units have been taken on long term lease of 99 years. Further, the R&D Unit is taken on lease from our promoters. There are certain conditions in the Lease deeds of the properties, any non-adherence to the said conditions, could render the lessor of the property to cancel the lease deed or not renew the lease deed. In case the lease is cancelled or renew the same on the term which are detrimental to the company, we may suffer a disruption in our business and operation which may adversely affect our revenues and profitability.

22. ***Failure to manage our inventory could have an adverse effect on our sales, profitability, cash flow and liquidity.***

The results of operations of our business are dependent on our ability to effectively manage our inventories and stocks. For the period ended December 31, 2017 and Fiscal Years ended 2016-17 & 2015-16, our inventories were Rs. 4223.88 Lakhs and Rs. 3623.88 Lakhs, Rs. 2486.71 Lakhs& 1707.07 Lakhs respectively, which constituted 27.82%, 21.36%, 20.29%&15.09% respectively of our total revenues on standalone basis for the same periods respectively. In case we have to effectively manage our inventory, we must be able to accurately estimate customer demand and our supply requirements and manufacture/import inventory accordingly. If we misjudge expected customer demand it could adversely impact the results by causing either a shortage of products or an accumulation of excess inventory. Further, if we fail to sell the inventory we manufacture, we may be required to write-down our inventory or create additional vendor financing, which could have an adverse impact on our income and cash flows. However, we closely monitor our inventories and any product which becomes slow moving, we try to sell at discounted prices so as to liquidate inventory.

23. ***Any delays and/or defaults in payments from our customers could result in increase of working capital investment and/or reduction of our profits, thereby affecting our operation and financial condition. Further, our accounts receivable collection cycle exposes us to client credit risk.***

Our operations involve extending credit, ranging typically for 90 days, to our distributors/customers. We are exposed to payment delays and/or defaults in payments by our distributors/customers and our financial position and financial performance are dependent on the creditworthiness of our distributors/customers. Any delays in payments may require us to make a working capital investment. Further, we cannot assure that payments from all or any of our distributors/customers will be received in a timely manner or to that extent will be received at all. We get our foreign bills discounted from Banks. For the period ended December 31, 2017 and for Fiscals 2017, 2016 and 2015, our trade receivables including bills discounted were Rs. 5104.55 Lakhs, Rs. 5127.23 Lakhs, Rs.3238.07 Lakhs and Rs.2421.14 Lakhs respectively, which constituted 33.62%, 30.22%, 26.42% and 21,.40% of our total revenues for the same periods, as per restated standalone financials.

If a customer defaults in making its payments of an order on which we have devoted significant resources, or if an order in which we have invested significant resources is delayed, cancelled or does not proceed to completion, it could have a material adverse effect on our Company's results of operations and financial condition. If any of our customers fail to make payments to us or become insolvent, we would suffer losses and our financial condition and results of operations could be adversely affected. Moreover, sales of our products are not supported by letters of credit or bank guarantee. In case of any disputes or differences or default with regard to our payments, we would have to initiate appropriate recovery proceedings and which may be costly and time consuming. There is no guarantee on the timelines of all or any part of our customers payments and whether they will be able to fulfil their obligations, which may arise from their financial difficulties, cash flow difficulties, deterioration in their business performance, or a downturn in the global economy. If such events or circumstances occur, our financial performance and our operating cash flows may be adversely affected.

24. ***We may be subject to risks associated with product warranty for our PA system products.***

We are subject to risks and costs associated with product warranties on account of supply of defective or inferior quality products within the warranty periods. Any defects in the finished products may result in invocation of such warranties and may require repair or replacement resulting in additional costs for our Company. The defects in our products or any product liability claim against us could generate adverse publicity, leading to a loss of reputation, customers and/or increase our costs, thereby adversely affecting our reputation, business, results of operations, financial condition and cash flows. However, we manage our risks by stringent QA check at the time of manufacture.

25. ***We are subject to risks associated with expansion into new markets.***

Our Company intends to enter into new markets. Expansion into new markets, including in India and overseas, subjects us to various challenges, including those relating to our lack of familiarity with the culture, legal regulations and economic conditions of these new regions, language barriers, difficulties in appointment of distributors, staffing and managing such operations, and the lack of brand recognition and reputation in such regions. The risks involved in entering new geographic markets and expanding operations, may be higher than expected, and we may face significant competition in such markets. By expanding into new markets, we may be exposed to significant liability and could lose some or all of our investment in such regions, as a result of which our business, financial condition and results of operations could be adversely affected.

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

We consider our brand and intellectual property to be one of our most valuable assets and we have registered several trademarks In India and other countries. For details, please see "Government and Other Approvals – Intellectual Property" on page 322. We also rely on unpatented proprietary knowhow, continuing technological innovation and other trade secrets to develop and maintain our competitive position. Further, we may not be able to prevent infringement of our trademarks. If our trademarks or other intellectual property are improperly used, the value and reputation of our brands could be harmed. While we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty whether we are infringing any existing third-party intellectual property rights, which may force us to alter our offerings. We may also be susceptible to claims from third parties asserting infringement and other related claims. If similar claims are raised in the future, these claims could result in costly litigation, divert management's attention and resources. Any of the foregoing could have an adverse effect on our business, results of operations, cash flows and financial condition

27. ***Our Trademark 5 CORE registered in Bangladesh under Trade Marks Act, 2009 has expired.***

Our Trademark 5 CORE registered in Bangladesh under the Trade Marks Act, 2009 had expired on March 30, 2015. We cannot assure you that we will be able to obtain such registration, in case we determine to apply in the later course of time. As a result, we may be unable to prevent use of these names or variations thereof by any other party or ensure that we will continue to have a right to use it. We further cannot assure you that any third party will not infringe upon our trademark, logo and/or trade name in a manner that may have a material adverse effect on our business prospects, reputation and goodwill. If we are unable to protect our trademarks and trade-names, others may be able to use our trademarks and trade names to compete more effectively.

28. ***Our operations are subject to environmental, health and safety laws and regulations.***

Our operations are subject to various Central and State environmental laws and regulations relating to the control of pollution in the area where we operate. In particular, the discharge or emission of domestic sewage, dust or other pollutants into the air, soil or water that exceed permitted levels, electronic waste and cause damage to others may give rise to liability to the Government and third parties and may result in our incurring costs to remedy such discharge or emissions. There can be no assurance that compliance with such environmental laws and regulations will not result in a curtailment of operations, or a material increase in the costs of operations, or otherwise have a material adverse effect on the financial condition and results of our operations. While as on the date of this Draft Prospectus, we are not subject to any environmental legal proceedings, we may be impleaded in such legal proceedings in the course of our business. No assurance can be given that we will be successful in all, or any, of such proceedings.

29. ***Within the parameters as mentioned in the chapter titled 'Objects of this Issue' beginning on page 97 of this Draft Prospectus, our Company's management will have flexibility in applying the proceeds of this Issue. The fund requirement and deployment mentioned in the Objects of this Issue have not been appraised by any bank or financial institution.***

The fund requirement and deployment, as mentioned in the "Objects of the Issue" on page 97 of the Draft Prospectus is based on the estimates of our management and has not been appraised by any bank or financial institution or any other independent agency. These fund requirements are based on our current business plan and order position. We cannot assure that the current business plan will be implemented or strategy shall be executed in its entirety or at all. In view of the highly competitive and dynamic nature of our business, we may have to revise our business plan from time to time and consequently these fund requirements. The deployment of the funds as stated under chapter "Objects of the Issue" is at the discretion of our Board of Directors and is not subject to monitoring by any external independent agency.

30. ***Any variation in the utilization of the Net Proceeds or in the terms of any contract as disclosed in the Draft Prospectus would be subject to certain compliance requirements, including prior shareholders' approval.***

We propose to utilise the Net Proceeds as stated under section titled "Objects of the Issue". For further details of the proposed objects of the Issue, please refer to section titled "Objects of the Issue" beginning on page 97 of the Draft Prospectus. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilisation of the Net Proceeds or in the terms of any contract as disclosed in this Draft Prospectus without obtaining the shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the shareholders' approval in a timely manner, or at all. Any delay or in ability in obtaining such shareholders' approval may adversely affect our business or operations.

Further, our Promoters or controlling shareholders would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to change the objects of the Issue or vary the terms of such contracts, at a price and manner as prescribed by SEBI. Additionally, the requirement on Promoters or controlling shareholders to provide an exit opportunity to such dissenting shareholders may deter the Promoters or controlling shareholders from agreeing to the variation of the proposed utilisation of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters or the controlling shareholders of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI.

In light of these factors, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Fresh Issue, if any, or vary the terms of any contract referred to in this Draft Prospectus, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilised portion of Net Proceeds, if any, or varying the terms of contract, which may adversely affect our business and results of operations.

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

As of December 31, 2017, we had a total outstanding long term borrowing (including current maturities), short-term borrowings and bills discounted, secured and unsecured of Rs. 7589.04 Lakhs. Our ability to meet our debt service obligations and repay our outstanding borrowings will depend primarily on the cash generated by our business. Our financing agreements contain certain restrictive covenants that limit our ability to undertake certain types of transactions, including any change in line of business or change in ownership, which could adversely affect our business and financial condition.

In addition, certain of our borrowings require us to maintain certain financial ratios and certain other informative covenants, which are tested at times on a quarterly or annual basis.

We may also be forced to sell some or all of our assets if we do not have sufficient cash or credit facilities to make repayments. Further, certain of our financing arrangements are due for renewal and we cannot guarantee that the facilities availed under such arrangements will be renewed on the previously agreed terms and conditions, or conditions which are not more onerous on us. Our failure to meet our obligations under the debt financing agreements could have an adverse effect on our business, results of operations and financial condition.

32. ***Our Subsidiaries may not pay cash dividends on shares that we hold in them. Consequently, our Company may not receive any return on investments in our Subsidiaries.***

Our Subsidiaries are separate and distinct legal entities, having no obligation to pay dividends and may be restricted from doing so by law or contract, including applicable laws, foreign exchange regulations, charter provisions and the terms of their financing arrangements. Further, dividends received from our foreign Subsidiaries and Subsidiaries is liable to tax in India.

33. ***We have not made any alternate arrangements for meeting our working capital requirements and that of our Subsidiary, 5 Core Acoustics Private Limited for the Objects of the Issue. Further we have not identified any alternate source of financing the 'Objects of the Issue'. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.***

As on date, we have not made any alternate arrangements for meeting our working capital requirements and that of our Subsidiary, 5 Core Acoustics Private Limited for the Objects of the Issue. Further, we have not identified any alternate source of working capital funding and hence any failure or delay on our part to raise money from this issue or any shortfall in the issue proceeds could adversely affect our growth plans. We meet our working capital requirements through our owned funds, internal accruals and debt. Any shortfall in our net owned funds, internal accruals and our inability to raise debt would result in us being unable to meet our working capital requirements, which in turn will negatively affect our financial condition and results of operations. For further details please refer to the chapter titled "Objects of the Issue" beginning on page 97 of this Draft Prospectus.

34. ***If we are unable to raise additional capital, our business prospects could be adversely affected.***

We intend to fund our future expansion plans through our internal accruals, borrowings and capital. We will continue to incur significant expenditure in maintaining and growing our existing manufacturing infrastructure. We cannot assure you that we will have sufficient capital resources for our current operations or any future expansion plans that we may have. While we expect our internal accruals and cash flow from operations to be adequate to fund our existing commitments, our ability to incur any future borrowings is dependent upon the success of our operations. Additionally, the inability to obtain sufficient financing could adversely affect our ability to complete expansion plans. Our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks, investor confidence, the continued success of our operations and other laws that are conducive to our raising capital in this manner. If we decide to meet our capital requirements through debt financing, we may be subject to certain restrictive covenants. If we are unable to raise adequate capital in a timely manner and on favourable terms, or at all, our business, results of operations, cash flows and financial condition could be adversely affected.

35. ***One of the Key Management Personnel is associated with the Company for less than one year.***

One of the Key Managerial Personnel i.e. Company Secretary & Compliance Officer is associated with the Company for a period of less than one year. For details of Key Managerial Personnel and their appointment, please refer to chapter "Our Management" beginning on page 167 of this Draft Prospectus.

36. ***Our Company has contingent liabilities which if materialised may adversely affect the financial position of the Company.***

As on December 31, 2017 our Company has contingent liabilities of Rs. 4568.62 Lakhs as follows:

(Rs. In Lakhs)

Particulars	Amount as on December 31, 2017
Amount of Foreign Bill Discounting from the bank	4567.34
Income Tax Demand	1.09
TDS Demand	0.19
Total	**4568.62**

The above contingent liabilities, if materialises may adversely affect the financial position of our Company.

37. ***There are outstanding litigations by/against our Company, our Subsidiaries, our Promoters, our Directors and our Group Entities and any adverse outcome in any of these proceedings may adversely affect our profitability and reputation and may have an adverse effect on our results of operations and financial condition.***

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

LITIGATION RELATING TO OUR COMPANY

Cases pending with Tax Authorities

Details of Notice received under Income Tax Act, 1961:

Our Company had received Notice No. ITBA/AST/S/143(2)/2017-18/1006420962(2) dated September 19, 2017 for Complete Scrutiny under Section 143(2) of Income Tax Act, 1961 for AY 2016-17. Our Company is yet to file reply with the Income Tax Authorities. A demand for tax, if any, may be raised by Income tax department on completion of assessment.

Details of outstanding demand in respect of Income Tax:

A.Y.	Section	Outstanding demand amount (Rs. in Lakhs)
2016-17	143	1.09

Details of outstanding demand in respect of TDS:

A total demand of Rs. 0.19 Lakh is outstanding in respect of TDS as on April 10, 2018 for various assessment years.

Further, there is no assurance that similar proceedings will not be initiated against the above-mentioned entities or persons in the future. For details of Litigations, by/against our Company, our Subsidiaries, our Promoters, our Directors and our Group Entities please refer to chapter "Outstanding Litigations and Material Developments" beginning on page 315 of this Draft Prospectus.

38. Our Company has filed certain forms late with additional fees with Registrar of Companies as prescribed under the Companies Act.

Under the provisions of Companies Act, certain forms are required to be filed within prescribed timelines. In the past our Company has exceeded such timeline for filing the forms and has paid additional fees. If our company fails to comply with the provisions for filing of forms under the provisions of the Companies Act, then the company and/or every officer of the company who is in default is punishable with fine. RoC forms filed late with additional fees during the last three years has been detailed below:

S. No.	Form	Date of Event	Status
1.	SH-7	April 04, 2017	Filed with Additional Fees
2.	MGT-14	April 04, 2017	Filed with Additional Fees
3.	MGT-14	March 09, 2017	Filed with Additional Fees
4.	PAS-3	April 11, 2017	Filed with Additional Fees
5.	MGT-14	April 12, 2017	Filed with Additional Fees
6.	SH-7	April 13, 2017	Filed with Additional Fees
7.	MGT-14	April 13, 2017	Filed with Additional Fees
8.	MGT-14	April 15, 2017	Filed with Additional Fees
9.	GNL-2	April 15, 2017	Filed with Additional Fees
10.	PAS-3	April 15, 2017	Filed with Additional Fees
11.	MGT-14	April 22, 2017	Filed with Additional Fees
12.	DIR-12	April 22, 2017	Filed with Additional Fees
13.	DIR-12	May 10, 2017	Filed with Additional Fees
14.	DIR-12	May 30, 2017	Filed with Additional Fees

15.	MGT-14	June 26, 2017	Filed with Additional Fees
16.	DIR-12	July 15, 2017	Filed with Additional Fees
17.	MGT-14	September 01, 2017	Filed with Additional Fees
18.	AOC-4	September 29, 2017	Filed with Additional Fees
19.	MGT-7	September 29, 2017	Filed with Additional Fees
20.	DIR-12	December 01, 2017	Filed with Additional Fees
21.	MGT-14	December 01, 2017	Filed with Additional Fees
22.	ADT-1	September 29, 2017	Filed with Additional Fees
23.	MGT-14	January 25, 2017	Filed with Additional Fees
24.	AOC-4XBRL	September 30, 2016	Filed with Additional Fees
25.	CHG-1	September 16, 2016	Filed with Additional Fees
26.	MGT-14	March 31, 2016	Filed with Additional Fees
27.	MR-1	March 31, 2016	Filed with Additional Fees
28.	MGT-7	September 30, 2016	Filed with Additional Fees
29.	DIR-12	September 30, 2015	Filed with Additional Fees
30.	AOC-4	September 30, 2015	Filed with Additional Fees
31.	MGT-7	September 30, 2017	Filed with Additional Fees
32.	DIR-12	September 30, 2017	Filed with Additional Fees
33.	MGT-14	August 27, 2015	Filed with Additional Fees
34.	CHG-1	September 02, 2015	Filed with Additional Fees
35.	CHG-1	November 04, 2015	Filed with Additional Fees

39. ***Our Company may incur penalties or liabilities for some inaccuracy/clerical errors in the forms filed with ROC under certain provisions of the Companies Act.***

There have been some inaccuracies/clerical mistakes in filing of certain forms with ROC, which may result in levy of penalties and which may adversely affect our reputation. Although no show cause notice have been issued against our Company till date in respect of above, we cannot rule out possibility of receiving a notice in future.

40. ***In addition to normal remuneration, other benefits and reimbursement of expenses some of our Directors (including our Promoters) and Key Management Personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company.***

Some of our Directors (including our Promoters) and Key Management Personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company, in addition to normal remuneration or benefits and reimbursement of expenses. We cannot assure you that our Directors or our Key Management Personnel would always exercise their rights as Shareholders to the benefit and best interest of our Company. As a result, our Directors will continue to exercise significant control over our Company, including being able to control the composition of our board of directors and determine decisions requiring simple or special majority voting, and our other Shareholders may be unable to affect the outcome of such voting. Our Directors may take or block actions with respect to our business, which may conflict with our best interests or the interests of other minority Shareholders, such as actions with respect to future capital raising or acquisitions. We cannot assure you that our Directors will always act to resolve any conflicts of interest in our favour, thereby adversely affecting our business and results of operations and prospects.

41. ***Our success depends largely upon the services of our Management and other Key Managerial Personnel and our ability to retain them. Our inability to attract and retain key managerial personnel may adversely affect the operations of our Company.***

Our Company and our Promoters have built relations with suppliers, customers and other persons who are connected with our business. Further, our Key Managerial Personal also possesses the requisite domain knowledge to provide efficient services to our clients. Accordingly, our Company's performance is dependent upon the services of our Promoters and other Key Managerial Personnel. Our future performance will, therefore, depend upon the continued services of these persons. Demand for key managerial personnel in the industry is intense and our inability to attract and retain Key Managerial Personnel may affect the operations of our Company.

42. ***We have not independently verified certain data in this Draft Prospectus.***

We have not independently verified data from the Industry and related data contained in this Draft Prospectus and although we believe the sources mentioned in the report to be reliable, we cannot assure you that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regards to other countries. Therefore, discussions of matters relating to India, its economy or the industries in which we operate that is included herein are subject to the caveat that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete, inaccurate or unreliable. Due to incorrect or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

43. ***Our operations may be adversely affected in case of industrial accidents at our production facility.***

Usage of machinery, handling of materials by labour during production process or otherwise, lifting of materials by humans, cranes, etc. may result in accidents which could cause injury to our labour, employees, other persons on the site and could also damage our properties there by affecting our operations. Occurrence of accidents could hamper our production and consequently affect our profitability. We could be held liable for accidents that occur at our manufacturing facilities or otherwise arise out of our operations. In the event of death, personal injuries, fires or other accidents suffered by our employees or other people, damage to property and environment, accidents caused due to natural calamities and explosions, we could face claims alleging that we were negligent, provided inadequate supervision or be otherwise liable for the injuries.

44. ***Any Penalty or demand raised by statutory authorities in future will affect our financial position of our Company.***

Our Company is engaged in business of manufacturing and supply of PA systems, which attracts/attracted tax liability such as Customs duty, Excise, VAT, GST, Income Tax, as per the applicable provisions of Law. We are also subject to the labour laws like depositing of contributions with Provident Fund, ESIC etc. Though, we have deposited the required returns under various applicable Acts but any demand or penalty raised by the concerned authority in future for any previous year and current year will affect the financial position of our Company.

45. ***Loans availed by our Company have been secured on personal guarantees of our Promoter and Promoter Group members. Our business, financial condition, results of operations, cash flows and prospects may be adversely affected in case of invocation of any personal guarantees or collateral securities provided by our Promoter and Promoter Group members.***

Our Promoter and Promoter Group Members have provided personal guarantees as security to secure our existing borrowings of Rs. 6100.00 Lakhs taken from Andhra Bank and may continue to provide such guarantees and other security post listing. In case of a default under our loan agreements, any of the personal guarantees provided by our Promoter and Promoter Group Members may be invoked and/ or the security may also be enforced, which could negatively impact the reputation and networth of the Promoters. Also, we may face certain impediments in taking decisions in relation to our Company, which in turn would result in a material adverse effect on our financial condition, business, results of operations and prospects and would negatively impact our reputation. In addition, our Promoter and Promoter Group Members may be required to liquidate their shareholding in our Company to settle the claims of the lenders, thereby diluting their shareholding in our Company. We may also not be successful in procuring alternate guarantees/ alternate security satisfactory to the lenders, as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows. However, we have following policy of complying with all terms and conditions of loan agreements and we ensure timely compliance of its terms. For further details regarding loans availed by our Company, please refer "Statement of Financial Indebtedness" on page 308 of this Draft Prospectus.

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

Our principal types of insurance coverage include burglary insurance, employee insurance, fire insurance, liability insurance, marine and transportation insurance, overseas travel insurance, industrial all risks, property all risks and motor insurance. While we believe that the insurance coverage which we maintain would be reasonably adequate to cover the typical risks associated with the operation of our business, we cannot assure you that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all our losses. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at an acceptable cost or at all. To the extent that we suffer loss or damage for which we did not obtain or maintain insurance, and which is not covered by insurance, exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, cash flows and financial performance could be adversely affected.

47. ***Our Promoters and the members of our Promoters Group will continue to retain significant control in the Company after the Issue, which will enable them to influence the outcome of matters submitted to shareholders for approval. Our Promoters and the members of our Promoter Group may have interests that are adverse to the interests of our other shareholders and may take positions with which our other shareholders do not agree.***

As the date of Draft Prospectus, our Promoters and the members of our Promoter Group hold 94.61% equity share capital of the Company. After completion of the Issue, our Promoters and the members of our Promoter Group will hold 69.63% of the equity shares capital of the Company and continue to retain a significant control of the Company. As a result, our Promoters and our Promoter Group will have the ability to control our business, including matters relating to any sale of all or substantially all of our assets, the timing and distribution of dividends and the election or termination of appointment of our officers and directors. This control could delay, defer or prevent a change in control of the Company, impede a merger, consolidation, takeover or other business combination involving the Company, or

discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of the Company even if it is in the Company's best interest. In addition, for so long as our Promoters and the members of our Promoter Group continue to exercise significant control over the Company they may influence the material policies of the Company in a manner that could conflict with the interests of our other shareholders. Our Promoters and the members of our Promoter Group may have interests that are adverse to the interests of our other shareholders and may take positions with which our other shareholders do not agree.

48. Our Group Entities have availed, or may in the future avail, secured/unsecured loans that may be recalled by the lenders at any time.

Our Group entities have availed, or may in the future avail, secured/unsecured loans which may be recalled by the lenders at any time. In the event that any lender seeks a repayment of any such loan, such Group Companies would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. Such Group Companies may not have adequate working capital to manufacture products. As a result, any such demand may affect their business, and in turn may affect our cash flows and results of operations.

II. Risk related to this Issue and our Equity Shares

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

Any future equity issues by us, including in a primary offering, may lead to the dilution of investors' shareholdings in us. Any future equity issuances by us or sales of its Equity Shares by the Promoters may adversely affect the trading price of the Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares.

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

The amount of our future dividend payments, if any, will depend upon our Company's future earnings, financial condition, cash flows, working capital requirements, capital expenditures, applicable Indian legal restrictions and other factors. There can be no assurance that our Company will be able to pay dividends.

51. The Issue Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Issue.

The Issue Price of the Equity Shares will be determined by our Company in consultation with the LMs and will be based on numerous factors. For further information, see the section titled "Basis For Issue Price" on page 105 of this Draft Prospectus. The Issue Price may not be indicative of the market price for the Equity Shares after the Issue. The market price of the Equity Shares could be subject to significant fluctuations after the Issue and may decline below the Issue Price. There can be no assurances that investors who are allotted Equity Shares through the Issue will be able to resell their Equity Shares at or above the Issue Price.

B. EXTERNAL RISK FACTORS

52. *A slowdown in economic growth in India could adversely affect our business, results of operations, financial condition and cash flows.*

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our products may be adversely affected by an economic downturn in domestic, regional and global economies. Economic growth in the countries in which we operate is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports of materials, global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production. Consequently, any future slowdown in the Indian economy could harm our business, results of operations, financial condition and cash flows. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

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

Our business and financial performance could be adversely affected by unfavorable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations applicable to us and our business. Please refer to "Key Industry Regulations and Policies" on page 156 for details of the laws currently applicable to us.

There can be no assurance that the Government of India may not implement new regulations and policies which will require us to obtain approvals and licenses from the Government of India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment to, or change to governing laws, regulation or policy in the jurisdictions in which we operate may have a material adverse effect on our business, financial condition and results of operations. In addition, we may have to incur expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations. Any unfavorable changes to the laws and regulations applicable to us could also subject us to additional liabilities.

GST has been implemented with effect from July 1, 2017 and has replaced the indirect taxes on goods and services such as central excise duty, service tax, central sales tax, state VAT and surcharge currently being collected by the central and state governments. The GST is expected to increase tax incidence and administrative compliance. Given the limited availability of information in the public domain concerning the GST, we are unable to provide any assurance as to the tax regime following implementation of the GST. The implementation of this new structure may be affected by any disagreement between certain state Governments, which could create uncertainty. Any future amendments may affect our overall tax efficiency, and may result in significant additional taxes becoming payable.

Further, the general anti avoidance rules ("GAAR") provisions have been made effective from assessment year 2018-19 onwards, i.e.; financial Year 2017-18 onwards and the same may get triggered once transactions are undertaken to avoid tax. The 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.

The application of various Indian tax laws, rules and regulations to our business, currently or in the future, is subject to interpretation by the applicable taxation authorities. If such tax laws, rules and regulations are amended, new adverse laws, rules or regulations are adopted or current laws are interpreted adversely to our interests, the results could increase our tax payments (prospectively or retrospectively) and/or subject us to penalties. Further, changes in capital gains tax or tax on capital market transactions or sale of shares could affect investor returns. As a result, any such changes or interpretations could have an adverse effect on our business and financial performance.

54. Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.

Inflation is typically impacted by factors such as governmental policies, regulations, commodity prices, liquidity and global economic environment. Any change in the government or a change in the economic and deregulation policies could adversely affect the inflation rates. Continued high rates of inflation may increase our costs such as salaries, travel costs and related allowances, which are typically linked to general price levels. There can be no assurance that we will be able to pass on any additional costs to our clients or that our revenue will increase proportionately corresponding to such inflation. Accordingly, high rates of inflation in India could have an adverse effect on our profitability and, if significant, on our financial condition.

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

Under current Indian tax laws, capital gains arising from the sale of equity shares within 12 months in an Indian company are classified as short term capital gains and generally taxable. Any gain realised on the sale of listed equity shares on a stock exchange that are held for more than 12 months is considered as long term capital gains and currently, such gains are not be subject to capital gains tax in India if Securities Transaction tax (STT) has been paid on the transaction. STT is levied on and collected by a domestic stock exchange on which equity shares are sold. The Finance Bill, 2018, tabled before the Parliament, proposes to withdraw the exemption on long-term capital gains tax from April 01, 2018 and to impose 10%, tax on such long-term capital gains in excess of Rs. 1,00,000. This proposal is subject to parliamentary process. Any longterm gain realised on the sale of equity shares, which are sold other than on a recognised stock exchange and on which no STT has been paid, is also subject to tax in India. Capital gains arising from the sale of equity shares are exempt from taxation in India where an exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India‘s ability to impose tax on capital gains. As a result, residents of other countries may be liable to pay tax in India as well as in their own jurisdiction on a gain on the sale of equity shares.

56. The Issue Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Issue.

The Issue Price of the Equity Shares will be determined by our Company in consultation with the LMs and will be based on numerous factors. For further information, see the section titled “Basis for Issue Price” on page 105 of this Draft Prospectus. The Issue Price may not be indicative of the market price for the Equity Shares after the Issue. The market price of the Equity Shares could be subject to significant fluctuations after the Issue and may decline below the Issue Price. There can be no assurances that applicants who are allotted Equity Shares through the Issue will be able to resell their Equity Shares at or above the Issue Price.

57. ***Any downgrading of India's debt rating by an independent agency may harm our ability to raise financing.***

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

58. ***We have not prepared, and currently do not intend to prepare, our financial statements in accordance with the International Financial Reporting Standards ("IFRS"). Our transition to IFRS reporting could have a material adverse effect on our reported results of operations or financial condition.***

Public companies in India, including us, may be required to prepare annual and interim financial statements under IFRS in accordance with the roadmap for convergence with IFRS announced by the Ministry of Corporate Affairs, Government of India through a press note dated January 22, 2010 (the "IFRS Convergence Note"). The Ministry of Corporate Affairs by a press release dated February 25, 2011 has notified that 35 Indian Accounting Standards are to be converged with IFRS. The date of - implementation of such converged Indian accounting standards has not yet been determined. Our financial condition, results of operations, cash flows or changes in shareholders' equity may appear materially different under IFRS than under Indian GAAP or our adoption of converged Indian Accounting Standards may adversely affect our reported results of operations or financial condition. This may have a material adverse effect on the amount of income recognized during that period and in the corresponding (restated) period in the comparative Fiscal/period.

59. ***Financial difficulty and other problems in certain long-term lending institutions and investment institutions in India could have a negative impact on our business.***

We are exposed to the risks of the Indian financial system which may be affected by the financial difficulties faced by certain Indian financial institutions because the commercial soundness of many financial institutions may be closely related as a result of credit, trading, clearing or other relationships. This risk, which is referred to as "systemic risk," may adversely affect financial intermediaries, such as clearing agencies, banks, securities firms and exchanges with whom we interact on a daily basis. Our transactions with these financial institutions expose us to credit risk in the event of default by the counter party, which can be exacerbated during periods of market illiquidity. As the Indian financial system operates within an emerging market, we face risks of a nature and extent not typically faced in more developed economies, including the risk of deposit runs notwithstanding the existence of a national deposit insurance scheme. The problems faced by individual Indian financial institutions and any instability in or difficulties faced by the Indian financial system generally could create adverse market perception about Indian financial institutions and banks. This in turn could adversely affect our business, financial condition, results of operations and cash flows.

60. ***Political instability or changes in the Government could adversely affect economic conditions in India generally and our business in particular.***

Our business, and the market price and liquidity of our Equity Shares, may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. Elimination or substantial change of policies or the introduction of policies that negatively affect the Company's business could cause its results of operations to suffer. Any significant change in India's economic policies could disrupt business and economic conditions in India generally and the Company's business in particular.

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

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

62. ***Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.***

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the Mumbai terrorist attacks and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade as well the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

PROMINENT NOTES

a) The Public Issue of 33,33,000 Equity Shares of face value of Rs. 10/- each fully paid for cash at a price of Rs. 140/- per Equity Share aggregating Rs. 4666.20 Lakhs ("the Issue"). Issue of Equity Shares will constitute 26.41% of the fully diluted Post-Issue paid up capital of our Company. For more information, please refer to chapter titled "The Issue" on page 58 of this Draft Prospectus.

b) The net worth and book value of our Company is as under: (Rs. in Lakhs)

Sr. No.	Particulars	Financial Statement	As on March 31,		
			2017	2016	2015
1.	Net worth	Standalone*	2332.03	2188.73	2093.47
		Consolidated	2318.77	2188.73	2093.47
2.	Book Value	Standalone*	42.38	39.78	41.54
		Consolidated	42.14	39.78	41.54

**excluding share application money pending allotment.*

The Net worth and Book value for both Standalone & Consolidated restated financials for year ended March 31, 2016 and 2015 are same since our subsidiaries were incorporated in financial year 2016-17 and had acquired one of oursubsidiary in April 2017. For more information, please refer to section titled "Financial Statements" beginningon page 216 of this Draft Prospectus.

c) The average cost of acquisition of per Equity Shares by our Promoters, which has been calculated by taking the average amount paid by them to acquire our Equity Shares, is as follows:

Name of the Promoters	No. of Shares held	Average cost of Acquisition (in Rs.)
Mr. Amarjit Singh Kalra	38,39,595	50.14
Ms. Surinder Kaur Kalra	24,41,783	43.79

d) For details of Related Party Transactions entered into by our Company, please refer to the chapter titled "Related *Party Transactions*" beginning on page 214 of this Draft Prospectus.

e) Except as disclosed in the chapter titled "*Capital Structure*", "*Our Promoters and Promoter Group*" and "*Our Management*" beginning on page 69, 183 and 167 respectively, of this Draft Prospectus, none of our Promoters, Directors or Key Management Personnel have any interest in our Company.

f) Except as disclosed in the chapter titled "*Capital Structure*" beginning on page 69 of this Draft Prospectus, we have not issued any Equity Shares for consideration other than cash.

g) Investors may contact the LMs or the Compliance Officer for any clarification / complaint or information relating to the Issue, which shall be made available by the LMs and our Company to the investors at large. No selective or additional information will be available for a section of investors in any manner whatsoever. For contact details of the LMs and the Compliance Officer, please refer to the chapter titled "*General Information*" beginning on page 59 of this Draft Prospectus.

h) Investors are advised to refer to chapter titled "*Basis for Issue Price*" on page 105 of this Draft Prospectus.

i) Trading and Allotment in Equity Shares for all investors shall be in dematerialized form only.

j) There are no financing arrangements whereby the Promoter Group, the Directors of our Company who are the Promoters of our Company, the Independent Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company during the period of six months immediately preceding the date of filing of this Draft Prospectus.

k) Except as stated in the chapter titled "*Our Group Entities*" beginning on page 196 and chapter titled "Related Party Transactions" beginning on page 214 of this Draft Prospectus, our Group Entities have no business interest or other interest in our Company.

l) Investors may note that in case of over-subscription in the Issue, allotment to Retail applicants and other applicants shall be on a proportionate basis. For more information, please refer to the chapter titled "Issue Structure" beginning on page 346 of this Draft Prospectus.

SECTION III – INTRODUCTION

SUMMARY OF OUR INDUSTRY

OVERVIEW OF INDIAN ECONOMY

India's diverse economy encompasses traditional village farming, modern agriculture, handicrafts, a wide range of modern industries, and a multitude of services. Slightly less than half of the work force is in agriculture, but services are the major source of economic growth, accounting for nearly two-thirds of India's output but employing less than one-third of its labor force. India has capitalized on its large educated English-speaking population to become a major exporter of information technology services, business outsourcing services, and software workers.

Thus, the country is attracting many global majors for strategic investments owing to the presence of vast range of industries, investment avenues and a supportive government. Huge population, mostly comprising the youth, is a strong driver for demand and an ample source of manpower.

With more than 1.33 billion people and the world's fourth-largest economy, India's recent growth and development has been one of the most significant achievements of our times. Over the six and half decades since independence, the country has brought about a landmark agricultural revolution that has transformed the nation from chronic dependence on grain imports into a global agricultural powerhouse that is now a net exporter of food. Life expectancy has more than doubled, literacy rates have quadrupled, health conditions have improved, and a sizeable middle class has emerged. India is now home to globally recognized companies in pharmaceuticals and steel and information and space technologies, and a growing voice on the international stage that is more in keeping with its enormous size and potential.

GDP and Other Indicators

According to the data released by the Central Statistics Office (CSO), the Gross Value Added (GVA) slipped sharply to 6.6% in 2017 ended March 31, from 7.9% growth in 2015-16. The demonetisation seems to have impacted the GVA in the third as well as fourth quarter of 2016-17 which slipped to 6.7% and 5.6% respectively, from 7.3% and 8.7% in the same quarter of 2015-16.

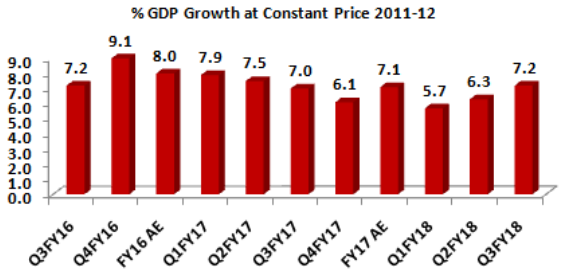
Almost all sectors, with the exception of agriculture, showed deceleration in the aftermath of demonetisation. While the manufacturing sector output in the fourth quarter slowed to 5.3% versus 12.7% in the same period of last year, the construction sector slipped into the negative territory.

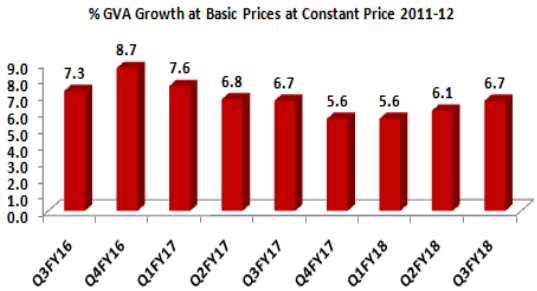
India's GDP (Gross Domestic Product) growth has recovered to 6.3% in the second quarter from a three-year low of 5.7% in first quarter, said the Ministry of Statistics and Programme Implementation (MOSPI).

The Indian economy grew at five-quarter high of 7.2% in the Q3FY18 reflecting overall recovery due to good show by agriculture, manufacturing, construction and certain services.The economy is expected to grow at 6.6% in the current fiscal ending March 31, as per the second advanced estimates of the Central Statistics Office (CSO), compared to 7.1% in 2016-17.The earlier estimate was 6.5%.The growth for the second quarter (July-September) has been revised upwards to 6.5%, from 6.3% estimated earlier by the CSO.

The previous high was recorded at 7.5% in the July-September quarter of 2016-17.

http://www.business-standard.com/article/economy-policy/india-s-q3fy18-gdp-growth-rises-to-five-quarter-high-of-7-2-118022800777_1.html





Source RBI

INDUSTRY OVERVIEW

Global Loudspeaker, Wireless Audio, Home Audio and Sound Reinforcement Market Overview

A) Global Loudspeaker Market Size To Reach USD 8.48 Billion By 2025

The global loudspeaker market is estimated to reach USD 8.48 billion by 2025, according to a new report by Grand View Research, Inc. Increasing middle class population and rising disposable income is expected to propel industry growth. Rising in-home entertainment, decreasing sound quality of the television owing to reduction in size and growing entertainment spending is anticipated to boost industry over the forecast period.

Technological advancements in design, sound quality, size and power, and new product introduction are anticipated to drive demand over the next seven years. The increasing popularity of wireless streaming of audio content among consumer is also expected to boost demand over the forecast period.

Further key Facts:

- Type of loudspeakers available in market includes satellite/subwoofer, soundbar, in-wall speaker, multimedia speaker, outdoor speaker, and subwoofers. The soundbar segment is anticipated to grow at a CAGR over 8% from 2016 to 2025. Growing number of the smart home is anticipated to offer growth opportunities for soundbar market over the next seven years.

- Consumers use computers and laptops for watching movies and playing gaming and it has become an accepted pastime for people. The consumers are anticipated to upgrade their systems for better sound quality or sound experience. With an increase in availability of downloadable music or growing penetration of online buffering sites such as YouTube and Dailymotion, consumers are expected to upgrade their multimedia speakers.

- North America and Europe is anticipated to be key region over the forecast period owing to growing popularity of in-home entertainment. Asia Pacific loudspeaker market is expected to witness tremendous growth owing to increasing disposable income and rising population. India and China are expected to the major region over the next seven years owing to high consumer base and growing popularity of soundbar in the region.

- Key industry players include Bose Corporation, Harman International Industries Inc., B&W Group Ltd., Audiovox Corporation, Boston Acoustics Inc., Creative Labs Inc, and Directed Electronics Inc. Other vendors include Altec Lansing, , KLH Audio Systems, Klipsch Group Inc., Yamaha Corporation of America, Cambridge Sound Works Inc., Sonance, Speaker Craft Inc., and Velodyne Acoustics Inc.

https://www.grandviewresearch.com/press-release/global-loudspeaker-market

B) Wireless Audio Market

The wireless audio market is expected to grow from USD 16.13 Billion in 2016 to USD 31.80 Billion by 2023, at a CAGR of 10.06% between 2017 and 2023. Factors such as increasing demand for smartphones as a source of entertainment, consumer preferences for portable devices, and advancements in wireless technologies are driving the growth of the market.

Wireless audio market for headsets to grow at a high rate between 2017 and 2023

The latest headsets, available in the market, are equipped with the latest version of Bluetooth smart chip. This chip helps in reducing the power consumption when listening to music and improving the range and quality of the sound. Also, the latest smartphones support near field communication (NFC) connectivity, which enables pairing of devices with a single tap. With further developments in the wireless technology, vendors would enhance their products with better connectivity and battery life; this is likely to drive the growth of the market for headsets. Moreover, wireless headsets and microphones keep the users' hands free; owing to which, the user can perform other tasks.

Americas to hold the largest share of the wireless audio market in 2017

The wireless audio market in the Americas is likely to be driven by the increase in sale and installation of home entertainment devices. The growing population of music listeners, increasing digital music sales, and popularity of the audio & video entertainment segment are expected to influence the regional market positively over the next decade. The US is at the forefront of installing and buying the upcoming technologies such as wireless speakers and home entertainment systems.

The competition in the wireless audio market is high because of the presence of a large number of players. Some of the key players in the wireless audio market are Apple Inc. (US), Samsung Electronics Co., Ltd. (South Korea), Sony Corporation (Japan), Bose Corporation (US), Sonos. Inc. (US), DEI Holdings, Inc. (US), Harman International Industries, Incorporated (US), Sennheiser electronic GmbH & Co. KG (Germany), VIZIO, Inc.(US), and Voxx International Corporation (US).

https://www.marketsandmarkets.com/PressReleases/wireless-audio-device.asp

SUMMARY OF OUR BUSINESS

BACKGROUND

Mr. Surinder Singh Kalra, father of one of our promoters - Mr. Amarjit Singh Kalra, ventured in the field of electronics as a small-time goods dealer in the year of 1984 in Kolkata. The integration of hard work and knowledge, his lineage, Mr. Amarjit Singh Kalra, successfully established the business, as a manufacturer and exporter of PA systems to many parts of the world in the overall span of 33 years. The brand "5CORE"– established in 1988 – became the first to introduce multi-core soldering wire of Japanese Technology in India. The father and son duo continued their journey towards making of electronic items in Kolkata.

As the business expanded, Five Core Electronics Limited was incorporated in 2002 in Kolkata. to manufacture as well as export PA systems. Our Company was founded to enter the audio era with innovative products driven by the needs of professional customers reflecting our commitment to the industry with the use of advanced technology and techniques in the field of Audio Systems. The family shifted to Delhi in year 2002-03 and first unit was established in Fateh Nagar, Delhi on a rented premise. Soon, after a year, the business growth warranted expansion and hence new premise was taken on lease by our Company at C-116, Fateh Nagar, Delhi. Our focus had been on exports in our own brand name – 5CORE. Improved engineering and aggressive marketing made a significant impact on our sales. In the year 2008-09, another factory was established in Bhiwadi and product portfolio was expanded. Today we manufacture and export whole range of Public Address Systems - Woofers, Amplifiers, Computer Speakers, Personal Speaker System, Headphones and Earphones. In the year 2016-17, another expansion was done in RIICO, Industrial Area, Sare Khurd, Bhiwadi, Alwar with most modern machines and technology.Our Company has also been trading in fabric.

Our promoters viz. Mr. Amarjit Singh Kalra and Mrs. Surinder Kaur Kalra, have been performing and engineering live-sound. Our promoters through their far sightedness and hard work has made our company one of the most respected manufacturers in the PA systems industry. By providing solutions that incorporate these industry standard products, our Promoters strive to provide our customers with practical, long lasting, cost-effective PA system solutions. Their aspiration is to make the customer, very happy while establishing long-term relationships and loyalty.

OVERVIEW

Established in 2002 by principals with a background in electronics, 5CORE has grown into one of the world's leading suppliers of commercial PA system products. Our Company is committed to develop creative, reliable and value-oriented PA systems and distributing it worldwide with an uncompromising level of service and support. We facilitate public address system to commercial segment which helps in reinforcing sound. These user-friendly systems are easy to install, operate and maintain, and are offered with comprehensive warranties and after sale services. 5CORE products have been developed to meet countless requirements and are suitable for small, medium as well as large venues including factories, schools, religious places, banks, restaurants, office buildings, workshops, shopping malls, meeting halls and boardrooms, etc. Based in New Delhi our company continues to prosper fulfilling the requirements of customers from many different market sectors and backgrounds.

Our professional team of sound engineers, software engineers, industrial design engineers and simulation and application engineers work tirelessly in developing innovative PA equipment with exceptional sound quality and robust designs. Our legacy of product development and innovation is reflected through our foray into new technologies and the number of industry firsts we've achieved. Our staff's skill ranges from top quality studio recording to electrical engineering. We pride ourselves in the training and practicality of our staff and always do our best to make sure that if we can expand our skill set to make us better serve our customers we will. From musicians to sound engineers and system designers our staff lives sound and we do our best to keep up with the

constantly expanding library of knowledge in sound & sound equipment so that we can always be here to use that knowledge for customer's benefit.

As audio engineers and professionals, our ears are our most important tools. Our sales staff is trained to listen first to the needs and requirements of our customers, and then use our expertise to design sound systems that best suit our customer's application criteria and budget.

5CORE has taken giant leaps right from the moment of technology. The remarkable progress of the company is based on the strong foundation of innovation, organized systems, and quality that form the core element of its product range. Notably, 5CORE has become a leading manufacturer of Public Address Systems in the country and has a strong presence in the overseas market in African Continent, UAE, South America, Singapore, Dubai, Bangladesh, Vietnam Nepal, to name a few. Our products are sold in 56 countries across 6 continents through a network of over 350 distributors and dealers. In India we are present in 17 States through a distributor and dealer network of more than 240 in different zones. Our Company has also opened showrooms in Dehradun, Saharanpur, Chomu, Guwahati, Jeopur, Patna, Raxaul, Bhagalpur, Calicut and Hyderabad which are run by our dealers.

5CORE is coined from the word "Join" to symbolize the pleasing effect experienced by the customers from our innovative products. The rationale behind every 5CORE product is based on the "5R" core principle.

- Reliability: Establish new standards in terms of consistency and performance.
- Reach: To be on every corner of the world map.
- Responsibility: Being highly accountable in our effort to provide excellent products and professional service.
- Reasonable: Offering dynamic products at an economical price as to suit every customer.
- Research: Keep exploring & innovating and use advanced technologies to produce high quality PA products.

OUR COMPETITIVE STRENGTHS

We believe the following competitive strengths contribute to our success and position us well for future growth:

- **Experienced promoters**

  Our promoters Mr. Amarjit Singh Kalra and Ms. Surinder Kaur Kalrahave vast experience in the field of production, engineering and manufacturing of PA Equipment, regulatory requirements, marketing & business development. They have played a key role in developing our business and we benefit from their industry expertise, vision and leadership. Our Company is dedicated towards quality of our products which has helped us to maintain long term relations with our customers and has also facilitated us to entrench with new customers.

- **Product innovation and design capabilities**

  5 Core has long viewed as an innovative company that is capable of producing well designed and thought products. This is proven by the many accolades the company has received over the years.

- **Brand Value**

  Over the years, 5CORE has acquired ground breaking technology that has allowed us to improve the sound and quality of their PA systems. This technology leadership has allowed us to build a very strong brand image in the marketplace and has also helped to establish us as a frontrunner in the PA systems market.

- **Strong and extensive distribution channels across 56 countries**

  5CORE's strength is its extensive distribution channels across world. Our products are sold in 56 countries. We are well-known for employing multiple channels to deliver our products to customers. We also offer sound after sale service through wide distribution network.

- **Quality Assurance**

  The Quality department is divided into Input Quality Control, Process Quality Control and Output Quality Control. The team interacts with customers in case of non-compliance as per their standard customer complaints handling procedure. The department is equipped with modern test equipment and carries out tests as per International standards.

- **Strong Customer Base**

  Our company has strong customer base including our established relationships with customers leading to stability of demand. We have several reputed domestic and international clients. We constantly try to address our **customer's nee**ds. This has helped us to maintain a long term working relationship with our customers and improve our client retention strategy.

- **Wide range of Products**

  We are mainly engaged in manufacturing of Public Address Systems, Woofers, Amplifiers, Computer Speakers, Personal Speaker System, Headphones and Earphones. Our product portfolio consists of wide range of products which differentiate us from other companies. With our Broad product portfolio encompassing a wide spectrum of PA systems product portfolio, our company is able to cater to the demand of both domestic as well as international markets.

SUMMARY OF FINANCIAL STATEMENTS

ANNEXURE – I : RESTATED STANDALONE STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Lakhs)

Sr. No.	Particulars	Note No.	Dec 31 2017	As at 31st March				
				2017	2016	2015	2014	2013
A.	**Equity and Liabilities**							
1	**Shareholders' Funds**							
	Share Capital	**I.1**	928.76	550.27	550.27	550.27	502.84	471.22
	Reserves & Surplus	**I.2**	4,466.58	1,781.76	1,638.46	1,543.20	1,195.35	857.26
	Share application money pending allotment		-	1,234.25	-	-	-	220.90
2	**Non-Current Liabilities**							
	Long-Term Borrowings	**I.3**	542.36	1,340.17	679.65	58.33	130.49	86.68
	Other Non Current Liabilities	**I.4**	20.83	12.16	-	-	-	-
	Deferred Tax Liabilities (Net)	**I.12**	-	-	-	-	0.77	-
3	**Current Liabilities**							
	Short Term Borrowings	**I.5**	2,308.28	2,246.79	1,522.77	881.01	1,376.43	290.80
	Trade Payables	**I.6**	1,208.95	162.50	109.80	131.46	275.39	374.52
	Other Current Liabilities	**I.7**	353.28	320.26	331.73	146.11	110.91	36.86
	Short Term Provisions	**I.8**	193.52	43.91	19.45	10.52	11.91	12.46
	Total		**10,022.56**	**7,692.07**	**4,852.13**	**3,320.90**	**3,604.09**	**2,350.70**
B.	**Assets**							
1	**Non Current Assets**							
	Fixed Assets							
	Tangible Assets	**I.9**	1,285.12	1,165.08	407.25	362.35	411.55	365.06
	Intangible Assets		-	-	-	-	-	-
	Capital Work In Progress		-	-	-	-	-	-
	Non-Current Investments	**I.10**	1,438.71	5.98	-	-	-	-
	Long Term Loans and Advances	**I.11**	1.12	0.86	603.82	6.93	11.18	11.98
	Deferred Tax Assets (Net)	**I.12**	32.11	30.11	17.30	10.29	-	0.05
2	**Current Assets**							
	Inventories	**I.13**	4,223.88	3,623.88	2,486.71	1,707.07	1,981.92	1,104.87
	Trade Receivables	**I.14**	537.21	829.85	40.96	240.29	379.11	279.15
	Cash and Cash Equivalents	**I.15**	1,287.04	1,238.24	621.01	202.06	166.41	75.76
	Short-term loans and advances	**I.16**	1,217.37	798.07	675.08	791.91	653.92	513.83
	Total		**10,022.56**	**7,692.07**	**4,852.13**	**3,320.90**	**3,604.09**	**2,350.70**

ANNEXURE – II :RESTATED STANDALONE STATEMENT OF PROFIT AND LOSS

(Rs. in Lakhs)

Sr. No	Particulars	Note No.	Dec 31 2017	For The Year Ended March 31,				
				2017	2016	2015	2014	2013
A.	**Revenue:**							
	Revenue from Operations	**II.1**	15,185.01	16,963.66	12,254.30	11,315.02	11,166.53	8,553.78
	Other income	**II.2**	71.98	98.09	39.89	34.29	13.52	4.56
	Total revenue		**15,256.99**	**17,061.75**	**12,294.19**	**11,349.31**	**11,180.05**	**8,558.34**
B.	**Expenses:**							
	Material Consumed	**II.3**	9,266.14	13,581.25	8,829.42	9,252.13	10,567.42	7,335.40
	Purchase of Stock in Trade		3,322.78	1,741.36	2,213.53	508.43	514.62	141.54
	Changes in Inventories	**II.4**	314.94	(432.05)	(293.91)	236.94	(1,054.08)	195.87
	Employee Benefit Expenses	**II.5**	673.15	749.59	573.06	490.74	402.26	239.22
	Finance Costs	**II.6**	288.16	370.18	232.67	178.07	146.57	98.65
	Depreciation	**II.7**	113.23	112.35	81.03	84.95	44.65	36.41
	Other Expenses	**II.8**	660.03	722.99	510.40	482.49	431.13	401.12
	Total Expenses		**14,638.43**	**16,845.67**	**12,146.20**	**11,233.75**	**11,052.57**	**8,448.21**
	Profit/(Loss) before exceptional items and tax		**618.56**	**216.08**	**147.99**	**115.56**	**127.48**	**110.13**
	Less/(Add) : Exceptional Items	**II.9**	-	-	2.22	11.84	0.39	-
	Profit before tax		**618.56**	**216.08**	**145.77**	**103.72**	**127.09**	**110.13**
	Tax expense :							
	Current tax		206.70	80.19	57.52	48.50	41.16	35.90
	Deferred Tax		(2.01)	(12.80)	(7.01)	(11.06)	0.82	(0.21)
	Profit/(Loss) for the year		**413.87**	**148.69**	**95.26**	**66.28**	**85.11**	**74.44**
	Earning per equity share in Rs.:							
	(1) Basic		4.52	2.70	1.73	1.32	1.73	1.60
	(2) Diluted		4.52	2.70	1.73	1.32	1.73	1.60

ANNEXURE – III : RESTATED STANDALONE STATEMENT OF CASH FLOWS

(Rs. in Lakhs)

Particulars	Dec 31 2017	For The Year Ended March 31,				
		2017	2016	2015	2014	2013
A. CASH FLOW FROM OPERATING ACTIVITIES						
Profit/ (Loss) before tax	**618.56**	**216.08**	**145.77**	**103.72**	**127.09**	**110.13**
Adjustments for:						
Depreciation/ Amortization	113.23	112.35	81.03	84.95	44.65	36.41
Interest Expense	259.26	320.81	191.78	160.12	126.96	88.18
Interest/ Other Income Received	(57.72)	(80.87)	(24.37)	(6.06)	(6.45)	(3.80)
(Profit)/Loss on Sale of Fixed Assets	-	-	(2.85)	-	0.39	-
Others	9.52	7.28				
Operating profit before working capital changes	**942.85**	**575.65**	**391.36**	**342.73**	**292.64**	**230.92**
Movements in working capital :						
(Increase)/ Decrease in Inventories	(600.00)	(1,137.17)	(779.64)	274.85	(877.05)	131.43
(Increase)/Decrease in Trade Receivables	292.64	(788.89)	199.33	138.82	(99.96)	17.56
(Increase)/Decrease in Long Term Loans & Advances	(0.26)	602.96	(596.89)	4.25	0.80	(1.00)
(Increase)/Decrease in Short Term Loans & Advances	(419.30)	(122.99)	116.83	(137.99)	(140.09)	(160.81)
Increase/(Decrease) in Trade Payables	1,046.45	52.70	(21.66)	(143.93)	(99.13)	277.86
Increase/(Decrease) in Other Current Liabilities	33.02	(11.47)	185.62	35.20	74.05	19.17
Cash generated from operations	**1,295.40**	**(829.21)**	**(505.05)**	**513.93**	**(848.74)**	**515.13**
Income tax paid during the year	(57.96)	(56.22)	(48.60)	(49.88)	(41.72)	(25.71)
Net cash from operating activities (A)	**1,237.44**	**(885.43)**	**(553.65)**	**464.05**	**(890.46)**	**489.42**
B. CASH FLOW FROM INVESTING ACTIVITIES						
Purchase of Fixed Assets	(233.24)	(870.21)	(141.07)	(38.76)	(91.81)	(123.88)
Sale of Fixed Assets	-	-	18.00	-	0.29	-
Purchase/(Sale) of Long Term Investments	(1,432.73)	(5.98)	-	-	-	
Interest Received / Other Income	57.72	80.87	24.37	6.06	6.45	3.80
Net cash from investing activities (B)	**(1,608.25)**	**(795.32)**	**(98.70)**	**(32.70)**	**(85.07)**	**(120.08)**

C. CASH FLOW FROM FINANCING ACTIVITIES						
Share Capital Issued (including premium)	2,649.44	-	-	332.00	284.60	185.81
Share Application Money Received (Net)	(1,234.25)	1,234.25	-	-	(220.90)	35.08
Proceeds/(Repayment) of Borrowings	(736.32)	1,384.54	1,263.08	(567.58)	1,129.44	(464.06)
Interest paid on borrowings	(259.26)	(320.81)	(191.78)	(160.12)	(126.96)	(88.18)
Net cash from financing activities (C)	**419.61**	**2,297.98**	**1,071.30**	**(395.70)**	**1,066.18**	**(331.35)**
Net increase in cash and cash equivalents (A+B+C)	**48.80**	**617.23**	**418.95**	**35.65**	**90.65**	**37.99**
Cash and cash equivalents at the beginning of the year	1,238.24	621.01	202.06	166.41	75.76	37.77
Cash and cash equivalents at the end of the year	**1,287.04**	**1,238.24**	**621.01**	**202.06**	**166.41**	**75.76**

ANNEXURE – I : RESTATED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Lakhs)

Sr. No.	Particulars	Note No.	Dec 31 2017	As at 31st March				
				2017	2016	2015	2014	2013
A.	**Equity and Liabilities**							
1	**Shareholders' Funds**							
	Share Capital	**I.1**	928.76	550.27	550.27	550.27	502.84	471.22
	Reserves & Surplus	**I.2**	5,060.37	1,768.50	1,638.46	1,543.20	1,195.35	857.26
	Minority Interest		0.67	0.67				
	Share Application Money Pending Allotment		-	1,234.25	-	-	-	220.90
2	**Non-Current Liabilities**							
	Long-Term Borrowings	**I.3**	1,780.84	1,350.66	679.65	58.33	130.49	86.68
	Long Term Provisions	**I.4**	20.83	12.16	-	-	-	-
	Deferred Tax Liabilities (Net)	**I.12**	-	-	-	-	0.77	-
3	**Current Liabilities**							
	Short Term Borrowings	**I.5**	3,488.52	2,246.79	1,522.77	881.01	1,376.43	290.80
	Trade Payables	**I.6**	4,475.14	162.50	109.80	131.46	275.39	374.52
	Other Current Liabilities	**I.7**	430.09	326.08	331.73	146.11	110.91	36.86
	Short Term Provisions	**I.8**	291.37	43.92	19.45	10.52	11.91	12.46
	Total		**16,476.59**	**7,695.80**	**4,852.13**	**3,320.90**	**3,604.09**	**2,350.70**
B.	**Assets**							
1	**Non-Current Assets**							
	Fixed Assets							
	Tangible Assets	**I.9**	1,693.47	1,165.08	407.25	362.35	411.55	365.06
	Intangible Assets		428.25	-	-	-	-	-
	Capital Work In Progress		-	-	-	-	-	-
	Non-Current Investments	**I.10**	-	-	-	-	-	-
	Long Term Loans and Advances	**I.11**	8.81	0.86	603.82	6.93	11.18	11.98
	Deferred Tax Assets (Net)	**I.12**	32.11	30.11	17.30	10.29	-	0.05
2	**Current Assets**							
	Inventories	**I.13**	6,776.42	3,623.88	2,486.71	1,707.07	1,981.92	1,104.87
	Trade Receivables	**I.14**	3,119.14	829.85	40.96	240.29	379.11	279.15
	Cash and Cash Equivalents	**I.15**	2,315.70	1,247.97	621.01	202.06	166.41	75.76
	Short-Term Loans and Advances	**I.16**	2,102.69	798.05	675.08	791.91	653.92	513.83
	Other Current Assets	**I.17**	-	-	-	-	-	-
	Total		**16,476.59**	**7,695.80**	**4,852.13**	**3,320.90**	**3,604.09**	**2,350.70**

ANNEXURE – II : RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(Rs. in Lakhs)

Sr. No	Particulars	Note No.	Dec 31 2017	For The Year Ended March 31,				
				2017	2016	2015	2014	2013
A.	**Revenue:**							
	Revenue from Operations	**II.1**	24,387.05	16,967.17	12,254.30	11,315.02	11,166.53	8,553.78
	Other Income	**II.2**	173.68	98.09	39.89	34.29	13.52	4.56
	Total Revenue		**24,560.73**	**17,065.26**	**12,294.19**	**11,349.31**	**11,180.05**	**8,558.34**
B.	**Expenses:**							
	Direct Expenses	**II.3**	15,337.43	13,581.25	8,829.42	9,252.13	10,567.42	7,335.40
	Purchase of Stock in Trade		7,448.27	1,741.72	2,213.53	508.43	514.62	141.54
	Changes in Inventories	**II.4**	(1,893.94)	(432.05)	(293.91)	236.94	(1,054.08)	195.87
	Employee Benefit Expenses	**II.5**	807.09	751.29	573.06	490.74	402.26	239.22
	Finance Costs	**II.6**	525.75	370.21	232.67	178.07	146.57	98.65
	Depreciation and Amortization	**II.7**	177.57	122.23	81.03	84.95	44.65	36.41
	Other Expenses	**II.8**	829.39	727.80	510.40	482.49	431.13	401.12
	Total Expenses		**23,231.56**	**16,862.45**	**12,146.20**	**11,233.75**	**11,052.57**	**8,448.21**
	Profit/(Loss) before exceptional items and tax		**1,329.17**	**202.81**	**147.99**	**115.56**	**127.48**	**110.13**
	Less/(Add) : Exceptional Items	**II.9**	-	-	2.22	11.84	0.39	-
	Profit before tax		**1,329.17**	**202.81**	**145.77**	**103.72**	**127.09**	**110.13**
	Tax expense :							
	Current Tax		310.08	80.19	57.52	48.50	41.16	35.90
	Deferred Tax		(2.01)	(12.80)	(7.01)	(11.06)	0.82	(0.21)
	Profit/(Loss) for the period/ year		**1,021.10**	**135.42**	**95.26**	**66.28**	**85.11**	**74.44**
	Less: Minority Interest		0.01	0.01				
	Profit/(Loss) for the period/ year		**1,021.09**	**135.41**	**95.26**	**66.28**	**85.11**	**74.44**
	Earning per equity share in Rs.:							
	(1) Basic		11.15	2.46	1.73	1.32	1.73	1.60
	(2) Diluted		11.15	2.46	1.73	1.32	1.73	1.60

ANNEXURE – III : RESTATED CONSOLIDATED STATEMENT OF CASH FLOWS

(Rs. in Lakhs)

Particulars	Dec 31 2017	For The Year Ended March 31,				
		2017	2016	2015	2014	2013
A. CASH FLOW FROM OPERATING ACTIVITIES						
Profit/ (Loss) before tax	**1,329.17**	**202.81**	**145.77**	**103.72**	**127.09**	**110.13**
Adjustments for:						
Depreciation and Amortisation	177.57	122.23	81.03	84.95	44.65	36.41
Interest Expense	496.44	320.81	191.78	160.12	126.96	88.18
Interest/ Other Income Received	(155.90)	(80.87)	(24.37)	(6.06)	(6.45)	(3.80)
Profit/(Loss) on Sale of Fixed Assets	-	-	(2.85)	-	0.39	-
Others	9.52	(2.60)				
Operating profit before working capital changes	**1,856.80**	**562.38**	**391.36**	**342.73**	**292.64**	**230.92**
Movements in working capital :						
(Increase)/ Decrease in Inventories	(3,152.54)	(1,137.17)	(779.64)	274.85	(877.05)	131.43
(Increase)/Decrease in Trade Receivables	(2,289.29)	(788.89)	199.33	138.82	(99.96)	17.56
(Increase)/Decrease in Loans and Advances	(7.95)	602.96	(596.89)	4.25	0.80	(1.00)
(Increase)/Decrease in Short Term Loans & Advances	(1,304.64)	(122.97)	116.83	(137.99)	(140.09)	(160.81)
Increase/(Decrease) in Trade Payables	4,312.64	52.70	(21.66)	(143.93)	(99.13)	277.86
Increase/(Decrease) in Other Current Liabilities	104.01	(5.65)	185.62	35.20	74.05	12.54
Cash generated from operations	**(480.97)**	**(836.64)**	**(505.05)**	**513.93**	**(848.74)**	**508.50**
Income tax paid during the year	(63.51)	(56.22)	(48.60)	(49.88)	(41.72)	(25.71)
Net cash from operating activities (A)	**(544.48)**	**(892.86)**	**(553.65)**	**464.05**	**(890.46)**	**482.79**
B. CASH FLOW FROM INVESTING ACTIVITIES						
Purchase/ (Sale) of Fixed Assets	(503.50)	(870.21)	(141.07)	(38.76)	(91.81)	(123.88)
Sale of Fixed Assets	-	-	18.00	-	0.29	-
Purchase/ (Sale) of Long Term Investments	-	-	-	-	-	-
Increase in Fixed Assets on account of new Subsidiary	(630.68)					
Interest Received / Other Income	155.90	80.87	24.37	6.06	6.45	3.80
Net cash from investing activities (B)	**(978.28)**	**(789.34)**	**(98.70)**	**(32.70)**	**(85.07)**	**(120.08)**

C. CASH FLOW FROM FINANCING ACTIVITIES						
Share Capital Issued (including Security Premium)	2,649.44	-	-	332.00	284.60	185.81
Share Application Money Received (Net)	(1,234.25)	1,234.25	-	-	(220.90)	35.08
Proceeds/(Repayment) of Borrowings	1,671.91	1,395.03	1,263.08	(567.58)	1,129.44	(457.43)
Interest paid on borrowings	(496.44)	(320.81)	(191.78)	(160.12)	(126.96)	(88.18)
Minority Interest	-	0.67				
Foreign Currency Translation Reserve	(0.17)	0.02				
Net cash from financing activities (C)	**2,590.49**	**2,306.16**	**1,071.30**	**(395.70)**	**1,066.18**	**(324.72)**
Net increase in cash and cash equivalents (A+B+C)	**1,067.73**	**626.96**	**418.95**	**35.65**	**90.65**	**37.99**
Cash and cash equivalents at the beginning of the year	1,247.97	621.01	202.06	166.41	75.76	37.77
Cash and cash equivalents at the end of the year	**2,315.70**	**1,247.97**	**621.01**	**202.06**	**166.41**	**75.76**

THE ISSUE

Particulars	Number of Equity Shares
Equity Shares Offered	33,33,000 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of Rs. 140/- per Equity Share aggregating Rs. 4666.20 lakhs.
Fresh Issue Consisting of	
Issue Reserved for Market Maker	1,69,000 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of Rs. 140/- per Equity Share aggregating Rs. 236.60 lakhs.
Net Issue to the Public	31,64,000 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of Rs. 140/- per Equity Share aggregating Rs. 4429.60 lakhs.
	of which:
	15,82,000 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of Rs. 140/- per Equity Share will be available for allocation to investors up to Rs. 2.00 Lakhs
	15,82,000 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of Rs. 140/- per Equity Share will be available for allocation to investors above Rs. 2.00 Lakhs
Equity Shares outstanding prior to the Issue	92,87,622 Equity Shares
Equity Shares outstanding after the Issue	1,26,20,622 Equity Shares
Objects of the Issue	See the chapter titled "Objects of the Issue" on page 97 of this Draft Prospectus.

The Fresh Issue has been authorized by the Board of Directors and the Shareholders, pursuant to their resolution dated January 30, 2018 and January 30, 2018, respectively.

This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. For further details please see the section titled "Issue Related Information" beginning on page 342 of this Draft Prospectus. The Issue is being made through the Fixed Price Process and hence, as per Regulation 43, sub regulation (4) of SEBI (ICDR) Regulations, the allocation in the net issue to public category shall be made as follows:

(a) Minimum fifty percent to retail individual investors; and

(b) remaining to:

(i) individual applicants other than retail individual investors; and

(ii) other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

(c) the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in the other category

If the retail individual investor category is entitled to more than fifty per cent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.

For further details please refer to chapter titled "Issue Structure" beginning on page 346 of this Draft Prospectus.

GENERAL INFORMATION

Our Company was incorporated as Five Core Electronics Limited under the provisions of the Companies Act, 1956 vide certificate of incorporation dated April 11, 2002 in West Bengal, Kolkata. Subsequently, our company was shifted from the State of West Bengal to State of NCT of Delhi & Haryana by an order of the Company Law Board dated April 26, 2006 and certificate of registration for the said order issued by Deputy Registrar of Companies, West Bengal, Kolkata dated May 29, 2006.

For further details please refer to chapter titled 'Our History and Certain Other Corporate Matters' beginning on Page 162 of this Draft Prospectus.

REGISTERED OFFICE OF OUR COMPANY

FIVE CORE ELECTRONICS LIMITED

WZ-15B, Ground Floor,

Uggarsain Market, Ashok Nagar,

New Delhi - 110018

Tel: +91 11 28128000 (100 lines)

Fax: +91 11 28128011

E-mail: investcare@5core.in

Website: www.5core.com

Registration Number: 148250

Corporate Identification Number: U32109DL2002PLC148250

REGISTRAR OF COMPANIES

REGISTRAR OF COMPANIES, NCT OF DELHI & HARYANA

4th Floor, IFCI Tower,

61, Nehru Place, New Delhi - 110019

Website-www.mca.gov.in

DESIGNATED STOCK EXCHANGE

NATIONAL STOCK EXCHANGE OF INDIA LIMITED (EMERGE PLATFORM)

Exchange Plaza, Plot No. C/1, G Block,

Bandra - Kurla Complex, Bandra (E),

Mumbai-400051, Maharashtra, India

For details in relation to the changes to the name of our Company, please refer to the chapter titled, "*Our History and Certain Other Corporate Matters*" beginning on page 162 of this Draft Prospectus.

BOARD OF DIRECTORS OF OUR COMPANY

Sr. No.	Name	Age	DIN	Address	Designation
1.	Amarjit Singh Kalra	51	00176921	C - 130, Ground Floor, Mansarover Garden, New Delhi-110015	Managing Director

2.	Surinder Kaur Kalra	43	00177037	C - 130, First Floor, Mansarover Garden, New Delhi- 110015	Non- Executive Director
3.	Jagjit Kaur Kalra	73	00177128	C - 130, Upper Ground Floor, Mansarover Garden, New Delhi- 110015	Non- Executive Director
4.	Raj Kumar Projapati	54	02228070	B-4/214-B, Keshav Puram, L/Road Delhi- 110035	Non-Executive & Independent Director
5.	Aditya Agarwal	24	08042253	33, Govind Ghera, Vrindavan, Vrindavan Bangar, Mathura, Uttar Pradesh - 281121	Non-Executive & Independent Director
6.	Neeraj Sharma	25	08042256	House No. RZ-80, Manas Kunj, Uttam Nagar, D.K. Mohan Garden, New Delhi - 110059	Non-Executive & Independent Director

For further details of our Directors, please refer to the chapter titled "Our Management" beginning on page 167 of this Draft Prospectus.

COMPANY SECRETARY AND COMPLIANCE OFFICER

SAURABH KUMAR JAIN

FIVE CORE ELECTRONICS LIMITED

WZ-15B, Ground Floor,

Uggarsain Market, Ashok Nagar,

New Delhi - 110018

Tel: +91 11 28128310

Fax: +91 11 28128011

Email:cs@5core.in

Investors may contact the Compliance Officer and / or the Registrar to the Issue and / or the LMs to the Issue in case of any Pre-Issue or Post-Issue related matter such as non-receipt of letters of Allotment, credit of allotted Equity Shares in the respective beneficiary account, unblocking of amount in ASBA etc.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the concerned SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSB where the ASBA Application Form was submitted by the ASBA Applicant.

For all issue related queries and for redressal of complaints, Applicants may also write to the Lead Managers. All complaints, queries or comments received by Stock Exchange/SEBI shall be forwarded to the Lead Managers, who shall respond to the same.

CHIEF FINANCIAL OFFICER

AMITABH SINGH

FIVE CORE ELECTRONICS LIMITED

WZ-15B, Ground Floor,

Uggarsain Market, Ashok Nagar,

New Delhi - 110018

Tel: +91 11 28128202

Fax: +91 11 28128011

Email:cfo@5core.in

STATUTORY AUDITORS

GSK & ASSOCIATES LLP

Chartered Accountants

8, 1st Floor, Rani Jhansi Road,

Motia Khan Industrial Area,

New Delhi - 110 055

Tel: +91 11 23515470/71/72

Fax: +91 11 23515473

E-mail: info@gskassociates.com

Contact Person: Mr. Vijay Chawla

Firm Registration No.:013838N

Membership No.: 093941

PEER REVIEW AUDITOR

SNMG & CO.

Chartered Accountants

F-378, Sarita Vihar

New Delhi-110076

Tel: +91 11 2994863

Fax: +9111 26948000

E-mail: gargrk58@gmail.com

Contact Person: Mr. Rakesh Kumar

Firm Registration No.: 004921N

Membership No.: 083911

Peer Review Certificate No.: 010215

SECRETARIAL AUDITOR

MOHIT SINGHAL & ASSOCIATES

Company Secretaries

I-29, Arya Samaj Road,

Uttam Nagar, New Delhi-110059

Tel: +91 9650066558

E-mail: csmohitsinghal@gmail.com

Contact Person: Mr. Mohit Singhal

Membership No.: 43204

Certificate of Practice No.: 15995

LEAD MANAGERS

SARTHI CAPITAL ADVISORS PRIVATE LIMITED

Unit No. 411, Fourth Floor, Pratap Bhawan,

5 Bahadur Shah Zafar Marg,

New Delhi-110002

Tel: (011) 23739425-27

Fax: (011) 23739424

Contact Person: Mr. Anand Lakhotia

Email: ipo@sarthiwm.in

SEBI Registration No.: INM000012011

159/11, Amar Brass Compound

Vidya Nagari Marg, Kalina,

Santacruz (E), Mumbai – 400098

Tel: (022) 26528671/72

Fax: (022) 26528673

Contact Person: Mr. Deepak Sharma

INDIAN OVERSEAS BANK

Capital Market Services Branch

30 & 32 Tamarind House,

Tamarind Land, Fort,

Mumbai - 400023

Tel: 022-22622017/2018

Contact Person: Mr. S. Muralidharan

Email: iob2928@iob.in

SEBI Registration No.: INM000001386

REGISTRAR TO THE ISSUE

BIGSHARE SERVICES PRIVATE LIMITED

1st Floor, Bharat Tin Works Building,

Opp. Vasant Oasis, Makwana Road,

Marol, Andheri East, Mumbai-400059

Tel: +91 22 62638200

Fax: +91 22 62638299

E-mail: ipo@bigshareonline.com

Website: www.bigshareonline.com

Contact Person: Mr. Ashok Shetty

SEBI Registration No.: INR000001385

LEGAL ADVISOR TO THE ISSUE

ANURAG LAKHOTIA

AC-130, A, Shalimar Bagh,

New Delhi- 110088

Tel: +91 9910081392

E-mail:anuraglakhotia@gmail.com

Contact Person: Mr. Anurag Lakhotia

BANKER TO THE COMPANY

ANDHRA BANK

R K Puram Branch,

Sector 6, R K Puram,

New Delhi -110022

Tel: +91 11 26183103

Fax: +91 1126163484

Email: bm0481@andhrabank.co.in

Contact Person: Mr. Vikas Babu Chittiprolu

BANKER TO THE ISSUE/ PUBLIC ISSUE BANK

AXIS BANK LIMITED

Address: Fortune 2000, Ground Floor,

Bandra-Kurla Complex, Bandra (E),Mumbai – 400051

Tel: +91-22-61483110

Fax: +91-22-61483119

Email: BKC.Operationshead@axisbank.com

Contact Person: Mr. Percy Badhniwala

SEBI Registration No.: INBI00000017

REFUND BANKER

AXIS BANK LIMITED

Address: Fortune 2000, Ground Floor,

Bandra-Kurla Complex, Bandra (E),Mumbai – 400051

Tel: +91-22-61483110

Fax: +91-22-61483119

Email: BKC.Operationshead@axisbank.com

Contact Person: Mr. Percy Badhniwala

SEBI Registration No.: INBI00000017

SELF CERTIFIED SYNDICATE BANKS

The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (ASBA) Process are provided on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34. For details on Designated Branches of SCSBs collecting the ASBA Application Form, please refer to the above-mentioned SEBI link.

CREDIT RATING

This being an issue of Equity shares, credit rating is not required. However, our Company has a credit rating for its working capital facilities from CRISIL valid at present as on the date of this Draft Prospectus. On November 27, 2017, CRISIL has reaffirmed its ratings on the bank loan facilities of Rs. 6100.00 Lakhs of our Company at "CRISIL BBB-/Stable/CRISIL A3" collectively with other group companies.

IPO GRADING

Since the Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, there is no requirement of appointing an IPO Grading agency.

APPRAISAL AND MONITORING AGENCY

As per Regulation 16(1) of the SEBI (ICDR) Regulations, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs. 10,000 Lakhs. Since the Issue size is only of Rs. 4666.20 Lakhs, our Company has not appointed any monitoring agency for this Issue. However, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

INTER-SE ALLOCATION OF RESPONSIBILITIES

Below mentioned table sets forth the inter se allocation responsibilities for various activities among Lead Managers to this issue i.e. Sarthi Capital Advisors Pvt Ltd (SCAPL) and Indian Overseas Bank (IOB).

S. No.	Activities	Responsibility	Coordinator
1.	Capital structuring with the relative components and formalities such as types of instruments, etc.	SARTHI	SARTHI

S. No.	Activities	Responsibility	Coordinator
2.	Due Diligence of the Company's Operations/ Management / Business plans / legal etc. Drafting and design of the offer document and of statutory advertisement including memorandum containing salient feature of the Draft Prospectus. The lead manager shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchange, ROC and SEBI including finalization of the draft prospectus and filing with ROC.	SARTHI	SARTHI
3.	Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertisement , brochure, etc.	SARTHI	SARTHI
4.	Appointment of registrar and other agencies to the Issue.	SARTHI	SARTHI
5.	Appointment of all other intermediaries including bankers to the Issu e, printers, advertising agency etc.	SARTHI, IOB	SARTHI, IOB
6.	• Developing Marketing strategies which will cover, inter alia; • Formulating marketing strategies, preparation of publicity budget; • Finalizing media, marketing and public relations strategies; • Finalizing bidding and collection centres; and • Follow up on distribution of publicity and issue material including form, draft prospectus and deciding on the quantum of the issue material.	SARTHI, IOB	SARTHI, IOB
7.	Coordination with Stock Exchange for bidding terminals and mock trading.	SARTHI, IOB	SARTHI, IOB
8.	Management of Public Issue Bank account and Refund Bank account and allocation.	SARTHI	SARTHI
9.	Post-issue activities including coordination for non institutional allocation, coordination with registrar and banks, intimation of allocation and dispatch of refunds to applicants – etc. The post-issue activity of the issue will involve essential follow up steps, which include finalisaiton of trading and dealing instruments and dispatch of certificates and demat delivery of shares and with the various agencies connected with the work such as registrars to the issue, bankers to the issue and bank handling refund business, unblocking of ASBA funds etc. the Lead Manager shall be responsible for ensuring that these agencies fulfill their functions and enable them to discharge the responsibilities through suitable agreement with the Issuer Company.	SARTHI	SARTHI

EXPERT OPINION

Except the report of the Statutory Auditor on statement of tax benefits included in this Draft Prospectus, our Company has not obtained any other expert opinion.

DEBENTURE TRUSTEE

Since this is not a debenture issue, appointment of debenture trustee is not required.

UNDERWRITERS

Our Company and LMs to the issue hereby confirm that the Issue is 100% Underwritten. The Underwriting Agreement is dated April 14, 2018 pursuant to the terms of the underwriting agreement; the obligations of the underwriters are subject to certain conditions specified therein. The underwriters have indicated its intention to underwrite the following number of specified securities being offered through this Issue.

Name and Address of the Underwriters	Indicative Number of Equity shares to be Underwritten	Amount Underwritten (Rupees in Lakhs)	% of the Total Issue Size Underwritten
Sarthi Capital Advisors Private Limited 159/11, Amar Brass Compound, Vidya Nagari Marg, Kalina, Santacruz (E), Mumbai - 400098 **Tel:** (022) 26528671/72 **Fax:** (022) 26528673 **Email:** ipo@sarthiwm.in **Contact Person:** Mr. Deepak Sharma **SEBI Registration No.:** INM000012011	29,05,000	4067.00	87.16
Indian Overseas Bank Capital Market Services Branch 30 & 32 Tamarind House, Tamarind Land, Fort, Mumbai - 400023 **Tel:** 022-22622017/2018 **Email:** iob2928@iob.in **Contact Person:** Mr. S. Muralidharan	4,28,000	599.20	12.84
Total	**33,33,000**	**4666.20**	**100.00**

In the opinion of the Board of Directors of the Company, the resources of the above-mentioned underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. Further, Sarthi Capital Advisors Private Limited shall not be paid any commission and Indian Overseas Bank shall be paid underwriting commission of 1.50% on the amount underwritten.

DETAILS OF THE MARKET MAKING ARRANGEMENT

Our Company and the Lead Managers have entered into a tripartite agreement dated April 09, 2018 with the following Market Maker, duly registered with National Stock Exchange of India Limited to fulfil the obligations of Market Making:

CHOICE EQUITY BROKING PRIVATE LIMITED

Choice House, Shree Shakambhari Corporate Park,

156-158, J.B. Nagar, Andheri (E),

Mumbai – 400099, Maharashtra

Tel: + 91 22 67079853

Fax: + 91 22 67079898

E-mail: sme@choiceindia.com

Contact Person: Mr. Premkumar Harikrishnan

SEBI Registration No.: INB231377335

Choice Equity Broking Private Limited, registered with SME segment (NSE-EMERGE) of NSE will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI (ICDR) Regulations.

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, as amended from time to time and the circulars issued by the NSE and SEBI in this matter from time to time.

Following is a summary of the key details pertaining to the Market Making arrangement:

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker(s) shall inform the Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
2. The minimum depth of the quote shall be Rs. 1,00,000/-. However, the investors with holdings of value less than Rs. 1,00,000/- shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
3. After a period of three months from the market making period, the market maker would be exempted to provide quote if the Shares of market maker in our Company reaches to 25 % of Issue Size (Including the 1,69,000 Equity Shares out to be allotted under this Issue.) Any Equity Shares allotted to Market Maker under this Issue over and above 1,69,000 Equity Shares would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduce to 24% of Issue Size, the market maker will resume providing 2-way quotes.
4. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, the concerned stock exchange may intimate the same to SEBI after due verification.
5. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
6. There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, Choice Equity Broking Private Limited is acting as the sole Market Maker.
7. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
8. The Marker Maker may also be present in the opening call auction, but there is no obligation on him to do so.
9. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
10. The Market Maker(s) shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Lead Managers, who shall then be responsible to appoint a replacement Market Maker(s).

In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Managers to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI (ICDR) Regulations, 2009. Further the Company and the Lead Managers reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our registered office, India from 11.00 a.m. to 5.00 p.m. on working days.

11. Emerge Platform of NSE will have all margins which are applicable on the NSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
12. Emerge Platform of NSE will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker(s) in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

    The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties/ fines/ suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.

13. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market maker(s) during market making process has been made applicable, based on the issue size and as follows:

Offer Size	Buy quote exemption threshold (including mandatory initial inventory of 5% of the Issue Size)	Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Issue Size)
Up to Rs. 20 Crores	25%	24%
Rs. 20 to Rs. 50 Crores	20%	19%
Rs. 50 to Rs. 80 Crores	15%	14%
Above Rs. 80 Crores	12%	11%

    The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and/or norms issued by SEBI/NSE from time to time.

14. All the above mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.
15. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.

CAPITAL STRUCTURE

The share capital of our Company as of the date of this Draft Prospectus before and after the issue is set forth below:

(Rs. In Lakhs except share data)

Sr. No	Particulars	Aggregate Value	
		Face Value	Issue Price
A	**AUTHORISED SHARE CAPITAL**		
	1,30,00,000 Equity Shares of face value of Rs. 10/- each	1300.00	
B	**ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL**		
	92,87,622 fully paid up Equity Shares of face value of Rs. 10/- each	928.76	
C	**PRESENT ISSUE IN TERMS OF DRAFT PROSPECTUS***		
	33,33,000 Equity Shares of face value of Rs. 10/- each at a premium of Rs. 130/- per Equity Share	333.30	4666.20
	Which comprises of		
	1,69,000 Equity Shares of face value of Rs.10/- each at a premium of Rs. 130/- per Equity Share reserved as Market Maker portion	16.90	236.60
	Net Issue to Public of 31,64,000 Equity Shares of face value of Rs. 10/- each at a premium of Rs. 130/- per Equity Share to the Public	316.40	4429.60
	Of which		
	15,82,000 Equity Shares of face value of Rs. 10/- each at a premium of Rs. 130/- per Equity Share will be available for allocation to Investors up to Rs. 2.00 Lakhs	158.20	2214.80
	15,82,000 Equity Shares of face value of Rs. 10/- each at a premium of Rs. 130/- per Equity Share will be available for allocation to Investors above Rs. 2.00 Lakhs	158.20	2214.80
D	**ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL AFTER THE ISSUE**		
	1,26,20,622 Equity Shares of face value of Rs. 10/- each	1262.06	

E	**SECURITIES PREMIUM ACCOUNT**	
	Before the Issue	3308.49
	After the Issue	7641.39

**The Issue has been authorized pursuant to a resolution of our Board dated January 30, 2018 and by Special Resolution passed under Section 62 (1) (c) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our shareholders held on January 30, 2018.*

The Company has only one class of share capital i.e. Equity Shares of face value of Rs.10/- each only. All Equity Shares issued are fully paid-up.

Our Company has no outstanding convertible instruments as on the date of this Draft Prospectus.

NOTES TO THE CAPITAL STRUCTURE:

History of change in authorized Equity Share capital of Our Company

a) The Initial Authorized Share Capital of Rs. 10,00,000 (Rupees Ten Lakhs only) consisting of 1,00,000 Equity shares of face value of Rs. 10/- each was increased to Rs. 20,00,000 (Rupees Twenty Lakhs only) consisting of 2,00,000 Equity Shares of face value of Rs.10/- each pursuant to a resolution of the shareholders dated June 15, 2006.

b) The Authorized Share Capital of Rs. 20,00,000 (Rupees Twenty Lakhs only) consisting of 2,00,000 Equity shares of face value of Rs. 10/- each was increased to Rs. 50,00,000 (Rupees Fifty Lakhs only) consisting of 5,00,000 Equity Shares of face value of Rs.10/- each pursuant to a resolution of the shareholders dated March 15, 2007.

c) The Authorized Share Capital of Rs. 50,00,000 (Rupees Fifty Lakhs only) consisting of 5,00,000 Equity shares of face value of Rs. 10/- each was increased to Rs. 60,00,000 (Rupees Sixty Lakhs only) consisting of 6,00,000 Equity Shares of face value of Rs.10/- each pursuant to a resolution of the shareholders dated November 01, 2007.

d) The Authorized Share Capital of Rs. 60,00,000 (Rupees Sixty Lakhs only) consisting of 6,00,000 Equity shares of face value of Rs. 10/- each was increased to Rs. 2,00,00,000 (Rupees Two Crores only) consisting of 20,00,000 Equity Shares of face value of Rs.10/- each pursuant to a resolution of the shareholders dated June 10, 2008.

e) The Authorized Share Capital of Rs. 2,00,00,000 (Rupees Two Crores only) consisting of 20,00,000 Equity shares of face value of Rs. 10/- each was increased to Rs. 4,00,00,000 (Rupees Four Crores only) consisting of 40,00,000 Equity Shares of face value of Rs.10/- each pursuant to a resolution of the shareholders dated August 16, 2010.

f) The Authorized Share Capital of Rs. 4,00,00,000 (Rupees Four Crores only) consisting of 40,00,000 Equity shares of face value of Rs. 10/- each was increased to Rs. 5,00,00,000 (Rupees Five Crores only) consisting of 50,00,000 Equity Shares of face value of Rs.10/- each pursuant to a resolution of the shareholders dated February 25, 2011.

g) The Authorized Share Capital of Rs. 5,00,00,000 (Rupees Five Crores only) consisting of 50,00,000 Equity shares of face value of Rs. 10/- each was increased to Rs. 7,00,00,000 (Rupees Seven Crores only) consisting of 70,00,000 Equity Shares of face value of Rs.10/- each pursuant to a resolution of the shareholders dated August 10, 2013.

h) The Authorized Share Capital of Rs. 7,00,00,000 (Rupees Seven Crores only) consisting of 70,00,000 Equity shares of face value of Rs. 10/- each was increased to Rs. 9,00,00,000 (Rupees Nine Crores only) consisting of 90,00,000 Equity Shares of face value of Rs.10/- each pursuant to a resolution of the shareholders dated April 04, 2017.

i) The Authorized Share Capital of Rs. 9,00,00,000 (Rupees Nine Crores only) consisting of 90,00,000 Equity shares of face value of Rs. 10/- each was increased to Rs. 10,00,00,000 (Rupees Ten Crores only) consisting of 1,00,00,000 Equity Shares of face value of Rs.10/- each pursuant to a resolution of the shareholders dated April 11, 2017.

j) The Authorized Share Capital of Rs. 10,00,00,000 (Rupees Ten Crores only) consisting of 1,00,00,000 Equity shares of face value of Rs. 10/- each was increased to Rs. 13,00,00,000 (Rupees Thirteen Crores only) consisting of 1,30,00,000 Equity Shares of face value of Rs.10/- each pursuant to a resolution of the shareholders dated January 30, 2018.

1. Equity Share Capital History:

Date of Allotment	No. of Shares Allotted	Face Value	Issue Price	Nature of Allotment	Nature of Consideration	Cumulative No. of Shares	Cumulative Paid up Capital
On Incorporation	50,000	10	10	Subscription to MOA (1)	Cash	50,000	5,00,000
March 30, 2007	4,18,730	10	10	Further Allotment (2)	Cash	4,68,730	46,87,300
March 31, 2008	1,31,270	10	10	Further Allotment (3)	Cash	6,00,000	60,00,000
March 31, 2009	1,83,500	10	60	Further Allotment (4)	Cash	7,83,500	78,35,000
April 02, 2009	6,800	10	60	Further Allotment (5)	Cash	7,90,300	79,03,000
March 31, 2010	12,09,700	10	10	Further Allotment (6)	Cash	20,00,000	2,00,00,000
August 31, 2010	2,00,000	10	50	Further Allotment (7)	Cash	22,00,000	2,20,00,000
March 31, 2011	1,11,671	10	80	Further Allotment (8)	Cash	23,11,671	2,31,16,710
January 16, 2012	17,94,074	10	10	Further Allotment (9)	Cash	41,05,745	4,10,57,450
February 24, 2012	4,00,000	10	10	Further Allotment (10)	Cash	45,05,745	4,50,57,450
August 09, 2012	2,06,461	10	90	Further Allotment (11)	Cash	47,12,206	4,71,22,060
August 20, 2013	3,16,222	10	90	Further Allotment (12)	Cash	50,28,428	5,02,84,280
March 23, 2015	4,34,284	10	70	Private Placement (13)	Cash	54,62,712	5,46,27,120
March 30, 2015	40,000	10	70	Private Placement (14)	Cash	55,02,712	5,50,27,120
April 11, 2017	17,63,217	10	70	Right Issue (15)	Cash	72,65,929	7,26,59,290
April 15, 2017	20,21,693	10	70	Swapping of Shares for purchase of business (16)	Other than cash	92,87,622	9,28,76,220

(1) Initial Subscribers to Memorandum of Association hold 50,000 Equity Shares each of face value of Rs. 10/- fully paid up as per the details given below:

Sr. No	Name of Person	No. of Shares Allotted
1.	Amarjit Singh Kalra	15,000
2.	Surinder Kaur Kalra	14,700
3.	Jagjit Kaur Kalra	10,000
4.	Surinder Singh Kalra	10,000
5.	Dharam Nath Prasad	100
6.	Santunu Mitra	100
7.	Narayan Biswas	100
	Total	**50,000**

(2) The Company allotted 4,18,730 Equity Shares of face value of Rs. 10/- each at par as per the details given below.

Sr. No	Name of Person	No. of Shares Allotted
1.	Amarjit Singh Kalra	1,08,400
2.	Surinder Kaur Kalra	81,530
3.	Jagjit Kaur Kalra	93,600
4.	Surinder Singh Kalra	47,800
5.	Amarjit Singh Kalra HUF	87,400
	Total	**4,18,730**

(3) The Company allotted 1,31,270 Equity Shares of face value of Rs. 10/- each at par as per the details given below.

Sr. No	Name of Person	No. of Shares Allotted
1.	Jaspal Singh	60,700
2.	Jaspal Singh HUF	70,570
	Total	**1,31,270**

(4) The Company allotted 1,83,500 Equity Shares of face value of Rs. 10/- each at a premium of Rs. 50/- per share as per the details given below.

Sr. No	Name of Person	No. of Shares Allotted
1.	Surinder Kaur Kalra	3,800
2.	Surinder Singh Kalra	37,600
3.	Anita Roy	9,000
4.	Alok Bhownik	17,400

Sr. No	Name of Person	No. of Shares Allotted
5.	Dipanker Roy	10,300
6.	Jaba Deb Barma	9,000
7.	Jaspal Singh	4,200
8.	Madhu Gulati	1,600
9.	Monika Aggarwal	18,000
10.	Neha Gulati	8,500
11.	Ridhi Arora	9,000
12.	Simrandeep Kaur	9,200
13.	Tavinder Kaur	32,500
14.	Waryam Singh	4,100
15.	Tajinder Pal Singh	9,300
	Total	**1,83,500**

(5) The Company allotted 6,800 Equity Shares of face value of Rs. 10/- each at a premium of Rs. 50/- per share as per the details given below.

Sr. No	Name of Person	No. of Shares Allotted
1.	Pooja Mal	3,700
2.	Rekha Verma	3,100
	Total	**6,800**

(6) The Company allotted 12,09,700 Equity Shares of face value of Rs. 10/- each at par as per the details given below.

Sr. No	Name of Person	No. of Shares Allotted
1.	Amarjit Singh Kalra (HUF)	89,400
2.	Amarjit Singh Kalra	3,06,300
3.	Arvinder Shah	1,63,000
4.	Surinder Singh Kalra	6,51,000
	Total	**12,09,700**

(7) The Company allotted 2,00,000 Equity Shares of face value of Rs. 10/- each at a premium of Rs. 40/- per share as per the details given below.

Sr. No	Name of Person	No. of Shares Allotted
1.	Amarjit Singh Kalra	1,66,000
2.	Surinder Kaur Kalra	3,000
3.	Surinder Singh Kalra	31,000
	Total	**2,00,000**

(8) The Company allotted 1,11,671 Equity Shares of face value of Rs. 10/- each at a premium of Rs. 70/- per share as per the details given below.

Sr. No	Name of Person	No. of Shares Allotted
1.	Amarjit Singh Kalra	11,671
2.	Surinder Singh Kalra	1,00,000
	Total	**1,11,671**

(9) The Company allotted 17,94,074 Equity Shares of face value of Rs. 10/- each at par as per the details given below.

Sr. No	Name of Person	No. of Shares Allotted
1.	Surinder Kaur Kalra	10,13,500
2.	Jagjit Kaur Kalra	2,42,500
3.	Amarjit Singh Kalra	4,47,500
4.	Amarjit Singh Kalra (HUF)	90,574
	Total	**17,94,074**

(10) The Company allotted 4,00,000 Equity Shares of face value of Rs. 10/- each at par as per the details given below.

Sr. No	Name of Person	No. of Shares Allotted
1.	Amarjit Singh Kalra	4,00,000
	Total	**4,00,000**

(11) The Company allotted 2,06,461 Equity Shares of face value of Rs. 10/- each at a premium of Rs. 80/- per share as per the details given below.

Sr. No	Name of Person	No. of Shares Allotted
1.	Jagjit Kaur Kalra	1,78,684
2.	Surinder Singh Kalra	27,777
	Total	**2,06,461**

(12) The Company allotted 3,16,222 Equity Shares of face value of Rs. 10/- each at a premium of Rs. 80/- per share as per the details given below.

Sr. No	Name of Person	No. of Shares Allotted
1.	Amarjit Singh Kalra	1,80,000
2.	Surinder Kaur Kalra	1,34,666
3.	Surinder Singh Kalra	1,556
	Total	**3,16,222**

(13) The Company allotted 4,34,284 Equity Shares of face value of Rs. 10/- each at a premium of Rs. 60/- per share as per the details given below.

Sr. No	Name of Person	No. of Shares Allotted
1.	Amarjit Singh Kalra	3,20,142
2.	Surinder Kaur Kalra	57,142
3.	Jagjit Kaur Kalra	57,000
	Total	**4,34,284**

(14) The Company allotted 40,000 Equity Shares of face value of Rs. 10/- each at a premium of Rs. 60/- per share as per the details given below.

Sr. No	Name of Person	No. of Shares Allotted
1.	Amarjit Singh Kalra	40,000
	Total	**40,000**

(15) The Company allotted 17,63,217 Equity Shares of face value of Rs. 10/- each at a premium of Rs. 60/- per share as per the details given below.

Sr. No	Name of Person	No. of Shares Allotted
1.	Amarjit Singh Kalra	6,83,084
2.	Amarjit Singh Kalra HUF	80,729

Sr. No	Name of Person	No. of Shares Allotted
3.	Jagjit Kaur Kalra	2,37,857
4.	Surinder Kaur Kalra	6,12,290
5.	Surinder Singh Kalra	49,000
6.	Surinder Singh Kalra HUF	1,00,257
	Total	**17,63,217**

(16) Swapping of 20,21,693 Equity Shares of face value of Rs. 10/- each at a premium of Rs. 60/- per share as per the details given below.

Sr. No	Name of Person	No. of Shares Allotted
1.	Amarjit Singh Kalra	11,61,498
2.	Surinder Kaur Kalra	5,21,155
3.	Jagjit Kaur Kalra	1,54,669
4.	Surinder Singh Kalra	69,200
5.	Amarjit Singh Kalra HUF	83,600
6.	Surinder Singh Kalra HUF	31,571
	Total	**20,21,693**

2. Except as mentioned below we have not issued Equity Shares for consideration other than cash.

Date of allotment	Number of Equity Shares	Face value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Reasons for allotment	Allottees	No. of Shares Allotted
April 15, 2017	20,21,693	10	Nil	Other than cash	Against purchase of business of 5 Core Acoustics Private Limited	Amarjit Singh Kalra	11,61,498
						Surinder Kaur Kalra	5,21,155
						Jagjit Kaur Kalra	1,54,669
						Surinder Singh Kalra	69,200
						Amarjit Singh Kalra HUF	83,600
						Surinder Singh Kalra HUF	31,571
						Total	**20,21,693**

3. We have not issued any Equity Shares out of revaluation reserves or in terms of any scheme approved under Sections 391- 394 of the Companies Act, 1956 or under section 230-234 of the Companies Act, 2013.

4. Our Company has not issued equity shares in last one year at a price below Issue Price.

5. Details of shareholding of promoters.

A. Amarjit Singh Kalra

Date of Allotment/ Transfer	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition / Transfer price (Rs.)	Nature of Transactions	Pre-issue shareholding %	Post-issue shareholding %	No. of Shares Pledged	% of Shares Pledged
On Incorporation	15,000	10	10	Subscriber to MOA	0.16	0.12	0	0.00%
March 31, 2007	1,08,400	10	10	Further Allotment	1.17	0.86	0	0.00%
March 31, 2010	3,06,300	10	10	Further Allotment	3.30	2.43	0	0.00%
August 31, 2010	1,66,000	10	50	Further Allotment	1.79	1.32	0	0.00%
March 31,2011	11,671	10	80	Further Allotment	0.13	0.09	0	0.00%
January 16,2012	4,47,500	10	10	Further Allotment	4.82	3.55	0	0.00%
February 24, 2012	4,00,000	10	10	Further Allotment	4.31	3.17	0	0.00%
August 20, 2013	1,80,000	10	90	Further Allotment	1.94	1.43	0	0.00%
March 23, 2015	3,20,142	10	70	Private Placement	3.45	2.54	0	0.00%
March 30,2015	40,000	10	70	Private Placement	0.43	0.32	0	0.00%
April 11, 2017	6,83,084	10	70	Right Issue	7.35	5.41	0	0.00%
April 15, 2017	11,61,498	10	70	Swapping of Shares for purchase of business	12.51	9.20	0	0.00%
Total	**38,39,595**				**41.34**	**30.42**	0	0.00%

B. Surinder Kaur Kalra

Date of Allotment/ Transfer	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition / Transfer price (Rs.)	Nature of Transactions	Pre-issue shareholding %	Post-issue shareholding %	No. of Shares Pledged	% of Shares Pledged
On Incorporation	14,700	10	10	Subscriber to MOA	0.16	0.12	0	0.00%
March 31, 2007	81,530	10	10	Further Allotment	0.88	0.65	0	0.00%
March 31, 2009	3,800	10	60	Further Allotment	0.04	0.03	0	0.00%
August 31, 2010	3,000	10	50	Further Allotment	0.03	0.02	0	0.00%
January 16,2012	10,13,500	10	10	Further Allotment	10.91	8.03	0	0.00%
August 20, 2013	1,34,666	10	90	Further Allotment	1.45	1.07	0	0.00%
March 23, 2015	57,142	10	70	Private Placement	0.62	0.45	0	0.00%

April 11, 2017	6,12,290	10	70	Right Issue	6.59	4.85	0	0.00%
April 15, 2017	5,21,155	10	70	Swapping of Shares for purchase of business	5.61	4.13	0	0.00%
Total	**24,41,783**				**26.29**	**19.35**	0	0.00%

6. Our Promoter Group, Directors and their immediate relatives have not purchased/sold Equity Shares of the Company during last 6 months except as mentioned below.

Sr. No.	Name of Transferor	Name of Transferee	Nature of Transaction	No. of Equity Shares	Issue Price (In Rs.)
1.	Amarjit Singh Kalra HUF	Subhkam Properties LLP	Transfer	2,67,374	126
2.	Jagjit Kaur Kalra		Transfer	1,37,226	126
3.	Surinder Singh Kalra HUF		Transfer	95,400	126

7. Our Promoters have confirmed to the Company and the Lead Managers that the Equity Shares held by our Promoters have been financed from their personal funds or their internal accruals, as the case may be, and no loans or financial assistance from any bank or financial institution has been availed by them for this purpose.

8. There are no financing arrangements whereby the Promoter Group, the Directors of our Company and their relatives have financed the purchase by any other person of securities of the issuer other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of filing offer document with the Stock Exchanges.

9. Details of Promoter's Contribution locked in for three years:

   Pursuant to Regulation 32 and 36 of SEBI (ICDR) Regulations an aggregate of 20% of the post-issue capital held by our Promoters shall be considered as Promoters' Contribution ("Promoters Contribution") and locked-in for a period of three years from the date of Allotment. The lock-in of the Promoters' Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

   Our Promoters have granted consent to include such number of Equity Shares held by them as may constitute 20.50 % of the post-issue Equity Share Capital of our Company as Promoters Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters Contribution from the date of filing of this Draft Prospectus until the completion of the lock-in period specified above.

Date of allotment	Date when made fully paid up	No. of Shares Allotted	Face Value	Issue Price	Nature of Allotment	% of Post Issue Capital
Mr. Amarjit Singh Kalra						
January 16, 2012	January 16, 2012	3,53,858	10	10	Further Allotment	2.80
February 24, 2012	February 24, 2012	4,00,000	10	10	Further Allotment	3.17
August 20, 2013	August 20, 2013	1,80,000	10	90	Further Allotment	1.43
March 23, 2015	March 23, 2015	3,20,142	10	70	Private Placement	2.54
March 30, 2015	March 30, 2015	40,000	10	70	Private Placement	0.32
Total		**12,94,000**				**10.25**
Ms. Surinder Kaur Kalra						
On Incorporation	On Incorporation	362	10	10	Subscriber to MOA	0.00
March 31, 2007	March 31, 2007	81,530	10	10	Further Allotment	0.65
March 31, 2009	March 31, 2009	3,800	10	60	Further Allotment	0.03
August 31, 2010	August 31, 2010	3,000	10	50	Further Allotment	0.02
January 16, 2012	January 16, 2012	10,13,500	10	10	Further Allotment	8.03
August 20, 2013	August 20, 2013	1,34,666	10	90	Further Allotment	1.07
March 23, 2015	March 23, 2015	57,142	10	70	Private Placement	0.45
Total		**12,94,000**				**10.25**
Grand Total		**25,88,000**				**20.50**

We further confirm that as per Regulation 33 of SEBI (ICDR) Regulations, the aforesaid minimum Promoter Contribution of 20% which is subject to lock-in for three years does not consist of:

- Equity Shares acquired during the preceding three years for consideration other than cash and out of revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources.
- Equity Shares acquired by the Promoters during the preceding one year, at a price lower than the price at which Equity Shares are being offered to p6ublic in the Initial Public Offer.
- The Equity Shares held by the Promoters and offered for minimum Promoters' Contribution are not subject to any pledge.
- Equity shares issued to our Promoter on conversion of partnership firm into limited company during the preceding one year, at a price lower than the price at which Equity Shares are being offered to public in the Initial Public Offer.
- Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoters' Contribution subject to lock-in.

The Promoters' Contribution can be pledged only with a scheduled commercial bank or public financial institution as collateral security for loans granted by such banks or financial institutions, in the event the pledge of the Equity Shares is one of the terms of the sanction of the loan. The Promoters' Contribution may be pledged only if in addition to the above stated, the loan has been granted by such banks or financial institutions for the purpose of financing one or more of the objects of this Issue.

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

10. Details of share capital locked in for one year

In addition to minimum 20% of the Post-Issue shareholding of our Company held by the Promoters (locked in for three years as specified above), in accordance with regulation 36 of SEBI (ICDR) Regulations, the entire pre-issue share capital of our Company shall be locked in for a period of one year from the date of Allotment in this Issue.

The Equity Shares held by persons other than our Promoters and locked-in for a period of one year from the date of Allotment, in accordance with regulation 37 of SEBI (ICDR) Regulations, in the Issue may be transferred to any other person holding Equity Shares which are locked-in, subject to the continuation of the lock-in the hands of transferees for the remaining period and compliance with the Takeover Regulations.

A. The table below represents the current shareholding pattern of our Company as per Regulation 31 of the SEBI (LODR) Regulations, 2015:

I. Summary of Shareholding Pattern

Category Code	Category of shareholder	No. Of shareholders	No. of fully paid up equity shares held	No. of Partly paid up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share Capital) As a % of (A+B+C2)	Number of locked in Shares**		Number of Shares pledged or otherwise encumbered		Number of shares held in dematerialized form
								No. 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 X	Class Y	Total								
I	II	III	IV	V	VI	VII=IV+V+VI	VIII	IX				X	XI=VII+X	XII		XIII		XIV
(A)	Promoters and Promoter Group	6	8787322	-	-	8787322	94.61	8787322	-	8787322	94.61	-	94.61	8787322	94.61	-	-	8787322

(B)	Public	4	500300	-	-	500300	5.39	500300	-	500300	5.39	-	5.39	500300	5.39	-	-	500200
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	**10**	**9287622**	-	-	**9287622**	**100.00**	**9287622**	**-**	**9287622**	**100.00**	**-**	**100.00**	**9287622**	**100.00**	**-**	**-**	**9287522**

**As on the date of this Draft Prospectus 1 Equity Shares holds 1 vote.*

***Shall be locked-in on or before the date of allotment in this Issue.*

II. Shareholding Pattern of Promoters and Promoter Group

	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 Depository Receipts (VI)	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*				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) As a % of (A+B+C2)	Number of locked in Shares**		Number of Shares pledged or otherwise encumbered		Number of shares held in dematerialized form
									No. 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 : X	Class : Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)=(IV)+(V)+(VI)	(VIII)	(IX)				(X)	(XI)=(VII)+(X)	(XII)		(XIII)		(XIV)
(1)	Indian																		
(a)	Individual/Hindu Undivided Family	-	6	8787322	-	-	8787322	94.61	8787322	-	8787322	94.61	-	94.61	8787322	94.61	-	-	8787322

	Amarjit Singh Kalra	AKWPK0803H	1	3839595	-	-	3839595	41.34	3839595	-	3839595	41.34	-	41.34	3839595	41.34	-	-	3839595
	Surinder Kaur Kalra	AFMPK2461E	1	2441783	-	-	2441783	26.29	2441783	-	2441783	26.29	-	26.29	2441783	26.29	-	-	2441783
	Jagjit Kaur Kalra	ANTPK4395G	1	837084	-	-	837084	9.01	837084	-	837084	9.01	-	9.01	837084	9.01	-	-	837084
	Surinder Singh Kalra	AFYPK7984E	1	1468103	-	-	1468103	15.81	1468103	-	1468103	15.81	-	15.81	1468103	15.81	-	-	1468103
	Amarjit Singh Kalra HUF	AAHHA8772Q	1	164329	-	-	164329	1.77	164329	-	164329	1.77	-	1.77	164329	1.77	-	-	164329
	Surinder Singh Kalra HUF	AAQHS3875P	1	36428	-	-	36428	0.39	36428	-	36428	0.39	-	0.39	36428	0.39	-	-	36428
(b)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Financial Institutions /Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Any other (Body Corporate)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-total (A) (1)	**-**	**6**	**8787322**	**-**	**-**	**8787322**	**94.61**	**8787322**	**-**	**8787322**	**94.61**	**-**	**94.61**	**8787322**	**94.61**	**-**	**-**	**8787322**

(2)	**Foreign**																		
(a)	Individual (Non-Resident Individual/Foreign Individual)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (A) (2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	**-**	**6**	**8787322**	**-**	**-**	**8787322**	**94.61**	**8787322**	**-**	**8787322**	**94.61**	**-**	**94.61**	**8787322**	**94.61**	**-**	**-**	**8787322**

**As on the date of this Draft Prospectus 1 Equity Shares holds 1 vote.*

***Shall be locked-in on or before the date of allotment in this Issue.*

III. Shareholding Pattern of the Public shareholder.

	Category& name of shareholder	PAN	No. of shareholders	No. of fully paid up equity shares held	No. of Partly paid up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share Capital) As a % of (A+B+C2)	Number of locked in Shares**		Number of Shares pledged or otherwise encumbered		Number of shares held in dematerialized form
									No. 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 : X	Class : Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)=(IV)+(V)+(VI)	(VIII)	(IX)				(X)	(XI)=(VII)+(X)	(XII)		(XIII)		(XIV)
(1)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Venture Capital Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

(c)	Alternate Investment Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Financial Institutions/Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(g)	Insurance Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(h)	Provident Funds/ Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i)	Any other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

(2)	Central Government/ State Government(s)/ President of India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(3)	Non-Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Individuals-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	-	3	300	-	-	300	Negligible	300	-	300	Negli gible	-	Negligible	300	Negli gible	-	-	200
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

(b)	NBFCs registered with RBI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Overseas Depositories (holding DRs) (balancing figure)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any Other (Limited Liability Partenership)	-	1	500000	-	-	500000	5.39	500000	-	500000	5.39	-	5.39	500000	5.39	-	-	500000
	Subhkam Properties LLP	ACWFS9090E	1	500000	-	-	500000	5.39	500000	-	500000	5.39	-	5.39	500000	5.39	-	-	500000
	Sub-Total (B)(3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Public Shareholding (B)-(B)(1)+(B)(2)+(B)(3)	-	**4**	**500300**	**-**	**-**	**500300**	**5.39**	**500300**	**-**	**500300**	**5.39**	**-**	**5.39**	**500300**	**5.39**	-	-	**500200**

**As on the date of this Draft Prospectus 1 Equity Shares holds 1 vote.*

***Shall be locked-in on or before the date of allotment in this Issue.*

IV. Shareholding pattern of the Non Promoter- Non Public shareholder

S. N.	Category& name of shareholder	PAN	No. of shareholders	No. of fully paid up equity shares held	No. of Partly paid up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Total Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share Capital)As a % of (A+B+C2)	Number of locked in Shares		Number of Shares pledged or otherwise encumbered		Number of shares held in dematerialized form
									No. of Voting Rights			Total as a % of Total Voting rights			No. (a)	As a % of total shares held (B)	No. (Not Applicable)	As a % of total shares held (Not Applicable)	
									Class : X	Class : Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)=(IV)+(V)+(VI)	(VIII)	(IX)				(X)	(XI)=(VII)+(X)	(XII)		(XIII)		(XIV)
(1)	Custodian/ DR Holder	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Name of DR Holder (if applicable)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	Employee Benefit Trust (Under SEBI (Share	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	based Employee Benefit Regulations, 2014)																		
	Total Non-Promoter-Non Public Shareholding (C)=(C)(1)+(C)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

**In terms of SEBI circular bearing no. Cir/ISD/3/2011 dated June 17, 2011 and SEBI circular bearing no. SEBI/Cir/ISD/ 05 /2011, dated September 30, 2011, the Equity Shares held by the Promoters/Promoters Group Entities and 50% of the Equity Shares held by the public shareholders shall be dematerialised prior to filing the Draft Prospectus with the RoC. Accordingly, all the Equity Shares held by our Promoter / members of the Promoter Group and more than 50% of the Equity Shares held by the public shareholders have been dematerialized.*

Our Company will file the shareholding pattern or our Company, in the form prescribed under Regulation 31 of the SEBI (LODR) Regulations, 2015 one day prior to the listing of the equity shares. The shareholding pattern will be uploaded on the website of NSE (National Stock Exchange of India Limited) before commencement of trading of such Equity Shares.

B. Shareholding of our Promoters and Promoter Group

The table below presents the current shareholding pattern of our Promoters and Promoter Group (individuals).

Sr. No.	Name of the Shareholder	Pre – Issue		Post – Issue	
		No. of Equity Shares	% of Pre-Issue Capital	No. of Equity Shares	% of Post-Issue Capital
(I)	(II)	(III)	(IV)	(V)	(VI)
	Promoters				
1.	Amarjit Singh Kalra	38,39,595	41.34	38,39,595	30.42
2.	Surinder Kaur Kalra	24,41,783	26.29	24,41,783	19.35
	Promoters Group				
1.	Jagjit Kaur Kalra	8,37,084	9.01	8,37,084	6.63
2.	Surinder Singh Kalra	14,68,103	15.81	14,68,103	11.63
3.	Amarjit Singh Kalra HUF	1,64,329	1.77	1,64,329	1.30
4.	Surinder Singh Kalra HUF	36,428	0.39	36,428	0.29
	Total	**87,87,322**	**94.62**	**87,87,322**	**69.63**

The average cost of acquisition of or subscription to Equity Shares by our Promoters is set forth in the table below:

Name of the Promoters	No. of Shares held	Average cost of Acquisition (in Rs.)
Mr. Amarjit Singh Kalra	38,39,595	50.14
Ms. Surinder Kaur Kalra	24,41,783	43.79

Equity Shares held by top ten shareholders

Our top ten shareholders and the number of Equity Shares held by them as on date of this Draft Prospectus are as under:

Sr. No.	Name of shareholder	No. of Shares	% age of pre-Issue capital
1.	Amarjit Singh Kalra	38,39,595	41.34
2.	Surinder Kaur Kalra	24,41,783	26.29
3.	Jagjit Kaur Kalra	8,37,084	9.01

Sr. No.	Name of shareholder	No. of Shares	% age of pre-Issue capital
4.	Surinder Singh Kalra	14,68,103	15.81
5.	Amarjit Singh Kalra HUF	1,64,329	1.77
6.	Surinder Singh Kalra HUF	36,428	0.39
7.	Santunu Mitra	100	Negligible
8.	Jagroop Singh Raikwar	100	Negligible
9.	Amitabh Singh	100	Negligible
10.	Subhkam Properties LLP	5,00,000*	5.39
	Total	**92,87,622**	**100.00**

**Mr. Rakesh Kathotia and Ms. Arti R Kathotia hold the Beneficial Ownership.*

Our top nine* shareholders and the number of Equity Shares held by them ten days prior to the date of this Draft Prospectus are as under:

Sr. No.	Name of shareholder	No. of Shares	% age of pre-Issue capital
1.	Amarjit Singh Kalra	38,39,595	41.34
2.	Surinder Kaur Kalra	24,41,783	26.29
3.	Jagjit Kaur Kalra	9,74,310	10.49
4.	Surinder Singh Kalra	14,68,103	15.81
5.	Amarjit Singh Kalra HUF	4,31,703	4.65
6.	Surinder Singh Kalra HUF	1,31,828	1.42
7.	Santunu Mitra	100	Negligible
8.	Jagroop Singh Raikwar	100	Negligible
9.	Amitabh Singh	100	Negligible
	Total	**92,87,622**	**100.00**

**Our Company had only nine shareholders ten days prior to the date of this Draft Prospectus.*

Our top eight* shareholders and the number of Equity Shares held by them two years prior to date of this Draft Prospectus are as under:

Sr. No.	Name of shareholder	No. of Shares	% age of pre-Issue capital
1.	Amarjit Singh Kalra	19,95,013	36.26
2.	Surinder Kaur Kalra	13,08,338	23.78
3.	Jagjit Kaur Kalra	5,81,784	10.57
4.	Surinder Singh Kalra	13,49,903	24.53
5.	Amarjit Singh Kalra HUF	2,67,374	4.86
6.	Dharam Nath Prasad	100	Negligible
7.	Santunu Mitra	100	Negligible
8.	Narayan Biswas	100	Negligible
	Total	**55,02,712**	**100.00**

**Our Company had only eight shareholders two years prior to the date of this Draft Prospectus.*

11. There is no "Buyback", "Standby", or similar arrangement for the purchase of Equity Shares by our Company/Promoters/Directors/Lead Managers for purchase of Equity Shares offered through this Draft Prospectus.

12. There are no safety net arrangements for this public issue.

13. The Equity Shares, which are subject to lock-in, shall carry the inscription “non-transferable” and the non-transferability details shall be informed to the depository. The details of lock-in shall also be provided to the Stock Exchange before the listing of the Equity Shares.

14. As on the date of this Draft Prospectus, none of the shares held by our Promoters/ Promoter Group are pledged with any financial institutions or banks or any third party as security for repayment of loans.

15. Except, as otherwise disclosed in the chapter titled “Objects of the Issue” beginning on page 97 of this Draft Prospectus, we have not raised any bridge loans against the proceeds of the Issue.

16. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed in heading on "Basis of Allotment" beginning on page 359 of this Draft Prospectus.

17. The Equity Shares Issued pursuant to this Issue shall be fully paid-up at the time of Allotment, failing which no allotment shall be made.

18. Our Company has not issued any Equity Shares at a price less than the Issue Price in the last one year preceding the date of filing of this Draft Prospectus.
19. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 43 (4) of SEBI (ICDR) Regulations, as amended from time to time.
20. Under subscription, if any, in any category, shall be met with spill-over from any other category or combination of categories at the discretion of our Company, in consultation with the Lead Managers and National Stock Exchange of India Limited.
21. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off while finalizing the basis of allotment to the nearest integer during finalizing the allotment, subject to minimum allotment lot. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased to ensure that 20% of the post issue paid-up capital is locked-in.
22. The Issue is being made through Fixed Price Method.
23. As on date of filing of this Draft Prospectus with Stock Exchange, the entire issued share capital of our Company is fully paid-up. The Equity Shares offered through this Public Issue will be fully paid up.
24. On the date of filing this Draft Prospectus with Stock Exchange, there are no outstanding financial instruments or any other rights that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Shares after the Issue.
25. Our Company has not issued any Equity Shares out of revaluation reserves and not issued any bonus shares out of capitalization of revaluation reserves.
26. Lead Managers to the Issue viz. Sarthi Capital Advisors Private Limited and Indian Overseas Bank and its associates do not hold any Equity Shares of our Company.
27. Our Company has revalued its land and building in the previous years. However, the revaluation reserve created out of revaluation has been nullified and corresponding effect is taken to the respective assets in the restated financial statements.
28. Our Company has not made any Public Issue of any kind or class of securities since its incorporation.
29. There will be only one denomination of the Equity Shares of our Company unless otherwise permitted by law.
30. Our Company shall comply with such disclosure, and accounting norms as may be specified by SEBI from time to time.
31. There will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, and rights issue or in any other manner during the period commencing from submission of this Draft Prospectus with Stock Exchange until the Equity Shares to be issued pursuant to the Issue have been listed.
32. Except as disclosed in the Draft Prospectus, our Company presently does not have any intention or proposal to alter its capital structure for a period of six (6) months from the date of opening of the Issue, by way of spilt/consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise. However, during such period or a later date, it may issue Equity Shares or securities linked to Equity Shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.
33. Our Company does not have any ESOS/ESPS scheme for our employees and we do not intend to allot any shares to our employees under ESOS/ESPS scheme from the proposed Issue. As and when, options are granted to our employees under the ESOP scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.

34. An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.

35. As per RBI regulations, OCBs are not allowed to participate in this Issue.

36. Our Promoters and the members of our Promoter Group will not participate in this Public Issue.

37. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing the Draft Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.

38. For the details of transactions by our Company with our Promoter Group, Group Companies during nine months ended December 31, 2017 and financial years ended March 31, 2017, 2016, 2015, 2014 and 2013, please refer to Annexure VIII of restated financial statement under the section titled, '*Financial Statements*' beginning on page 216 of this Draft Prospectus.

39. None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated above in this chapter and also in the chapter titled "Our Management" beginning on page 167 of this Draft Prospectus.

40. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Issue.

41. Our Company has Ten (10) shareholders as on the date of filing of this Draft Prospectus.

OBJECTS OF THE ISSUE

Our Company proposes to utilize the funds which are being raised towards funding the following objects and achieve the benefits of listing on the NSE Emerge Platform.

The objects of the Issue are: -

1. To meet the working capital requirements of our Company
2. To meet the working capital requirements of our Subsidiary, 5 Core Acoustics Private Limited
3. General Corporate Purpose
4. Repayment of Unsecured Loan of Promoters/Directors
5. Issue Expenses

Our Company believes that listing will enhance our Company's corporate image, brand name and create a public market for its Equity Shares in India. We may have access to a large pool of capital for growth with exposure to a broad network of investors in India and across the world. Listing also facilitates acquisitions by providing 'currency' in the form of a more diversified and liquid share capital base. Our shares can be used as a means of payment in the takeover of other businesses instead of, or combined with, a cash component. The requirement for more rigorous disclosure can improve our systems, controls and management information, leading to greater operating efficiency of our business. Listing attracts Institutional investors who can bring increased business credibility, stability and wider business networks.

The main objects clause of our Memorandum enables our Company to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution.

FUND REQUIREMENTS

Our funding requirements are dependent on a number of factors which may not be in the control of our management, changes in our financial condition and current commercial conditions. Such factors may entail rescheduling and / or revising the planned expenditure and funding requirement and increasing or decreasing the expenditure/repayment for a particular purpose from the planned expenditure/repayment.

We intend to utilize the proceeds of the Fresh Issue, in the manner set forth below:

(Rs. in Lakhs)

Sr. No.	Particulars	Amount
1.	To meet the working capital requirements of our Company	2319.38
2.	To meet the working capital requirements of our Subsidiary, 5 Core Acoustics Private Limited	1000.00
3.	General Corporate Purpose	560.00
4.	Repayment of Unsecured Loan of Promoters/Directors	319.82
5.	*Issue Expenses	467.00
	Total	**4666.20**

As on April 14, 2018, our Company has incurred a sum of Rs. 14,06,963/- (Rupees Fourteen Lakhs Six Thousand Nine Hundered Sixty Three only) towards issue expenses.

The requirements of the objects detailed above are intended to be funded from the Proceeds of the Issue. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the proposed Issue.

The fund requirement and deployment are based on internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in light of changes in external circumstances or costs, other financial conditions, business or strategy, as discussed further below.

In case of variations in the actual utilization of funds allocated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue. If surplus funds are unavailable, the required financing will be through our internal accruals and/or debt.

We may have to revise our fund requirements and deployment as a result of changes in commercial and other external factors, which may not be within the control of our management. This may entail rescheduling, revising or cancelling the fund requirements and increasing or decreasing the fund requirements for a particular purpose from its fund requirements mentioned below, at the discretion of our management. In case of any shortfall or cost overruns, we intend to meet our estimated expenditure from internal accruals and/or debt. In case of any such re-schedulement, it shall be made by compliance of the relevant provisions of the Companies Act 1956 / Companies Act, 2013.

DETAILS OF UTILIZATION OF ISSUE PROCEEDS

1. WORKING CAPITAL REQUIREMENTS OF OUR COMPANY

The Working Capital Requirement of our Company is detailed below: -

(Rs. in Lakhs)

Particulars	2015-16 (Audited)	2016-17 (Audited)	2017-18 (Provisional)	2018-19 (Estimated)
Current Assets				
Cash & Cash Equivalents	297.85	34.92	11.77	98.82
Deposits for Margin Money	323.16	1,203.32	1,255.00	1,600.00
Trade Receivables *	3,238.07	5,127.23	4,757.50	7,012.50
Inventories	2,486.71	3,623.88	3,574.58	5,337.50
Other Current Assets	675.08	798.07	1,541.24	1,817.68
Total (A)	**7,020.87**	**10,787.42**	**11,140.09**	**15,866.50**
Current Liabilities				
Trade Payables	109.80	162.50	721.50	893.75
Other Current Liabilities	328.13	315.53	330.00	834.00
Statutory Liabilities	3.60	4.73	50.00	70.00
Short Term Provision for tax	19.45	43.91	201.24	452.68
Total (B)	**460.98**	**526.67**	**1,302.74**	**2,250.43**
Net Working Capital (A)-(B)	**6,559.89**	**10,260.75**	**9,837.35**	**13,616.07**

Sources Of Working Capital				
Fund Based Borrowings #	4,719.88	6,544.17	6,580.00	6,100.00
IPO Proceeds	-	-	-	2,319.38
Internal Accruals / Share Capital/ Borrowings	1,840.01	3,716.58	3,257.35	5,196.69

**Including debtors discounted through Bank.*
#Including debtors discounted and temperory overdraft.

Our Company's business is working capital intensive and we avail our working capital in the ordinary course of business from Andhra Bank. As on March 31, 2017 and March 31, 2016 the Company's net working capital constituted of Rs. 10,260.75 Lakhs and Rs. 6,559.89 Lakhs respectively.

The total working capital requirement for the year 2017-18 and 2018-19 is estimated to be Rs. 9,837.35 Lakhs and Rs. 13,616.07 Lakhs respectively. The incremental working capital requirement will be met through the Net Proceeds to the extent of Rs. 2,319.38 Lakhs and the balance portion will be met through Internal Accruals/ Borrowings.

BASIS OF ESTIMATION

The incremental working capital requirements are based on historical Company data and estimation of the future requirements in FY 2018-19 considering the growth in activities of our Company and in line with norms generally accepted by banker(s).

We have estimated future working capital requirements for our Company based on the following:

(No. of Days)

Particulars	Basis	2015-16	2016-17	2017-18	2018-19
Receivables	Collection Period	95	109	90	90
Inventory	Material	41	45	45	45
	Stock in Process	32	41	30	30
	Finished Goods/Traded Goods	12	1	8	8
Payables	Credit Period	5	4	18	15

The above estimates are based on the generally accepted norms of our bankers.

2. TO MEET THE WORKING CAPITAL REQUIREMENTS OF OUR SUBSIDIARY, 5 CORE ACOUSTICS PRIVATE LIMITED

The Working Capital Requirement of our Subsidiary is detailed below: -

(Rs. in Lakhs)

Particulars	2015-16 (Audited)	2016-17 (Audited)	2017-18 (Provisional)	2018-19 (Estimated)
Current Assets				
Cash & Cash Equivalents	22.46	16.60	54.11	14.77
Deposits for Margin Money	-	602.05	950.00	950.00
Trade Receivables *	1,063.16	1,846.06	2,679.00	3,375.00
Inventories	1,183.18	1,629.48	1,726.85	2,613.06
Other Current Assets	168.28	352.98	837.07	613.59
Total (A)	**2,437.08**	**4,447.17**	**6,247.03**	**7,566.41**

Current Liabilities				
Trade Payables	138.75	170.84	152.40	216.56
Other Current Liabilities	-	-	-	-
Statutory Liabilities	14.41	18.70	25.00	50.00
Short Term Provision for tax	-	13.20	107.07	148.59
Total (B)	**153.16**	**202.74**	**284.47**	**415.15**
Net Working Capital (A)-(B)	**2,283.92**	**4,244.43**	**5,962.56**	**7,151.26**
Sources Of Working Capital				
Fund Based Borrowings #	1,501.99	2,666.02	3,950.00	3,700.00
IPO Proceeds	-	-	-	1,000.00
Internal Accruals / Share Capital/ Borrowings	781.93	1,578.41	2,012.56	2,451.26

**Including debtors discounted through Bank.*
#Including debtors discounted and temperory overdraft.

Our Company's business is working capital intensive and we avail our working capital in the ordinary course of business from Karnataka Bank Limited. As on March 31, 2017 and March 31, 2016 the Company's net working capital constituted of Rs. 4,244.43 Lakhs and Rs. 2,283.92 Lakhs respectively.

The total working capital requirement for the year 2017-18 and 2018-19 is estimated to be Rs. 5,962.56 Lakhs and Rs. 7,151.26 Lakhs respectively. The incremental working capital requirement will be met through the Net Proceeds to the extent of Rs. 1,000.00 Lakhs and the balance portion will be met through Internal Accruals/ Borrowings.

BASIS OF ESTIMATION

The incremental working capital requirements are based on historical Company data and estimation of the future requirements in FY 2018-19 considering the growth in activities of our Company and in line with norms generally accepted by banker(s).

We have estimated future working capital requirements for our Company based on the following:

(No. of Days)

Particulars	Basis	2015-16	2016-17	2017-18	2018-19
Receivables	Collection Period	83	96	102	90
Inventory	Material	40	71	39	45
	Stock in Process	20	32	30	30
	Finished Goods/Traded Goods	38	2	7	7
Payables	Credit Period	12	12	8	8

The above estimates are based on the generally accepted norms of our bankers.

3. GENERAL CORPORATE PURPOSE

Our Company proposes to deploy Net Proceeds, aggregating to Rs. 560.00 Lakhs, towards general corporate purposes, subject to such utilisation not exceeding 25% of the Net Proceeds, in compliance with Regulation 4(4) of the SEBI Regulations, including but not limited to strengthening of our marketing and distribution capabilities, investment into our subsidiaries, meeting exigencies which our Company may face in the ordinary course of business, meeting expenses incurred in the ordinary course of business and any other purpose as may be approved by the Board.

In case of variations in the actual utilization of funds designated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, which are not applied to the other purposes, set out above.

In addition to the above, our Company may utilise the Net Proceeds towards other expenditure (in the ordinary course of business) considered expedient and approved periodically by the Board and in compliance with applicable laws. Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirement and deployment of funds may also change. This may also include rescheduling the proposed utilization of Net Proceeds and increasing or decreasing expenditure for a particular object, i.e., the utilization of Net Proceeds. In case of a shortfall in Net Proceeds, our management may explore a range of options including utilizing our internal accruals or seeking debt from future lenders. Our management expects that such alternate arrangements would be available to fund any such shortfall. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a fiscal, we will utilize such unutilized amount in the next fiscal.

4. REPAYMENT OF UNSECURED LOANS OF PROMOTERS/DIRECTORS

Our Company had availed unsecured loans from our promoters/promoter group majorly for expansion of its manufacturing facilities and long term working capital. The interest rate on the unsecured loans is nil. For further information please refer chapter titled "Financial Indebtedness" beginning on page 308 of this Draft Prospectus. Following are the details of unsecured loan availed by our Company, which we intend to repay out of the Issue Proceeds:

(Rs. in Lakhs)

S. No.	Name	Amount#
1.	Amarjit Singh Kalra	125.53
2.	Surinder Kaur Kalra	3.92
3.	Jagjit Kaur Kalra	190.37
Total		**319.82**

******Our Statutory Auditor, GSK & Associates LLP, Chartered Accountants through its certificate dated April 14, 2018, has further confirmed that these borrowings have been utilized for the purposes for which they were availed.*

#As certified by Statutory Auditors of the Company GSK & Associates LLP, Chartered Accountants vide its certificate dated April 14, 2018.

5. ISSUE RELATED EXPENSES

The expenses for this Issue include issue management fees, underwriting fees, registrar fees, legal advisor fees, printing and distribution expenses, advertisement expenses, depository charges and listing fees to the Stock Exchange, among others. The total expenses for this Issue are estimated not to exceed Rs. 467.00 Lakhs.

(Rs. in Lakhs)

Expenses	Expenses (Rs. in Lakhs)	Expenses (% of total Issue expenses)	Expenses (% of Issue size)
Payment to Merchant Banker including expenses towards printing, advertising, and payment to other intermediaries such as Registrars, Market Makers, Bankers etc.	40.00	8.57	0.86
Regulatory Fees & Other Expenses	10.00	2.14	0.21
Marketing Expenses	417.00	89.29	8.94
Total estimated Issue expenses	**467.00**	**100.00**	**10.01**

DEPLOYMENT OF FUNDS

As estimated by our management, the entire proceeds from the Issue shall be utilized as follows:

(Rs. In Lakhs)

Particulars	Total Funds required	Amount incurred till April 14, 2018	Balance deployment during FY 2018-19
Working Capital of our Company	2319.38	-	2319.38
Working capital of our Subsidiary	1000.00	-	1000.00
General Corporate Purpose	560.00	-	560.00
Repayment of Unsecured Loan of Promoters	319.82	-	319.82
*Issue Expenses	467.00	14.07	452.93
Total	**4666.20**	**14.07**	**4652.13**

**As on April 14, 2018, our Company has incurred a sum of Rs. 14,06,963/- (Rupees Fourteen Lakhs Six Thousand Nine Hundered Sixty Three only) towards issue expenses.*

GSK & Associates LLP, Statutory Auditor have vide certificate dated April 14, 2018 confirmed that as on April 14, 2018 following funds were deployed for the proposed Objects of the Issue:

(*Rs. in Lakhs*)

Source	Amount
Internal Accruals	14.07
Total	**14.07**

MEANS OF FINANCE

(*Rs. in Lakhs*)

Particulars	Estimated Amount
Net Proceeds	4666.20
Internal Accruals	NIL
Total	**4666.20**

APPRAISAL BY APPRAISING AGENCY

None of the Objects have been appraised by any bank or financial institution or any other independent third party organization. The funding requirements of our Company and the deployment of the proceeds of the Issue are currently based on available management estimates. The funding requirements of our Company are dependent on a number of factors which may not be in the control of our management, including variations in interest rate structures, changes in our financial condition and current commercial conditions and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

SHORTFALL OF FUNDS

Any shortfall in meeting the fund requirements will be met by way of internal accruals.

INTERIM USE OF FUNDS

Pending utilization for the purposes described above, we intend to deposit the funds with scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934. Our management, in accordance with the policies established by our Board of Directors from time to time, will deploy the Net Proceeds. Further, our Board of Directors hereby undertakes that full recovery of the said deposit shall be made without any sort of delays as and when need arises for utilization of proceeds for the objects of the issue.

BRIDGE FINANCING FACILITIES

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Prospectus, which are proposed to be repaid from the Net Proceeds. However, depending on business exigencies, our Company may consider raising bridge financing for the Net Proceeds for Object of the Issue.

MONITORING UTILIZATION OF FUNDS

As the Net Proceeds of the Issue will be less than Rs. 10,000 Lakhs under the SEBI (ICDR) Regulations it is not mandatory for us to appoint a monitoring agency.

Our Board and the management will monitor the utilization of the Net Proceeds through its audit committee. Pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on half-yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Draft Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement will be certified by the Statutory Auditors of our Company.

No part of the Issue Proceeds will be paid by our Company as consideration to our Promoter, our Directors, Key Management Personnel or companies promoted by the Promoter, except as may be required in the usual course of business.

VARIATION IN OBJECTS

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Initial Public Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through a postal ballot. Further, pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on half-yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("Postal Ballot Notice") shall specify the prescribed details as required under the Companies Act. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Hindi. Our Promoters will be required to provide an exit opportunity to such shareholders who do not agree to the above stated proposal, at a price as may be prescribed by SEBI, in this regard.

OTHER CONFIRMATIONS

There is no material existing or anticipated transactions with our Promoter, our Directors, our Company's key Managerial personnel and Group Companies, in relation to the utilization of the Net Proceeds except repayment of unsecured loans. No part of the Issue Proceeds will be paid by our Company as consideration to our Promoters, our Directors, Key Management Personnel or companies promoted by the Promoters, except as may be required in the usual course of business and for repayment of unsecured loans.

BASIS FOR ISSUE PRICE

The Issue Price of Rs. 140/- per Equity Share has been determined by our Company, in consultation with the LMs on the basis of an assessment of market demand for the Equity Shares through the Fixed Price Process and on the basis of the following qualitative and quantitative factors. The face value of the Equity Share of our Company is Rs. 10/- and Issue Price is 14.10 times the face value.

QUALITATIVE FACTORS

Some of the qualitative factors, which form the basis for computing the price, are –

- Leveraging the experience of our Promoters
- Product innovation and R&D capabilities
- Brand Value
- Strong and extensive distribution channels across 56 countries
- Quality Assurance & Control
- Strong Customer Base
- Wide range of Products

For further details, refer to heading '***Our Strengths***' under chapter titled '***Our Business'*** beginning on page 118 of this Draft Prospectus.

QUANTITATIVE FACTORS

The information presented below relating to the Company is based on the standalone & consolidated* restated financial statements of the Company for Financial Year 2014-15, 2015-16 and 2016-17 prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

1. Basic Earnings per Share (EPS) as per Accounting Standard 20:

Year ended	Standalone		Consolidated	
	EPS (Rs.)	Weight	EPS (Rs.)	Weight
March 31, 2015	1.32	1	1.32	1
March 31, 2016	1.73	2	1.73	2
March 31, 2017	2.70	3	2.46	3
Weighted Average	**2.15**		**2.03**	

**Consolidated Financials are applicable from FY 2017-18 as most of working subsidiaries were formed/taken over during FY 2017-18. Hence, consolidated data for FY 2014-15 and 2015-16 is not available.*

For nine months ended December 31, 2017, the Basic Earnings per Share was Rs. 4.52 as per the restated standalone financials and Rs. 11.15 as per the restated consolidated financials.

Note: The EPS has been computed by dividing net profit as restated in financials, attributable to equity shareholders by weighted average number of equity shares outstanding during the year.

2. Price to Earnings (P/E) ratio in relation to Issue Price of Rs. 140/- per Equity Share of face value of Rs. 10/- each.

Particulars	P/E Ratio (Standalone)	P/E Ratio (Consolidated)
P/E ratio based on Basic EPS for FY 2016-17	51.85	56.91
P/E ratio based on Weighted Average EPS	65.12	68.97

3. **Average Return on Net Worth (RoN) for preceeding three years.**

Year ended	Standalone		Consolidated	
	RoN (%)	Weight	RoN (%)	Weight
March 31, 2015	3.17	1	3.17	1
March 31, 2016	4.35	2	4.35	2
March 31, 2017	6.38	3	5.84	3
Weighted Average	**5.17**		**4.90**	

**Consolidated Financials are applicable from FY 2017-18 as most of working subsidiaries were formed/taken over during FY 2017-18. Hence, consolidated data for FY 2014-15 and 2015-16 is not available.*

For nine months ended December 31, 2017, the RoN was 7.67% as per the restated standalone financials and 18.36% as per the restated consolidated financials.

Note: The Ron has been computed by dividing net profit after tax as restated, by Net Worth as at the end of the year excluding miscellaneous expenditure to the extent not written off.

4. **Minimum Return on Total Net Worth after Issue needed to maintain Pre-Issue EPS for the year ended March 31, 2017 –** 3.53%

5. **Net Asset Value (NAV)**

(Amount in Rs.)

Particulars	Amount
Net Asset Value per Equity Share as of March 31, 2017	42.38
Net Asset Value per Equity Share after the Issue	76.44
Issue Price per equity share	140.00

*NAV per Equity Share has been calculated as Net Worth as divided by number of Equity Shares.

6. **Comparison with other listed companies/Industry peers**

We are primarily engaged in manufacturing of Public Address Systems - Woofers, Amplifiers, Computer Speakers, Personal Speaker System, Headphones and Earphones. Currently there is no listed entity in India operating in this particular business segment with similar size, scale and business model and hence a strict comparison with us is not possible.

The Company in consultation with the Lead Managers and after considering various valuation fundamentals including Book Value and other relevant factors believes that the issue price of Rs. 140/- per share for the Public Issue is justified in view of the above parameters. The investors may also want to pursue the Risk Factors beginning on page 20 of this Draft Prospectus and Financials of the company as set out in the Financial Statements beginning on page 211 of this Draft Prospectus to have more informed view about the investment proposition. The Face Value of the Equity Shares is Rs. 10/- per share and the Issue Price is 14.10 times of the face value i.e. Rs. 140/-per share.

STATEMENT OF TAX BENEFITS

Statement of possible tax benefits available to the company and its shareholders

To
The Board of Directors,
Five Core Electronics Limited
WZ-15B, Ground Floor,
Uggarsain Market, Ashok Nagar,
New Delhi - 110018

We refer to proposed issue of the shares of **Five Core Electronics Limited** ('the Company'). We enclose herewith the statement showing the possible tax benefits available to the Company and the shareholders of the Company under the Income - Tax Act, 1961 ('Act'), as applicable to the assessment year 2019-20 relevant to the financial year 2018-19 for inclusion in the Draft Prospectus as well as Draft Prospectus ("Offer Documents") for the proposed issue of shares.

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Income-tax Act 1961. Hence, the ability of the Company or its shareholders to derive these direct tax benefits is dependent upon their fulfilling such conditions, which is based on the business imperatives, the company or its shareholders may or may not choose to fulfil.

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

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

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

For **GSK & ASSOCIATES LLP**
Chartered Accountants
F.R.N. 013838N

Vijay Chawla
Partner
M. No. 093941

Date: 14.04.2018
Place: New Delhi

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO FIVE CORE ELECTRONICS LIMITED ("THE COMPANY") AND IT'S SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholders under the Income Tax Act, 1961 presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares 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.

1. Special Tax Benefits available to the Company

There are no Special tax benefits available to the Company.

2. Special Tax Benefits available to the shareholders of the Company

There are no Special tax benefits available to the shareholders of the Company.

Notes:

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.

2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

3. 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. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement

You should consult your own Tax Advisors concerning the Indian Tax implications and consequences of purchasing, owning and disposing of equity shares in your particular situation.

For **GSK & ASSOCIATES LLP**
Chartered Accountants
F.R.N. 013838N

Vijay Chawla
Partner
M. No. 093941

Date: 14.04.2018
Place: New Delhi

SECTION IV – ABOUT THE COMPANY

OUR INDUSTRY

OVERVIEW OF INDIAN ECONOMY

India's diverse economy encompasses traditional village farming, modern agriculture, handicrafts, a wide range of modern industries, and a multitude of services. Slightly less than half of the work force is in agriculture, but services are the major source of economic growth, accounting for nearly two-thirds of India's output but employing less than one-third of its labor force. India has capitalized on its large educated English-speaking population to become a major exporter of information technology services, business outsourcing services, and software workers.

Thus, the country is attracting many global majors for strategic investments owing to the presence of vast range of industries, investment avenues and a supportive government. Huge population, mostly comprising the youth, is a strong driver for demand and an ample source of manpower.

With more than 1.33 billion people and the world's fourth-largest economy, India's recent growth and development has been one of the most significant achievements of our times. Over the six and half decades since independence, the country has brought about a landmark agricultural revolution that has transformed the nation from chronic dependence on grain imports into a global agricultural powerhouse that is now a net exporter of food. Life expectancy has more than doubled, literacy rates have quadrupled, health conditions have improved, and a sizeable middle class has emerged. India is now home to globally recognized companies in pharmaceuticals and steel and information and space technologies, and a growing voice on the international stage that is more in keeping with its enormous size and potential.

GDP and Other Indicators

According to the data released by the Central Statistics Office (CSO), the Gross Value Added (GVA) slipped sharply to 6.6% in 2017 ended March 31, from 7.9% growth in 2015-16. The demonetisation seems to have impacted the GVA in the third as well as fourth quarter of 2016-17 which slipped to 6.7% and 5.6% respectively, from 7.3% and 8.7% in the same quarter of 2015-16.

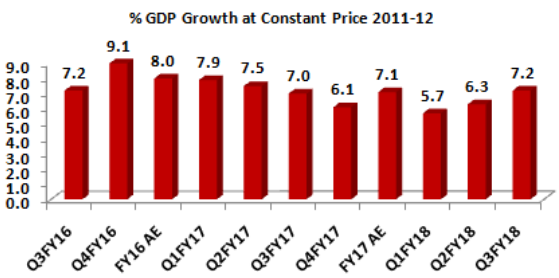
Almost all sectors, with the exception of agriculture, showed deceleration in the aftermath of demonetisation. While the manufacturing sector output in the fourth quarter slowed to 5.3% versus 12.7% in the same period of last year, the construction sector slipped into the negative territory.

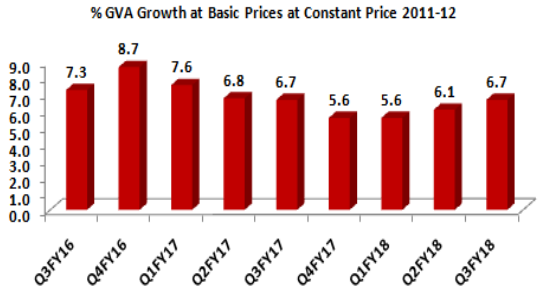
India's GDP (Gross Domestic Product) growth has recovered to 6.3% in the second quarter from a three-year low of 5.7% in first quarter, said the Ministry of Statistics and Programme Implementation (MOSPI).

The Indian economy grew at five-quarter high of 7.2% in the Q3FY18 reflecting overall recovery due to good show by agriculture, manufacturing, construction and certain services.The economy is expected to grow at 6.6% in the current fiscal ending March 31, as per the second advanced estimates of the Central Statistics Office (CSO), compared to 7.1% in 2016-17.The earlier estimate was 6.5%.The growth for the second quarter (July-September) has been revised upwards to 6.5%, from 6.3% estimated earlier by the CSO.

The previous high was recorded at 7.5% in the July-September quarter of 2016-17.

http://www.business-standard.com/article/economy-policy/india-s-q3fy18-gdp-growth-rises-to-five-quarter-high-of-7-2-118022800777_1.html





Source RBI

Index of Industrial Production

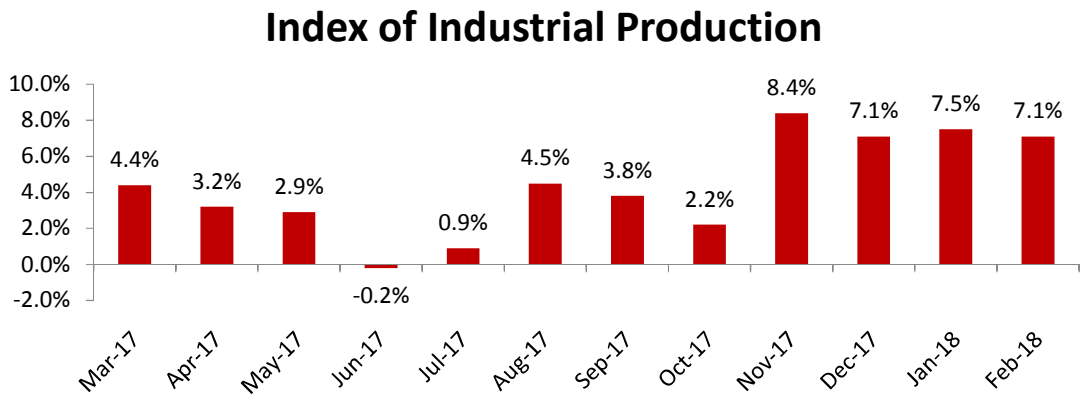
After growing at more than 7% for the third straight month up to January, industrial growth kept up the momentum in February as well at 7.1%. The Index of Industrial Production (IIP) had risen by downwardly revised 7.4% in January 2018 and was 1.2% in February 2017. The annual retail inflation eased for the third straight month in March to 4.28%, as food prices fell, government data showed on Thursday. It was 4.44% in February 2018.

The manufacturing sector, which constitutes over 77% of the index, grew at 8.7% in February as compared to the almost flat growth of 0.7% in the same month a year ago. Similarly, capital goods output rose by a robust 20% in the month under review as against a contraction of 2.4% earlier.

Consumer durables too grew at 7.9% as against a contraction of 4.6% in February 2017. Electricity generation also grew by 4.5% compared to 1.2%. However, mining output declined by 0.3% against a growth 4.6% earlier.

As per use-based classification, the growth rates in February 2018 over February 2017 are 3.7% in primary goods, 3.3% in intermediate goods and 12.6% in infrastructure/construction goods.

The consumer non-durables sector recorded a growth of 7.4%. In terms of industries, 15 out of the 23 industry groups in the manufacturing sector have shown positive growth during February 2018.



Source: RBI & MOSPI

http://www.mospi.gov.in/sites/default/files/press_release/iip_PR_12mar18.pdf

FDI in India

The inflow of Foreign Direct Investment (FDI) to India has jumped to $60.08 billion in the last three years. According to a release by Ministry of Commerce and Industry, the FDI inflow to India in the financial year 2016-17 was $60.08 billion, which was around $5 billion more than the record $55.56 billion recorded in 2015-16. In the financial year ending March 2015, India had received $45.15 billion as FDI as against the $36.05 billion received in 2013-14.

FDI trends in 2016-17

- Total FDI equity inflow received during 2016-17 is $ 43.48 billion, which is an increase of 9% compared to 2015-16 ($ 40.00 billion). This is the highest ever for a particular financial year.
- The FDI equity inflow received through approval route during 2016-17 was US$ 5.90 billion, which is 65% higher than the previous year ($ 3.57 billion).
- Manufacturing sectors witnessed 52% growth in comparison to 2015-16 (i.e. from $ 13.35 billion to $ 20.26 billion).
- Total FDI inflow grew by 8% to $60.08 billion in 2016-17 in comparison to $55.56 billion of the previous year. This is the highest ever FDI inflow for a particular financial year. Before this, the highest FDI inflow was reported in 2015-16.

Source:http://pib.nic.in/newsite/PrintRelease.aspx?relid=161955

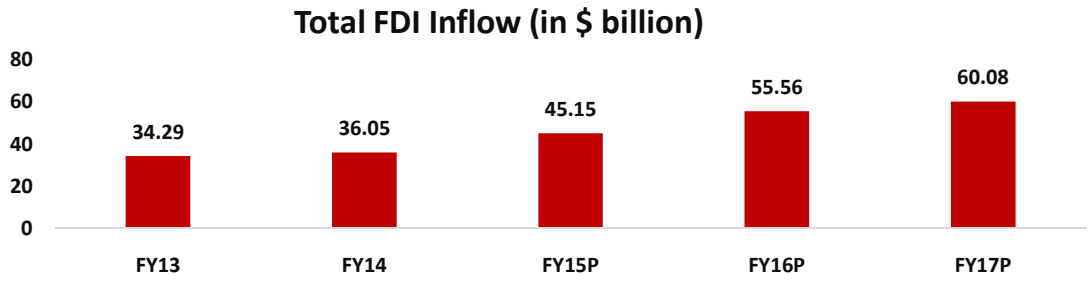
Overseas investments into India saw a sluggish growth of 0.27% to $35.94 billion during April-December 2017.

According to data released by the Department of Industrial Policy and Promotion (DIPP), foreign direct investments dropped by 4% in rupee terms to Rs 2.31lakh crore.

For April-December 2016-17, FDI stood at $35.84 billion. Singapore, Mauritius, the Netherlands and Japan led the investments.

For the current financial year, FDI inflows between April and December dropped 41% in services sector compared to the year-ago period. Investments picked up in other sectors, including telecommunication, automobile, pharmaceutical and construction.

https://economictimes.indiatimes.com/news/economy/finance/fdi-rises-only-0-27-per-cent-during-april-december-fy18/articleshow/63014906.cms



Source:
https://www.cmie.com/kommon/bin/sr.php?kall=warticle&dt=2017-05-20%2014:49:32&msec=960

Key Economic Variables

Particulars	FY14	FY15	FY16 RE	FY17 RE
GDP %	6.4	7.5	8.0	7.1
GVA Growth Rate (%)	6.3	7.1	7.9	7.1
Export Growth (%)	4.7	-1.3	-5.4	4.7
Import Growth (%)	-8.3	-0.5	-5.9	-0.17
Index of industrial Production (%)	4.2	4.5	2.7	-

Source: RBI
MOSPI: http://mospi.nic.in/sites/default/files/press_release/PRESS_NOTE_PE_2016-17.pdf

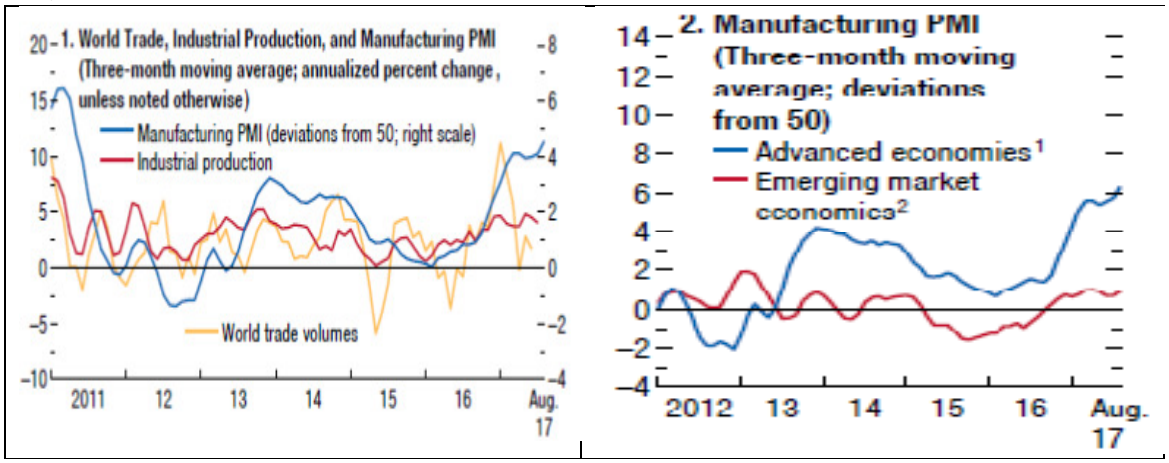
Global Economy

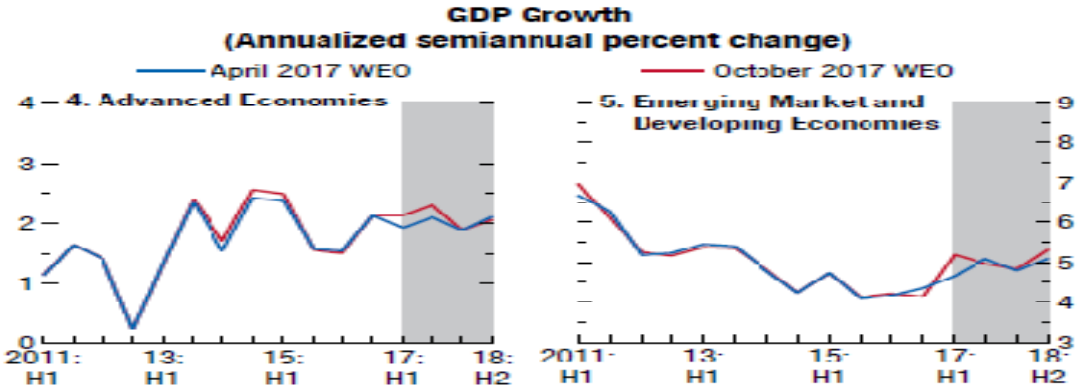
The global upswing in economic activity is strengthening.
Global growth, which in 2016 was the weakest sincethe global financial crisis at 3.2%, is projectedto rise to 3.6% in 2017 and to 3.7% in 2018. The growth forecasts for both 2017 and 2018are 0.1 percentage point stronger compared with theApril 2017 World Economic Outlook (WEO) forecast.Broad-based upward revisions in the euro area, Japan,emerging Asia, emerging Europe, and Russia—wheregrowth outcomes in the first half of 2017 were betterthan expected—more than offset downward revisionsfor the United States and the United Kingdom.

Among emerging market and developing economies, higher domestic demand in China and continued recovery in key emerging market economies supported growth in the first half of 2017. In India, growth momentum slowed, reflecting the lingering impact of the authorities' currency exchange initiative as well as uncertainty related to the midyear introduction of the country-wide Goods and Services Tax. Higher external demand boosted growth in other emerging market economies in East Asia. In Brazil, strong export performance and a diminished pace of contraction in domestic demand allowed the economy to return to positive growth in the first quarter of 2017, after eight quarters of decline.

Source: https://www.imf.org/en/Publications/WEO/Issues/2017/09/19/world-economic-outlook-october-2017

Key Indicators





INDUSTRY OVERVIEW

Global Loudspeaker, Wireless Audio, Home Audio and Sound Reinforcement Market Overview

A) Global Loudspeaker Market Size To Reach USD 8.48 Billion By 2025

The global loudspeaker market is estimated to reach USD 8.48 billion by 2025, according to a new report by Grand View Research, Inc. Increasing middle class population and rising disposable income is expected to propel industry growth. Rising in-home entertainment, decreasing sound quality of the television owing to reduction in size and growing entertainment spending is anticipated to boost industry over the forecast period.

Technological advancements in design, sound quality, size and power, and new product introduction are anticipated to drive demand over the next seven years. The increasing popularity of wireless streaming of audio content among consumer is also expected to boost demand over the forecast period.

Further key Facts:

- Type of loudspeakers available in market includes satellite/subwoofer, soundbar, in-wall speaker, multimedia speaker, outdoor speaker, and subwoofers. The soundbar segment is anticipated to grow at a CAGR over 8% from 2016 to 2025. Growing number of the smart home is anticipated to offer growth opportunities for soundbar market over the next seven years.

- Consumers use computers and laptops for watching movies and playing gaming and it has become an accepted pastime for people. The consumers are anticipated to upgrade their systems for better sound quality or sound experience. With an increase in availability of downloadable music or growing penetration of online buffering sites such as YouTube and Dailymotion, consumers are expected to upgrade their multimedia speakers.

- North America and Europe is anticipated to be key region over the forecast period owing to growing popularity of in-home entertainment. Asia Pacific loudspeaker market is expected to witness tremendous growth owing to increasing disposable income and rising population. India and China are expected to the major region over the next seven years owing to high consumer base and growing popularity of soundbar in the region.

- Key industry players include Bose Corporation, Harman International Industries Inc., B&W Group Ltd., Audiovox Corporation, Boston Acoustics Inc., Creative Labs Inc, and Directed Electronics Inc. Other vendors include Altec Lansing, , KLH Audio Systems, Klipsch Group Inc., Yamaha Corporation of America, Cambridge Sound Works Inc., Sonance, Speaker Craft Inc., and Velodyne Acoustics Inc.

https://www.grandviewresearch.com/press-release/global-loudspeaker-market

B) Wireless Audio Market

The wireless audio market is expected to grow from USD 16.13 Billion in 2016 to USD 31.80 Billion by 2023, at a CAGR of 10.06% between 2017 and 2023. Factors such as increasing demand for smartphones as a source of entertainment, consumer preferences for portable devices, and advancements in wireless technologies are driving the growth of the market.

Wireless audio market for headsets to grow at a high rate between 2017 and 2023

The latest headsets, available in the market, are equipped with the latest version of Bluetooth smart chip. This chip helps in reducing the power consumption when listening to music and improving the range and quality of the sound. Also, the latest smartphones support near field communication (NFC) connectivity, which enables pairing of devices with a single tap. With further developments in the wireless technology, vendors would enhance their products with better connectivity and battery life; this is likely to drive the growth of the market for headsets. Moreover, wireless headsets and microphones keep the users' hands free; owing to which, the user can perform other tasks.

Americas to hold the largest share of the wireless audio market in 2017

The wireless audio market in the Americas is likely to be driven by the increase in sale and installation of home entertainment devices. The growing population of music listeners, increasing digital music sales, and popularity of the audio & video entertainment segment are expected to influence the regional market positively over the next decade. The US is at the forefront of installing and buying the upcoming technologies such as wireless speakers and home entertainment systems.

The competition in the wireless audio market is high because of the presence of a large number of players. Some of the key players in the wireless audio market are Apple Inc. (US), Samsung Electronics Co., Ltd. (South Korea), Sony Corporation (Japan), Bose Corporation (US), Sonos. Inc. (US), DEI Holdings, Inc. (US), Harman International Industries, Incorporated (US), Sennheiser electronic GmbH & Co. KG (Germany), VIZIO, Inc.(US), and Voxx International Corporation (US).

https://www.marketsandmarkets.com/PressReleases/wireless-audio-device.asp

C) Home Audio Equipment Market

Home Audio Equipment Market size is set to exceed USD 20 billion by 2024, with shipments forecast to surpass 150 million units by 2024; according to a new research report by Global Market Insights, Inc.

Home audio equipment market is expected to grow owing to the growing penetration of internet of things (IoT) technology across the globe. With the introduction of IoT, consumers are increasingly demanding the devices compatible with multiple other devices to increase convenience and enhance experience. For instance, smart speaker range by Amazon perform several other functions that control smart homes, including control heaters, fans, lights, and thermostats. With the proliferation of this technology, the demand for audio devices that perform such functions is expected to propel the home audio equipment market growth.

With the advancements in the technology, customers can buy speakers without complicated racks & components that deliver desired quality of sound. Growing focus on wireless capabilities in these devices is gaining consumer attention and the manufacturers in the industry are developing products that appeal to the customers, thus aiding the home audio equipment market. For instance, Bose Corporation recently launched its wireless speaker, Sound Touch 10, that can be operated through smartphones and costs USD 200. According to BestBuy, the number of wireless networked soundbars sold has increased two-fold in the last few years.

Wireless technology enabled gadgets are expected to gain substantial share in the home audio equipment market over the forecast period, owing to increasing operability and compatibility of these devices with other devices such as other speakers, smartphones, and tablets. High degree of standardization offered in wireless protocols is expected to benefit the wireless home audio equipment market growth. In 2011, Wireless Speaker and Audio Association was formed to address wireless applications in home-based theater environment. The standardization is supported by major vendors such as Bang & Olufsen, Polk, & Klipsch, component suppliers such as Pioneer & Sharp, and chip makers such as NXP Semiconductors & Silicon Image.

The manufacturers of home theater systems are investing in developing latest advanced technology products. Development of technologies such as SED displays, XBOX 360, holographic front projection, carbon nanotube displays, and enhanced interactive television are gaining consumer focus as they offer enhanced entertainment experience, thus fueling the home audio equipment market growth.

Some of the major players in the home audio equipment market comprise AKG, Bang & Olufsen, Samsung Electronics, Acoustic Research, Blaupunkt, Boston Acoustics, Denon, Fluance, Edifier, Klipsch Group, Koninklijke Philips N.V., Pioneer Corporation, and Mark Levinson. The vendors are continuously investing in innovation and R&D in terms of technology to gain competitive advantage. For instance, in September 2016, Anthem introduced the STR integrated amplifier with an aim to strengthen its presence in the two-channel audio space.

Home Audio Equipment Market, By Price Range

- Low (less than USD 500)
- Moderate (USD 500 – USD 1000)
- High (over USD 1000)

Home Audio Equipment Market, By Product

- Speaker
- Soundbar
- Home theater-in-a-box
- Receiver
- HTIB

Home Audio Equipment Market, By Technology

Wired

- Speaker
- Soundbar
- Home theater-in-a-box
- Receiver

Wireless

- Speaker
- Soundbar
- Home radio
- Receiver

https://www.gminsights.com/pressrelease/home-audio-equipment-market

D) Global Sound Reinforcement Market

The global sound reinforcement market is expected to cross $9 billion by 2023, growing at a CAGR of 3.01% during the forecast period. The exponential rise in the demand for digital equipment in APAC and the US and the launch of new product models are driving the growth of the sound reinforcement market. The growing demand for sound reinforcement products and increased end-users' spending sentiments on music concerts and festivals worldwide help leading vendors in the sound reinforcement market gain a larger market share.

The booming commercial real estate, hospitality, corporate, and music markets in countries such as the US, the UK, Germany, Japan, China, and India will create investment opportunities for various companies in the sound reinforcement market. The increasing spending on consumer goods, restaurant, and concerts is boosting the entertainment industry and driving the demand for new sound equipment in the global market. The proliferation of wireless digital technology in various countries in APAC such as India and China and Latin American countries will propel the growth of the sound reinforcement market during the forecast period.

Prominent players and emerging companies are investing in the development of innovative solutions with advanced features and focusing on product portfolio upgrades to gain a larger market share in the global sound reinforcement market. The replacement of sound equipment in government offices and premises, courtrooms, university campuses, nightclubs, restaurants, and other institutions will contribute to the revenue of the sound reinforcement market.

Sound Reinforcement Market - Dynamic

The technological revolution in educational institutes across the world is propelling the demand in the global sound reinforcement market. The introduction of smart campuses that uses wireless technology and IoT to promote interconnectedness in various university campuses will augment the growth of the global sound reinforcement market. Several vendors are launching audio system upgrades and equipping classrooms with wireless technologies to promote smart campuses in the global market and to gain a larger market share.

The implementation of sound reinforcement equipment with modern technology will add stimulus and enhance the interaction between the learner and the educator within the classroom. Furthermore, the development of innovative tools and technologies to promote e-learning in classrooms will fuel the growth of the global sound reinforcement market.

Sound Reinforcement Market - By Product Type

The sound reinforcement market by products is categorized into microphones, pro speakers, audio/sound mixers, audio signal processors, power amplifiers, and others. The microphone segment in the global sound reinforcement market is expected to value at $3,043.2 million by 2023. The exponential use of microphones in concerts, musical events, sporting tournaments, and broadcasting studios across the globe is fueling the growth of the microphones segment in the global sound reinforcement market. The rising need for upgrades and replacement of legacy systems in developed and emerging markets will help leading vendors gain a larger market in the global sound reinforcement market. The microphones segment is further divided into wired and wireless microphones. The introduction of connected devices and propagation of IoT will have a positive impact on the growth of the sound reinforcement market.

Sound Reinforcement Market - By Format

Digital sound equipment to occupy the largest market share in the sound reinforcement market by 2023. In terms of format, the global sound reinforcement market is divided into digital sound reinforcement equipment and analog sound reinforcement equipment. The digital equipment segment dominated the global sound reinforcement market, accounting for more than 58% of the total market share in 2017 and is expected to generate revenue of about $5,856 million during the forecast period. The increasing number of internet users and the growing number of connected devices will drive the growth of this market segment over the next few years.

Sound Reinforcement Market - By End-users

The sound reinforcement market by end-user segment is divided into corporate, large venues and events, educational institutions, government and military, studio and broadcasting, hospitality, and others. The corporate sector was the largest in the sound reinforcement market, occupying over 26% of the total market share in 2017. Rise in the number of offices, geographic expansion of companies, and integration of IoT in business workflow processes are some of the factors driving the growth of the corporate sector in the sound reinforcement market. The introduction of corporate e-learning programs to enhance the skill development of the employees will boost the demand for sound reinforcement equipment in the global market.

Sound Reinforcement Market - By Geography

APAC to be the fastest growing geographical segment in the sound reinforcement market. The geographical segment in the sound reinforcement market is categorized into APAC, Europe, Latin America, MEA, and North America. APAC is the fastest growing geographical segment in the sound reinforcement market at a CAGR of 3.58% and is expected to generate revenue of more than $2,979 million during the forecast period. Countries such as Japan, Australia, China, and South Korea are the major revenue contributors in the sound reinforcement market in APAC. The adoption of advanced lifestyles and increased per capita income in various APAC countries will boost the demand for sound reinforcement equipment in the APAC market.

Key Vendor Analysis

The rapidly changing technological environment is intensifying the competition in the global sound reinforcement market. The global sound reinforcement market is highly fragmented, and the leading vendors control more than 40% of the total market share. The introduction of sound reinforcement systems with high functionality and innovative designs will help vendors gain a large market share and increase their consumer base. With the improving economic conditions and the introduction of innovative technologies leading players are focusing expanding their businesses to emerging countries in APAC and Latin America. Vendors will try to distinguish their products and service offerings through a clear and unique value proposition during the forecast period.

The major vendors in the global market are:

- Audio-Technica
- Bose
- Harman International (Samsung)
- MUSIC Group
- Sennheiser
- Shure
- Sony
- Yamaha

https://globenewswire.com/news-release/2018/01/29/1313388/0/en/Global-Sound-Reinforcement-Market-Outlook-and-Forecasts-Research-Report-2018-2023.html

OUR BUSINESS

Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section "Forward-Looking Statements" for a discussion of the risks and uncertainties related to those statements and also the section "Risk Factors" for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the Twelve-month period ended March 31 of that year. In this section, a reference to the "Company" or "we", "us" or "our" means Five Core Electronics Limited.

All financial information included herein is based on our "Financial information of the Company" included on page 216 of this Draft Prospectus.

BACKGROUND

Mr. Surinder Singh Kalra, father of one of our promoters - Mr. Amarjit Singh Kalra, ventured in the field of electronics as a small-time goods dealer in the year of 1984 in Kolkata. The integration of hard work and knowledge, his lineage, Mr. Amarjit Singh Kalra, successfully established the business, as a manufacturer and exporter of PA systems to many parts of the world in the overall span of 33 years. The brand "5CORE"– established in 1988 – became the first to introduce multi-core soldering wire of Japanese Technology in India. The father and son duo continued their journey towards making of electronic items in Kolkata.

As the business expanded, Five Core Electronics Limited was incorporated in 2002 in Kolkata. to manufacture as well as export PA systems. Our Company was founded to enter the audio era with innovative products driven by the needs of professional customers reflecting our commitment to the industry with the use of advanced technology and techniques in the field of Audio Systems. The family shifted to Delhi in year 2002-03 and first unit was established in Fateh Nagar, Delhi on a rented premise. Soon, after a year, the business growth warranted expansion and hence new premise was taken on lease by our Company at C-116, Fateh Nagar, Delhi. Our focus had been on exports in our own brand name – 5CORE. Improved engineering and aggressive marketing made a significant impact on our sales. In the year 2008-09, another factory was established in Bhiwadi and product portfolio was expanded. Today we manufacture and export whole range of Public Address Systems - Woofers, Amplifiers, Computer Speakers, Personal Speaker System, Headphones and Earphones. In the year 2016-17, another expansion was done in RIICO, Industrial Area, Sare Khurd, Bhiwadi, Alwar with most modern machines and technology.Our Company has also been trading in fabric.

Our promoters viz. Mr. Amarjit Singh Kalra and Mrs. Surinder Kaur Kalra, have been performing and engineering live-sound. Our promoters through their far sightedness and hard work has made our company one of the most respected manufacturers in the PA systems industry. By providing solutions that incorporate these industry standard products, our Promoters strive to provide our customers with practical, long lasting, cost-effective PA system solutions. Their aspiration is to make the customer, very happy while establishing long-term relationships and loyalty.

OVERVIEW

Established in 2002 by principals with a background in electronics, 5CORE has grown into one of the world's leading suppliers of commercial PA system products. Our Company is committed to develop creative, reliable and value-oriented PA systems and distributing it worldwide with an uncompromising level of service and support. We facilitate public address system to commercial segment which helps in reinforcing sound. These user-friendly systems are easy to install, operate and maintain, and are offered with comprehensive warranties and after sale services. 5CORE products have been developed to meet countless requirements and are suitable for small, medium as well as large venues including factories, schools, religious places, banks, restaurants, office buildings, workshops, shopping malls, meeting halls and boardrooms, etc. Based in New Delhi our

company continues to prosper fulfilling the requirements of customers from many different market sectors and backgrounds.

Our professional team of sound engineers, software engineers, industrial design engineers and simulation and application engineers work tirelessly in developing innovative PA equipment with exceptional sound quality and robust designs. Our legacy of product development and innovation is reflected through our foray into new technologies and the number of industry firsts we've achieved. Our staff's skill ranges from top quality studio recording to electrical engineering. We pride ourselves in the training and practicality of our staff and always do our best to make sure that if we can expand our skill set to make us better serve our customers we will. From musicians to sound engineers and system designers our staff lives sound and we do our best to keep up with the constantly expanding library of knowledge in sound & sound equipment so that we can always be here to use that knowledge for customer's benefit.

As audio engineers and professionals, our ears are our most important tools. Our sales staff is trained to listen first to the needs and requirements of our customers, and then use our expertise to design sound systems that best suit our customer's application criteria and budget.

5CORE has taken giant leaps right from the moment of technology. The remarkable progress of the company is based on the strong foundation of innovation, organized systems, and quality that form the core element of its product range. Notably, 5CORE has become a leading manufacturer of Public Address Systems in the country and has a strong presence in the overseas market in African Continent, UAE, South America, Singapore, Dubai, Bangladesh, Vietnam Nepal, to name a few. Our products are sold in 56 countries across 6 continents through a network of over 350 distributors and dealers. In India we are present in 17 States through a distributor and dealer network of more than 240 in different zones. Our Company has also opened showrooms in Dehradun, Saharanpur, Chomu, Guwahati, Jeopur, Patna, Raxaul, Bhagalpur, Calicut and Hyderabad which are run by our dealers.

5CORE is coined from the word "Join" to symbolize the pleasing effect experienced by the customers from our innovative products. The rationale behind every 5CORE product is based on the "5R" core principle.

- Reliability: Establish new standards in terms of consistency and performance.
- Reach: To be on every corner of the world map.
- Responsibility: Being highly accountable in our effort to provide excellent products and professional service.
- Reasonable: Offering dynamic products at an economical price as to suit every customer.
- Research: Keep exploring & innovating and use advanced technologies to produce high quality PA products.

OUR COMMITMENT

We are totally committed to providing great products, excellent customer support and very competitive prices. Our customers' expectations of high quality products and service at a fair price will be met.

OUR VALUES

Values serve as a compass for our actions and describe how we behave in the world. Values followed by our Company are:

- **Leadership**: The courage to shape a better future
- **Collaboration**: PA Equipment collective genius
- **Integrity**: Be real, be true to the market values
- **Diversity**: A wide range of PA equipment
- **Quality**: Maintaining the standard value of the products that might enhance the standard of living of the people

MISSION & VISION

Mission

5CORE strives to achieve an enviable position in setting the leading standards in Audio systems with innovative and qualitative acoustic equipment and systems.

Vision

To maintain our global leadership in every market we serve and revolutionize the company on the 4 pillars of innovation, quality, prompt customer service and timely delivery. Our vision is to develop systems that record and reproduce the Enigma of Sound in its original & true flavor.

Goal

To become a trusted partner for our customers by offering them a comprehensive solution for their needs

5CORE GROUP

Our Company, 5 Core Acoustics Private Limited (our subsidiary), Indian Acoustics Private Limited, Happy Acoustics Private Limited, Digi Export Ventures Private Limited, Neha Exports, Visual and Acoustics Corporation LLP and EMS & Exports, the eight entities, collectively referred to as the Five Core group have been manufacturing public address systems designed with robust all-weather products made to run 24/7 and last in any challenging environment. Our products can easily be customized to meet the demanding needs of customers design and budget. Microphones, amplifiers, digital mixers, loudspeakers and PA horns that can handle small to large public areas such as athletic fields, theme parks, arenas, indoor outdoor public areas, parking lots, public venues, railway stations, public buildings, parks, recreational areas and more.

All the group entities manufacture and sell PA systems in the name of 5 CORE. The manufacturing was distributed in various entities to take benefit of tax incentives, ease of banking, different product group associated to PA and Audio Industry, for e.g Computer Speakers, Personal Speaker System, Headphones and Earphones etc. There have been no major transactions of sale/purchase between group entities in the past.

TURNOVER OF THE GROUP

(Rs. In lakhs)

Name of Entity	March 31,		
	2017	2016	2015
Five Core Electronics Limited	17,265.69	12,279.46	11,315.02
5 Core Acoustics Private Limited	6948.91	4633.60	717.62
Indian Acoustics Private Limited	8403.51	7654.54	7607.08
Happy Acoustics Private Limited	15730.62	10517.00	9370.80
Digi Export Ventures Private Limited	5942.14	5835.43	4868.11
Neha Exports	7150.87	6197.12	5978.85
Visual and Acoustics Corporation LLP	6926.08	6372.35	4773.08
EMS & Exports	13920.71	10271.85	8968.16
Total	**82,288.53**	**63,761.35**	**53,598.72**

PROFITABILITY OF THE GROUP

(Rs. In lakhs)

Name of Entity	March 31,		
	2017	2016	2015
Five Core Electronics Limited	129.39	95.60	76.13
5 Core Acoustics Private Limited	48.70	25.02	2.18
Indian Acoustics Private Limited	64.39	59.72	50.98
Happy Acoustics Private Limited	120.81	82.26	70.31
Digi Export Ventures Private Limited	42.84	43.39	34.78
Neha Exports	77.56	66.67	43.35
Visual and Acoustics Corporation LLP	80.34	73.25	56.71
EMS & Exports	169.96	125.19	98.37
Total	**733.99**	**571.10**	**432.81**

Note: Sales and Profitability mentioned above are based on the Audited Financials of last three years of our Company and respective Group Entities.

Our Foreign Subsidiaries

PAN Arabian Ventures FZE and South Asia Exim Pte. Ltd were incorporated in Dubai and Singapore respectively as wholly owned subsidiary of our Company in the year FY 2016-17 and 2017-18. These subsidiaries were incorporated with an aim of expanding brand recognition and to serve international clients with ease & in a cost effective manner. Establishing foreign subsidiaries abroad is part of our Company's global expansion plan.

These subsidiaries are engaged in trading of amplifier, speakers, mics, horns, mixers, etc. These subsidiary companies purchase products from various suppliers abroad and sell the same to the customers from whom orders are received.

Other Achievements

On September 04, 2015 our Company was accorded a "Two Star" Export House status by the Office of the Additional Director General of Foreign Trade, Ministry of Commerce & Industry which is valid till August 27, 2020. Our Company was the fifth largest exporter of India in consumer electronics in the year 2014-15, 2015-16 and fourth largest exporter in the year 2016-17 in terms of data released by Electronics Export Promotion Council.

In the year 2016, our Company got registered with National Small Industries Corporation in Government Purchase Enlistment which made our Company eligible to sell products like PA Amplifiers, PA Speakers, etc to the Government with a limit allowance of Rs. 5527.00 Lakhs till May 01, 2018 which may be renewed post expiry. Further, in the same year Horn Speaker (with Driver Unit) and PA System tested by Standardisation, Testing & Quality Certification Directorate, Department of Electronics and Information Technology, Ministry of Communication & Information Technology reported that the said products meet the requirements of IEC 60065:2014 (8th Edition). We have also been registered with Railways for supply of some of 5 CORE products.

In the year 2017, our Company was enlisted in the tender of Dantak for supply of PA Mixer Amplifier, RMS Speaker and Microphone. Further, our Company was also enlisted in the tender of Northern Railway for supply of Megaphone, Horn and Loudspeaker. In the above mentioned tenders only four manufacturers were enlisted whose products could be supplied which implied that any supplier/distributor whoever bagged the order had to purchase from the enlisted manufacturers for supply of products where 5CORE is one of the enlisted manufacturer supplier.

In the year 2018, our Company has received "Electronics Business of the Year" award in Small Business Awards 2018 organised by Franchise India and "Most Impactful 30 Power Brands 2018" award at Power Brands Glam- BFJA 2018.

Our Company is certified under ISO 9001:2015 for complying with the Quality Management System for manufacturing and supply of electronics & electrical goods. Further, our Company is also registered with Bureau of Indian Standards, Ministry of Consumer Affairs, Food & Public Distribution, Government of India for manufacturing Amplifier with input power 2000 W and above (Model: CA-28, CA-18 and CA-20) for our manufacturing unit situated at F-622, Phase- I, Bhiwadi, Alwar, Rajasthan- 301019.

Our products are being used in government organizations, religious places, malls, concerts, auditoriums, school & colleges, railway station & metro station, bus terminals & airports and offices, stores & factories. Some of our notable installations are at Nairobi Airport (Kenya), Golden Temple (Amritsar), Mosques in Mecca/Madina (Saudi Arabia), SAARC Conference Centre (Nepal), Myanmar Buddha Temples, Colombia Discotheques & Clubs, Electronics and Computer Software Export Promotion Council, Harley Davidson, Bank of Baroda, High Court of Delhi, All India Institute of Medical Sciences, etc.

Our Company was featured in the July - August 2016 edition of PALM technology for installing PA Equipment namely, Reflex Horns, Trumpet Horns, Driver Units, Power Mixers, Amplifiers, Wired & Wireless Mics and Splitters in the area of 25 km radius for the safety of pilgrims at Kumbh Mela, Ujjain which is one of the largest gatherings. We also found place in the edition of September – October 2016 for installations in Cafés in various places of Delhi and supplying megaphones to Delhi Police and Delhi Traffic Police.

Credit Rating

On November 27, 2017, CRISIL has reaffirmed its ratings on the bank loan facilities of Rs. 6100.00 Lakhs of our Company at "CRISIL BBB-/Stable/CRISIL A3". For arriving at the ratings, CRISIL has combined the business and financial risk profiles of our Company, 5 Core Acoustics Private Limited, Indian Acoustics Private Limited, Happy Acoustics Private Limited, Digi Export Ventures Private Limited, Visual and Acoustics Corporation LLP, EMS & Exports and Neha Exports. The eight entities, collectively referred to as the Five Core group, have common management team, brand, customers, and suppliers, and have strong operational synergies.

The ratings continue to reflect our Company's above-average business risk profile because of an established market position in exports, a healthy relationship with customers and suppliers, and a wide product portfolio. The ratings also factor in a moderate financial risk profile and funding support from the promoters. These rating strengths are partially offset by working capital-intensive operations and low operating profitability. Details of various bank facilities along with their ratings are given below: -

(Rs. In Lakhs)

Facility	Amount	Rating
Bill Discounting	3800.00	CRISIL A3
Cash Credit	400.00	CRISIL BBB-/Stable
Packing Credit in Foreign Currency	1900.00	CRISIL A3
Total	**6100.00**	-

OUR COMPETITIVE STRENGTHS

We believe the following competitive strengths contribute to our success and position us well for future growth:

- **Experienced promoters**

  Our promoters Mr. Amarjit Singh Kalra and Ms. Surinder Kaur Kalrahave vast experience in the field of production, engineering and manufacturing of PA Equipment, regulatory requirements, marketing & business development. They have played a key role in developing our business and we benefit from their industry expertise, vision and leadership. Our Company is dedicated towards quality of our products which has helped us to maintain long term relations with our customers and has also facilitated us to entrench with new customers.

- **Product innovation and design capabilities**

  5 Core has long viewed as an innovative company that is capable of producing well designed and thought products. This is proven by the many accolades the company has received over the years.

- **Brand Value**

  Over the years, 5CORE has acquired ground breaking technology that has allowed us to improve the sound and quality of their PA systems. This technology leadership has allowed us to build a very strong brand image in the marketplace and has also helped to establish us as a frontrunner in the PA systems market.

- **Strong and extensive distribution channels across 56 countries**

  5CORE's strength is its extensive distribution channels across world. Our products are sold in 56 countries. We are well-known for employing multiple channels to deliver our products to customers. We also offer sound after sale service through wide distribution network.

- **Quality Assurance**

  The Quality department is divided into Input Quality Control, Process Quality Control and Output Quality Control. The team interacts with customers in case of non-compliance as per their standard customer complaints handling procedure. The department is equipped with modern test equipment and carries out tests as per International standards.

- **Strong Customer Base**

  Our company has strong customer base including our established relationships with customers leading to stability of demand. We have several reputed domestic and international clients. We constantly try to address our **customer's nee**ds. This has helped us to maintain a long term working relationship with our customers and improve our client retention strategy.

- **Wide range of Products**

  We are mainly engaged in manufacturing of Public Address Systems, Woofers, Amplifiers, Computer Speakers, Personal Speaker System, Headphones and Earphones. Our product portfolio consists of wide range of products which differentiate us from other companies. With our Broad product portfolio encompassing a wide spectrum of PA systems product portfolio, our company is able to cater to the demand of both domestic as well as international markets.

SWOT ANALYSIS

Strengths	Weaknesses
1. '5 CORE' is a leading brand in PA systems. 2. Worldwide presence. 3. Wide Product Portfolio. 4. Production ability to assemble from base materials 5. Extensive Dealer network- both domestic and international 6. Excellent Consumer experience. 7. Continuous R&D and innovations 8. Aggressive market strategy 9. Professional and experienced team	1. Competition from other international brands. 2. High working capital requirements.
Opportunities	**Threats**
1. Niche Market. 2. Demand is growing 3. Customer is more brand conscious.	1. Changing consumer trends. 2. Counterfeit products. 3. Change in govt. policies

STRATEGIES

- **Growth by Expanding of our presence in the international and domestic markets**

Long-term sustainable growth is paramount. The Company approaches this strategy by: expanding geographically to meet the global needs of customers; developing significant, value-creating products; and fostering continuous improvement and innovation through research and development. Our Company seeks to expand and enhance our presence in our existing business segments by identifying markets where we can provide cost effective, technically advanced products to our customers. Our Company would also aim to build-up our sales force which will enable us to effectively market our products.

- **Brand Image and Promotional Activities:**

To strengthen our position in the industry in which we operate, we undertake extensive sales and marketing to promote our brand on a continuous basis. These activities are integral to creating, maintaining and enhancing brand visibility and correspondingly to create, sustain and enhance our market share in the industry. We do many promotional activities which enhances the growth. Promotional activities are carried out through Magazines, Social Media Marketing, Exhibitions, Formal Events, product catalogues, Brochure, etc.

- **Innovation and Quality Standards**

The Company seeks to create a work environment where employees are encouraged to take a creative and innovative approach to meeting our customers' needs. By committing to continuous improvement through research and development, the Company is able to offer our customers unique and imaginative solutions that differentiate us from our competitors. Our driving force has always been the quality of our products, as the same would enable us for long standing relationship with our customers. We will continue to strive our quality standards high.

- **Continue to develop & maintain customer relationships**

Customers want help in selecting the right types of products based on their preferences and to better understand their options. We continue to enjoy the patronage of our customers. We believe that we can leverage our existing relationships, our brand and our technical expertise to grow our customer base which would help us in achieving our growth objective.

OUR PRODUCTS

A public address system (PA system) is an electronic system comprising microphones, amplifiers, loudspeakers, and related equipment. It increases the apparent volume (loudness) of a human voice, musical instrument, or other acoustic sound source or recorded sound or music. PA systems are used in any public venue that requires an announcer, performer, etc. be sufficiently audible at a distance or over a large area. Typical applications include sports stadiums, public transportation vehicles and facilities, and live or recorded music venues and events. A PA system may include multiple microphones or other sound sources, a mixing console to combine and modify multiple sources, and multiple amplifiers and loudspeakers for louder volume or wider distribution

Our Company manufactures the following products: -

1. MICROPHONES

A microphone, colloquially nicknamed mic or mike, is a transducer that converts sound into an electrical signal. This signal can be amplified as an analog signal or may be converted to a digital signal, which can be processed by a computer or other digital audio device. Microphones are used in many applications such as telephones, hearing aids, public address systems for concert halls and public events, motion picture production, live and recorded audio engineering, sound recording, two-way radios, megaphones, radio and television broadcasting, and in computers for recording voice, speech recognition, VoIP, and for non-acoustic purposes such as ultrasonic sensors or knock sensors.

Various types of microphones manufactured by our Company are: -

- Wireless Conference Systems
- Wireless Conference Microphones
- Interview Microphones
- Classic Retro Microphones
- Karaoke Microphones
- Recording Microphones
- Microphones Filter
- Counter Interaction Microphones
- Drum Microphones
- Tabla Microphone
- BoundaryLayer/Stage/Phantom Microphones
- Headset Microphone
- Wired/Wireless Microphones
- Microphone Clips
- Microphone Cables
- Tie Clip Microphone Collar
- Microphone Cartridge
- Microphone Connectors
- Microphone Sponges

2. AMPLIFIERS

An amplifier is used to increase the amplitude of a signal waveform, without changing other parameters of the waveform such as frequency or wave shape. They are one of the most commonly used circuits in electronics and perform a variety of functions in many electronic systems. Our Company manufactures amplifiers in compact shape for small to large communal purposes and gathering, making it easy to port from one place to another. It is compressed efficiently with heavy duty material and are designed to meet the user's requirements. Various types of amplifiers manufactured by our Company are: -

- Amplifiers with USB (DLX Series)
- Amplifiers with USB & Echo (E Series)
- Plain Amplifiers
- Booster Amplifiers
- Amplifiers with USB, Echo & Recording
- Amplifiers with Bluetooth
- Two Zone Amplifiers
- Power Amplifiers
- Guitar Amplifiers
- Bass Amplifiers (BA Series)
- Portable Wireless Amplifiers
- Home Amplifiers
- Paging Amplifiers

3. COLUMNS

Column speakers consist of numerous speaker units of the same type arranged vertically in a column-like enclosure. With the speaker units arranged in this way vertical sound spread toward the floor and ceiling is reduced, and that can help suppress unwanted reflections. This arrangement also results in less diffusion of the sound energy, and therefore less loss of output level. Column speakers are often used in churches, gymnasiums, and other facilities where excessive reverberation might be a problem, as well as in conference rooms and lecture halls where maximum speech intelligibility is the main goal.

Various types of columns manufactured by our Company are: -

- Wooden Columns
- Plastic Columns
- Steel Columns

4. WALL & CEILING SPEAKERS

Wall & Ceiling speakers are built into the wall or ceiling so that they are flush with the wall/ceiling surface. This type of installation is ideal in situations where the speakers are to be hidden so that they won't disrupt the interior décor, and is a common choice for distributing BGM throughout a facility. The broad coverage and relative lack of directionality of wall/ceiling speakers is an advantage for the latter application. Wall and Ceiling speakers are sometimes used in a supplemental support role in larger installations, in the same way that surface mount speakers are.

Various types of wall and ceiling speakers manufactured by our Company are: -

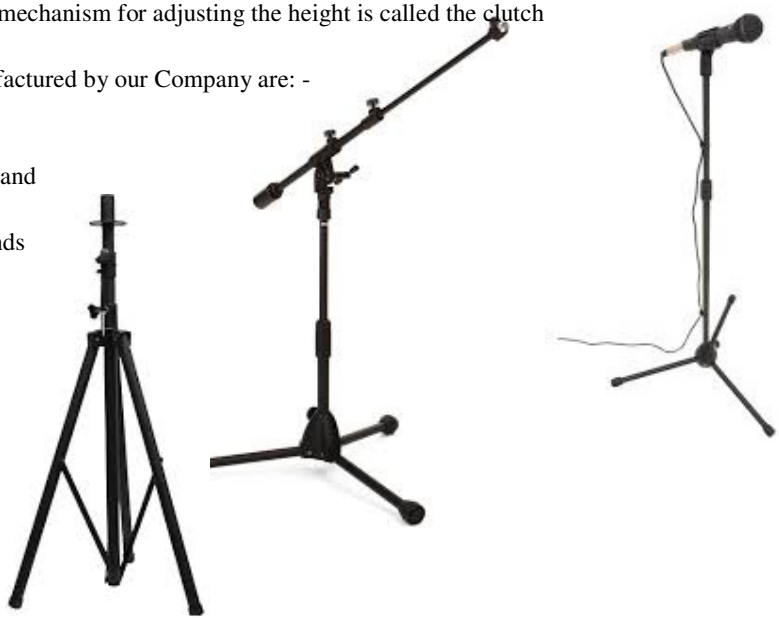
- Active Line Array System
- Audio Presentation System
- Wall Speakers (Wooden & Plastic Series)
- Full Range Speakers (Aluminum Frame & Chrome Coating)
- Woofers
- Compression Drivers
- Cross Over Network
- Piezo Tweeters
- Hise Tweeters
- Voice Controls

5. STANDS

A stand is a free-standing mount for a microphone/column. It allows the device to be positioned in the studio, on stage or on location without requiring a person to hold it. The most basic stand is a straight stand. It uses a dome-shaped round metal base, or a tripod base, into which is threaded a post for mounting the microphone or column. This post may be made up of two or more telescoping tubes that fit inside each other, allowing for quick height adjustment. The mechanism for adjusting the height is called the clutch

Various types of stands manufactured by our Company are: -

- Microphone Stands
- Podium Microphone Stand
- Column Stands
- Tabla Microphone Stands



6. MIXERS

In sound recording and reproduction, and sound reinforcement systems, a mixing console is an electronic device for combining sounds of many different audio signals. Inputs to the console include microphones being used by singers and for picking up acoustic instruments, signals from electric or electronic instruments, or recorded music. Depending on the type, a mixer is able to control analog or digital signals. The modified signals are summed to produce the combined output signals, which can then be broadcast, amplified through a sound reinforcement system or recorded.

In practice, mixers do more than simply mix signals. They can provide phantom power for condenser which changes a sound's apparent position in the stereo soundfield; filtering and equalization, which enables sound engineers to boost or cut selected frequencies to improve the sound; dynamic range compression, which allows engineers to increase the overall gain of the system or channel without exceeding the dynamic limits of the system; routing facilities, to send the signal from the mixer to another device, such as a sound recording system or a control room; and monitoring facilities, whereby one of a number of sources can be routed to loudspeakers or headphones for listening, often without affecting the mixer's main output.

Various types of mixers manufactured by our Company are: -

- Power Mixers
- Slim Mixers
- Console Mixers
- DJ Mixers
- Intelligent Mixers
- Feedback Suppression Unit
- Digital Signal Processor
- Equalizers

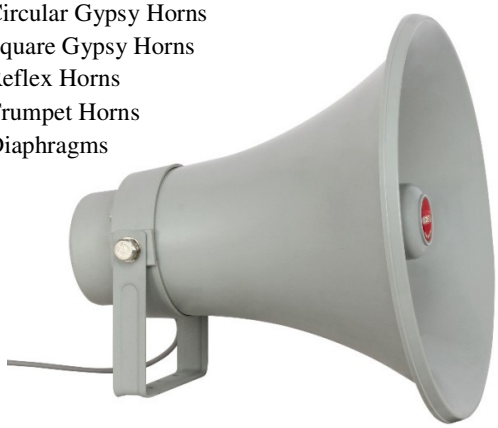
7. MEGAPHONES

A megaphone, speaking-trumpet, bullhorn, blowhorn, or loudhailer is usually a portable or hand-held, cone-shaped acoustic horn used to amplify a person's voice or other sounds and direct it in a given direction. The sound is introduced into the narrow end of the megaphone, by holding it up to the face and speaking into it, and the sound waves radiate out the wide end. A megaphone increases the volume of sound by increasing the acoustic impedance seen by the vocal cords, matching the impedance of the vocal cords to the air, so that more sound power is radiated. It also serves to direct the sound waves in the direction the horn is pointing.

8. HORNS

A horn is a musical instrument made of a tube, usually made of metal and often curved in various ways, with one narrow end into which the musician blows, and a wide end from which sound emerges. In horns, unlike some other brass instruments such as the trumpet, the bore gradually increases in width through most of its length i.e. it is conical rather than cylindrical. Various types of mixers manufactured by our Company are: -

- Circular Gypsy Horns
- Square Gypsy Horns
- Reflex Horns
- Trumpet Horns
- Diaphragms



9. LOUDSPEAKERS

A loudspeaker (or loud-speaker or speaker) is an electroacoustic transducer which converts an electrical audio signal into a corresponding sound. Speakers are typically housed in a speaker enclosure or speaker cabinet which is often a rectangular or square box made of wood or sometimes plastic. The enclosure's materials and design play an important role in the quality of the sound. Where high fidelity reproduction of sound is required, multiple loudspeaker transducers are often mounted in the same enclosure, each reproducing a part of the audible frequency range (picture at right). In this case the individual speakers are referred to as "drivers" and the entire unit is called a loudspeaker. Drivers made for reproducing high audio frequencies are called tweeters, those for middle frequencies are called mid-range drivers, and those for low frequencies are called woofers. Smaller loudspeakers are found in devices such as radios, televisions, portable audio players, computers, and electronic musical instruments. Larger loudspeaker systems are used for music, sound reinforcement in theatres and concerts, and in public address systems.

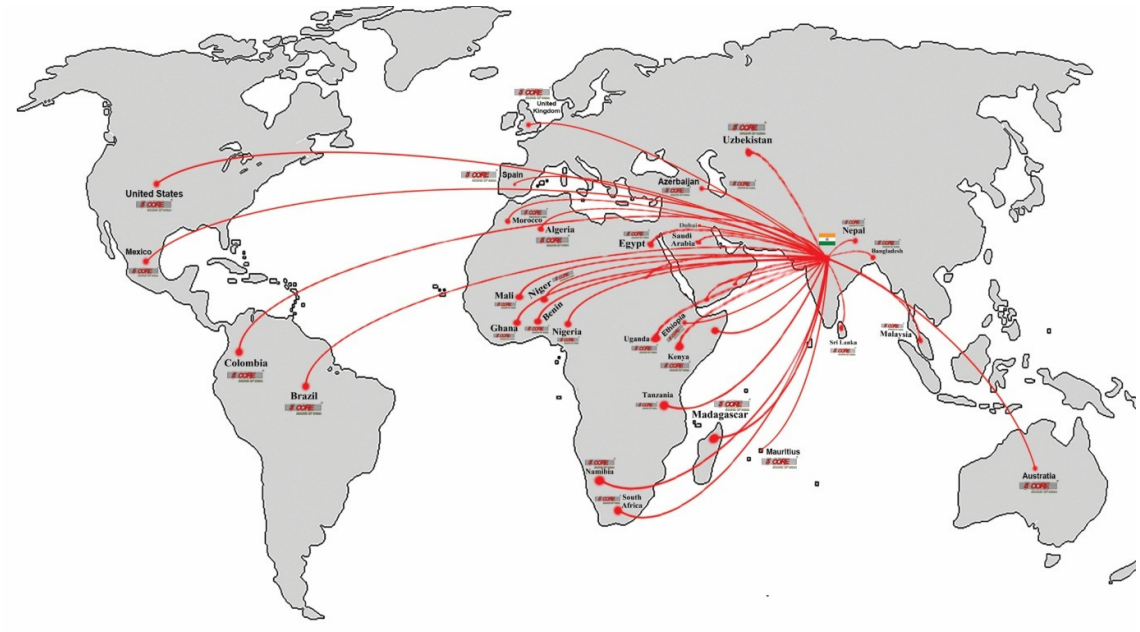
10. COMPUTER SPEAKERS, PERSONAL SPEAKERS & HEADPHONES

Speakers are one of the most common output devices used with computer systems. Some speakers are designed to work specifically with computers, while others can be hooked up to any type of sound system. Regardless of their design, the purpose of speakers is to produce audio output that can be heard by the listener.

Speakers are transducers that convert electromagnetic waves into sound waves. The speakers receive audio input from a device such as a computer or an audio receiver. This input may be either in analog or digital form. Analog speakers simply amplify the analog electromagnetic waves into sound waves. Since sound waves are produced in analog form, digital speakers must first convert the digital input to an analog signal, then generate the sound waves.

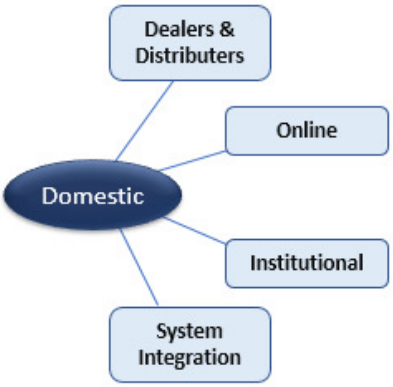
Speakers typically come in pairs, which allows them to produce stereo sound. This means the left and right speakers transmit audio on two completely separate channels. By using two speakers, music sounds much more natural since our ears are used to hearing sounds from the left and right at the same time. Surround systems may include four to seven speakers (plus a subwoofer), which creates an even more realistic experience.

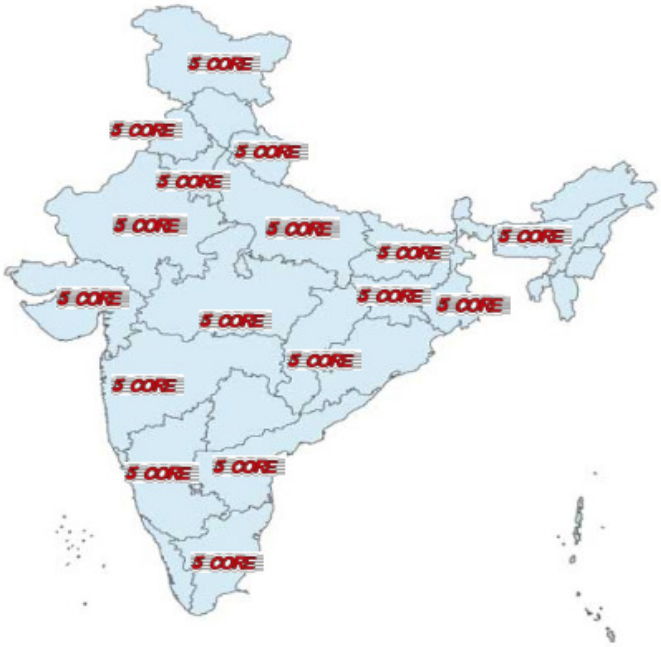
OUR PRODUCTS PRESENCE - INTERNATIONAL



Our products are distributed from some of hub countries to other countries taking a count to 56 countries through a network of more than 350 distributors and dealers.

OUR PRODUCTS PRESENCE- DOMESTIC



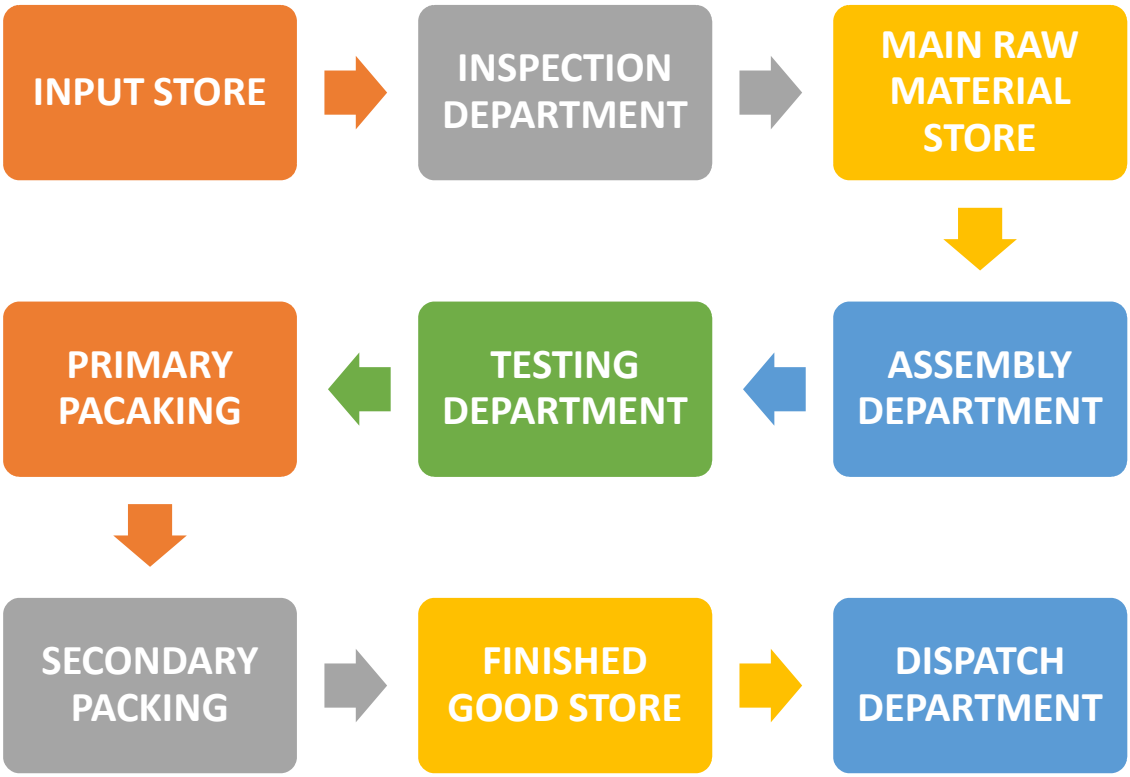


Our products are sold in 17 states through a network of more than 240 distributors and dealers.

OUR DIGITAL PRESENCE

MANUFACTURING PROCESS

The products manufactured by our Company typically goes through the following procedure: -



MANUFACTURING PROCESS OF AMPLIFIERS

THE FIRST STEP IS THE MOUNTING I.E THE COMPONENTS ARE MOUNTED ON VARIOUS PCB, AND VARIOUS COMPONENTS LIKE KNOBS, MIKE SLOTS, STRIPS FUSES, BUTTONS ARE MOUNTED ON BACK PLATE AND HEAT SINKS ARE MOUNTED ON SIDE PLATESAND AT LAST GOLDEN PLATE, SIDE PLATES, DIAL PLATE, AND BACK PLATE ARE CONNECTED EACH OTHER

↓

IN THIS STEP WIRING IS DONE IN VARIOUS COMPONENTS TRANSFORMERS, VARIOUS PCB'S, ETC. THE MAIN ATTENTION OF THIS STEP THAT THE CONNECTION MADE SHOULD BE RIGHT AND TIGHT AND AFTER THAT IT IS DRIED BY DRIER

↓

IN THIS STEP THE VARIOUS PARAMETERS CHECK VIZ. OUTPUT POWER, BASS, TREABLE, MIKE SLOTS, OVERLOAD PROTECTION EQUIPMENTS, CHECKED IF THIS PARAMETER ARE NOT MATCHED TO R & D REPORT THEN FAULTY SECTION SHOULD BE FOUND WITH VERY INTELLIGENT EYEAND SHOULD BE RECTIFIY

↓

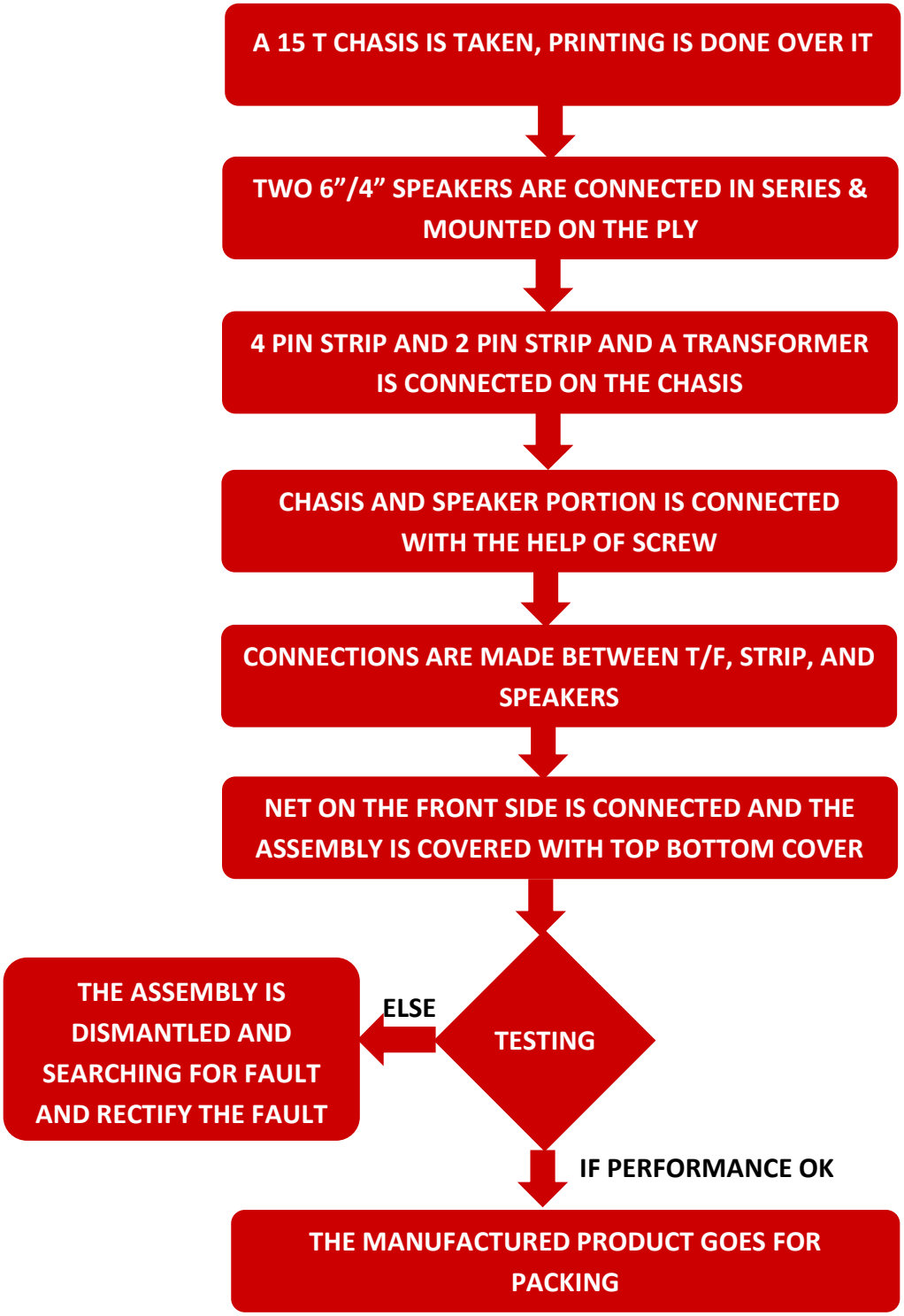
THEN FINAL TEST I.E. SOUND CHECKING. IN THIS SECTION THE SOUND QUALITY I.E BASS, TREABLE, CLEARITY OF SOUND CHECKED

IF TESTING FAIL ↓ IF TESTED OK

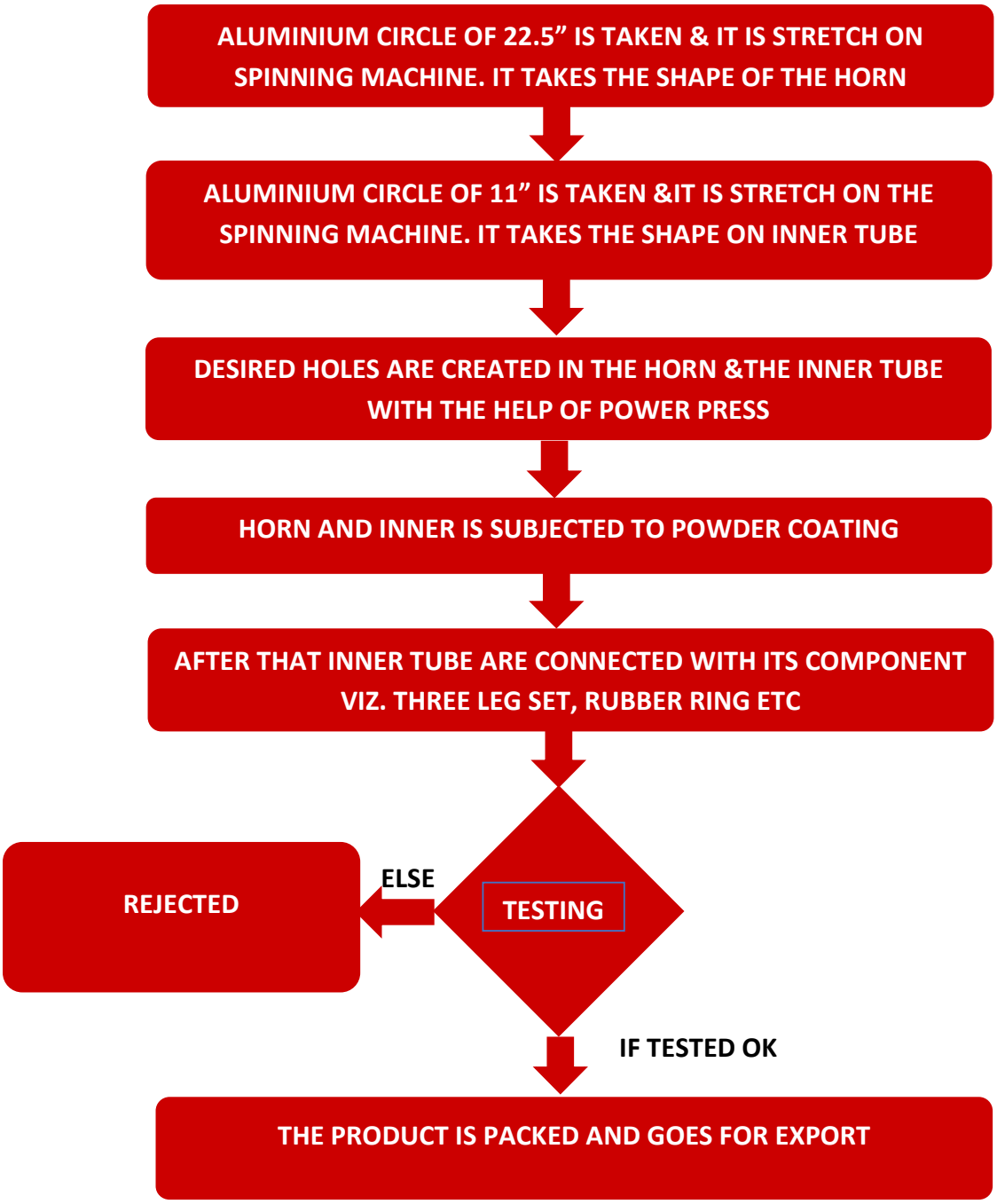
DISMANTLED AND CHECK, RECTIFIY THE FAULT

THE AMPLIFIER IS COVERED BY HEAD COVER AND AGAIN TESTED. AFTER 10 HOURS AGAIN TESTED IF REPORT IS OK THEN IT IS PACKED AND EXPORTED

MANUFACTURING PROCESS OF COLUMNS



MANUFACTURING PROCESS OF HORNS



OUR R & D UNIT AND MANUFACTURING FACILITIES

Our Company's R & D Unit and manufacturing facilities are located at the following plots of land in Delhi and Bhiwadi, Rajasthan :

Particulars	R & D Unit	Manufacturing Unit 1	Manufacturing Unit 2
Land Area (in Sq. Meter)	115.00	2000.00	26881.64
No. of Floors	3	1	1
Buildup Area (in Sq. Meter.)	115.00	1165.00	4000.00

R & D Unit: C-116, Fateh Nagar, Tilak Nagar, Delhi- 110018

Manufacturing Unit 1: F-622, Phase- I, Bhiwadi, Alwar, Rajasthan- 301019

Manufacturing Unit 2: F-24 to F-27, F-38 to F-41 and E-47(B) to E-50 RIICO Industrial Area, Sare Khurd, Bhiwadi, Alwar, Rajasthan- 301019

CAPACITY AND UTILISATION

The capacity of our production cannot be quantified as our product portfolio and range is diverse.

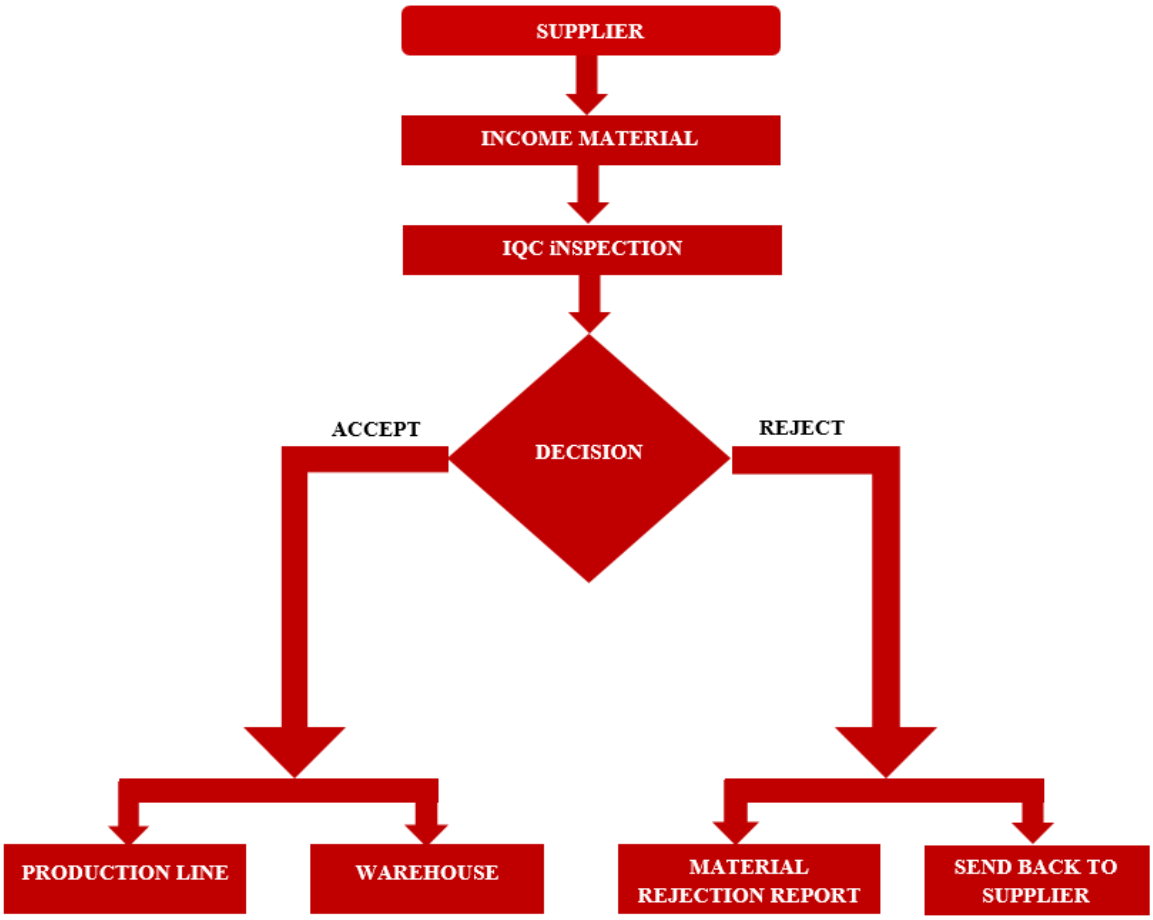
UTILITIES & INFRASTRUCTURE FACILITIES

Our office is equipped with computer systems, servers, relevant software and other communication equipment's, uninterrupted power supply, internet connectivity, security and other facilities, which are required for our business operations to function smoothly.

Materials

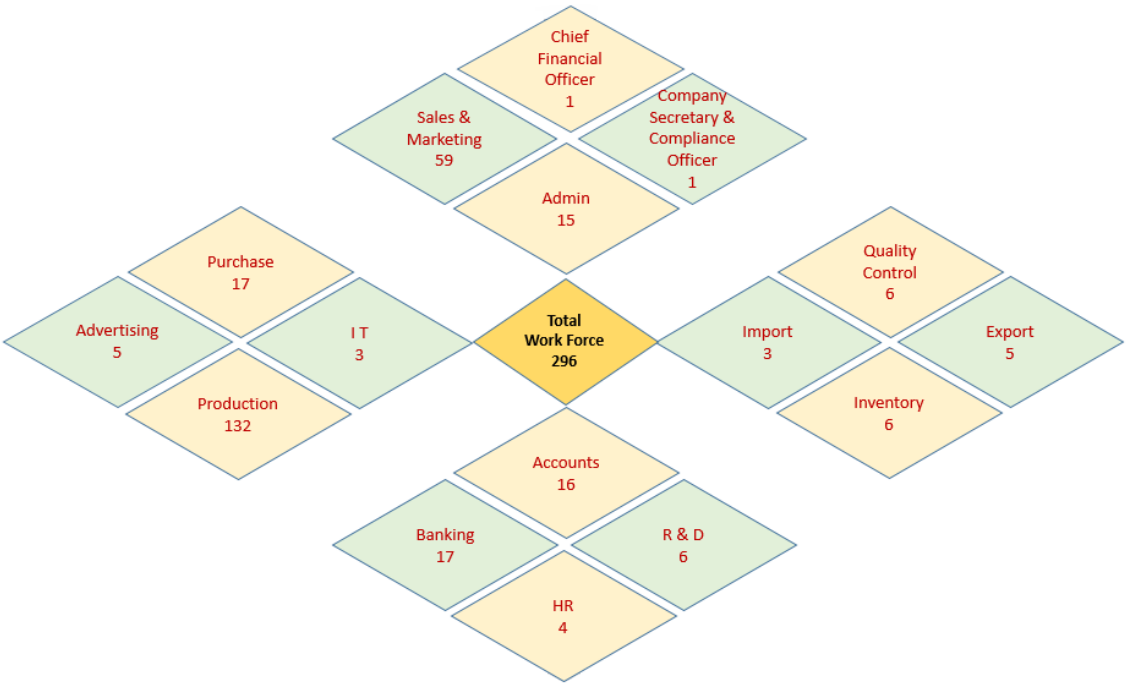
The basic materials required for manufacturing PA systems are Capacitor, Condenser, Chasis, Socket, Switch, Knobs, Cables etc. These materials are procured majorly from domestic suppliers. However certain materials are imported from China from companies like Changzhou Best Dragon Imp And Exp Co Ltd, Ifa Industry (HK) Co., Limited, Sofei Electronics Co Ltd, etc. The suppliers of material are fixed after quality is tested by our Company. Once a supplier is finalised we give them repeat orders based on our sales assessment. There are no long-term contracts with material suppliers but we do not change our suppliers unless there is a major inconsistency in the quality or fluctuation in price.

The materials are stored in the same premises where manufacturing is carried out, in the area separately marked for storage. Materials are indented based on the orders received from the customers/distributors. The material management system of our Company can be understood from the chart: -



Manpower

The manpower requirement is 296 Nos. bifurcated as under:-



Power

The requirement of power for our Manufacturing Unit 1 and 2 is met from Jaipur Vidyut Vitran Nigam Limited where the sanctioned load is 228 kVAH and 186.00 kVAH respectively and for our R & D Unit it is met from BSES Rajdhani Power Limited where the sanctioned load is 12 kVA. Our Company has also backup facility installed at plant.

Water

The water required for our manufacturing process is relatively low. Water is procured from external water supply agencies operating in the local area where our existing facilities are situated.

PLANT & MACHINERY

Our Company's manufacturing units are situated at F-622, Phase- I, Bhiwadi, Alwar, Rajasthan- 301019, F-24 to F-27, F-38 to F-41 and E-47(B) to E-50 RIICO Industrial Area, Sare Khurd, Bhiwadi, Alwar, Rajasthan- 301019 and R & D Unit is situated at C-116, Fateh Nagar, Tilak Nagar, Delhi- 110018. Following is the list of major plant & machineries used by us in the manufacturing process:

Sr. No.	Name of Machinery	Qty.
1.	Dip Machine (For Pcb) Small	1 Pcs
2.	Audio Level Meter (1212) 40w	1 Pcs
3.	Automatic Axail Cutter Machine	1 Pcs
4.	Automatic Glue Machine	4 Pcs
5.	Automatic Radial Cutter Machine	1 Pcs
6.	Compressor (Air)Machine Big (3 H P) 3 Phase	1 Pcs

7.	Conveyor Belt Single 42 Feet	1 Pcs
8.	Conveyor Belt Double 42 Feet	1 Pcs
9.	CRO Instruments	3 Pcs
10.	Dip Machine (Big)	1 Pcs
11.	Dip Machine (Small)	2 Pcs
12.	Foot Component Cutting Machine	1 Pcs
13.	Frequency Generator 2 Mhz	1 Pcs
14.	Jumper Cutting Machine	1 Pcs
15.	Terminal Machine (Ty-1)Tag Fitting	1 Pcs
16.	Thermal Contraction Machine	1 Pcs
17.	Weight Machine Big	1 Pcs
18.	Low Distortion Audio Oscillator (Og-100) Machine	4 Pcs
19.	Compressor Machine	3 Pcs
20.	Conveyor Machine	2 Pcs
21.	Drill Machine For Electricians	1 Pcs
22.	Drill Machine (For Pipe Cutting Section)	2 Pcs
23.	Glass Manufacturing Machine	1 Pcs
24.	Horn Manufacturing Machine	1 Pcs
25.	Horn Punching Machine	1 Pcs
26.	Hydraulic Drill Machine	1 Pcs
27.	Magnet Charger Machine	1 Pcs
28.	Pipe Cutting Machine	1 Pcs
29.	Pipe Grinding Machine (Column Stand)	1 Pcs
30.	Power Press Machine(20 Ton) With Motor (3 H.P.)	1 Pcs
31.	Tag Machine 15 kg pressure	1 Pcs
32.	Strapping Machine big	2 Pcs
33.	16" Horn and Bell Casting Machine	1 Pcs
34.	Automatic Axial Cutting Machine	1 Pcs
35.	Automatic Radial Cutting Machine	1 Pcs
36.	Conveyor Double 40 ft	1 Pcs
37.	Conveyor Berlt Single 40 ft	1 Pcs
38.	Cro Machine 2mhz	1 Pcs
39.	Digital Micrometer	1 Pcs
40.	Digital Multimeter	2 Pcs
41.	Jumper Cutting Machine	1 Pcs
42.	Magnet Charging Machine	1 Pcs
43.	Manual Winding Machine	2 Pcs
44.	Signal Generator OG-100	1 Pcs
45.	Solder Dipping Machine (Big)	1 Pcs
46.	Solder Dipping Machine (Small)	1 Pcs
47.	Spray Furnace Machine	1 Pcs
48.	Strapping Machine	2 Pcs
49.	Tag Fitting / Removing Machine	1 Pcs
50.	Thermal Contraction Machine	1 Pcs

51.	Transformer Winding Machine Fd-920	2 Pcs
52.	Audio Generator Testing Machine	1 Pcs
53.	CRO Testing Machine 20 Mhz	2 Pcs
54.	Dip Solding Machine	10 Pcs
55.	Charging Machine	1 Pcs
56.	Dipping Machine	1 Pcs
57.	Jumper Forming Machine	1 Pcs
58.	Loud Speaker Multi Tester Lm-306	1 Pcs
59.	Neck Glu Machine	1 Pcs
60.	Signal Generator	2 Pcs
61.	Spider Glu Machine	1 Pcs
62.	Tag Machine	1 Pcs
63.	Transformer Winding Machine	1 Pcs
64.	Weight Machine (Big)	1 Pcs
65.	Weight Machine (SMALL)	1 Pcs
66.	Conveyor Belt Single 22/42 feet	1 set
67.	Conveyor Belt Doulbe 22/42 feet	1 set
68.	CRO Machine	2 Pcs
69.	Soak testing Machine	1 Pcs
70.	Conveyor drive	3 Pcs
71.	Craft Paper Cutter Machine	2 Pcs
72.	Soldering Dip Machine Big	1 Pcs
73.	Soldering Dip Machine Small	1 Pcs
74.	Jumper Cutting Machine	1 Pcs
75.	Component Vibrator Machine	1 Pcs
76.	Marble Cutting Machine MXP-MC110-1200SB	1 Pcs
77.	Metal Detector Machine	1 Pcs
78.	Pcb Cutting Machine	1 Pcs
79.	Table Drill Machine	1 Pcs
80.	Transformers Winding Machine Lever	1 Pcs
81.	Transformer Winding Machine Automatic	3 Pcs
82.	Weight Machine Big	1 Pcs
83.	Weight Machine Small	2 Pcs
84.	Wire Stripping & Cutting Machine	1 Pcs
85.	Component Cutter Machine	1 Pcs
86.	Automatic Axail Cutter Machine	1 Pcs
87.	Meter For Winding Machine	2 Pcs
88.	Hv Tester Machine	1 Pcs
89.	Voice Coil Winding Machine	1 Pcs
90.	Hand Drill Machine For Minute Drilling Slow Speed	1 Pcs
91.	Lcr Meter	1 Pcs
92.	Flux Meter	1 Pcs
93.	Capacitor Tester Machine	1 Pcs
94.	Buff Machine (3 Hp)	1 Pcs

95.	Circular Wood Saw Machine Model J-634 St	2 PcS
96.	Cold Chamber Pressure Die Casting Machine With Accessories	1 PcS
97.	Compressor Machine 7 hp	2 PcS
98.	Compressor Machine 10 hp	1 PcS
99.	Compressor machine 5 hp	4 PcS
100.	Compressor machine 3 hp	4 PcS
101.	Cooling Tower with Exhaust Fan(Capacity 500Ltr)	1 PcS
102.	Debencher Cabinet (Setup for Powder Coating)	1 PcS
103.	Die for Pressure Die Casting Machine	20 PcS
104.	Jigsaw Machine	1 PcS
105.	Panelsaw Machine	1 PcS
106.	V-Grooving Machine	1 PcS
107.	Lathe Machine 6 Feet with 2 HP Crompton Motor high speed	2 PcS
108.	Magnet Charging Machine 155 mm	1 PcS
109.	Metal Crucible(Size 28"x18") 180kg Dhool	2 PcS
110.	Oven(Bhatti)	1 PcS
111.	Pad Printing Machine Manual	1 PcS
112.	Router Machine (Makita) - Model No. MT361	1 PcS
113.	Single Conveyor Belt with Setup - 400mm	2 PcS
114.	Starter For Excel Fan With 1 HP Motor	1 PcS
115.	Tag Machine with riveting	1 PcS
116.	Tag Fitting M/C	1 PcS
117.	CNC Wood Carving Machine single phase 1kw spindle	1 PcS
118.	CNC Wood Carving Machine three phase 3kw spindle	1 PcS
119.	CNC ATCWood Carving Machine three phase 7kw spindle	1 pcs
120.	Automatic Glue Machine	1 PcS
121.	Double Cylinder Four Point Glue Gun	1 PcS
122.	Weight Machine (Big)	1 PcS
123.	Weight Machine (Small)	1 PcS
124.	Automatic Glue Machine	1 PcS
125.	Loudspeaker Sweep Tester	1 PcS
126.	Vibration tester machine	1 PcS
127.	Loud Speaker Multi tester LM-25	1 PcS
128.	Lathe Machine 6 Feet with 2 HP Crompton Motor	2 Pcs
129.	Lathe Machine 4Feet with 2 HP Crompton Motor	2 pcs
130.	CNC Turning machine	1 Pcs
131.	Dril Machine fixed base 4 bits	1 Pcs
132.	Automatic threading machines	3 pcs
133.	Spinning machines automatic 6 ft	3 pcs
134.	Spinning machines automatic 4 ft	3 pcs
135.	Injection Molding Machine 130 tonn	1 Pcs
136.	Hand Molding Machine	2 Pcs
137.	Vernier callipers	12 Pcs
138.	Multi meter for impedance checking	2 Pcs

139.	Glue Gun with rotors	6 Pcs
140.	Soldering Iron pointer guns automatic	11 Pcs
141.	Pnuematic screw driver 60 kg (torque)	7 Pcs
142.	Pnuematic screw driver 80 kg (torque)	9 Pcs
143.	Pnuematic screw driver 40 kg (torque)	10 Pcs
144.	Conveyor belt 32 ft double with separate speed controller for big speakers	1 Pcs
145.	Conveyor belt 32 ft single with separate speed controller for big speakers	1 Pcs
146.	Conveyor set up for home theaters 42 ft double for sub woofers	1 Pcs
147.	Conveyor set up for home theaters 42 ft single for Satellite	1 Pcs
148.	Conveyor set up with automatic speed controller for driver unit	1 pcs
149.	Conveyor set up for microphones	1 pcs
150.	Electric screw driver with adopter	6 Pcs
151.	Small cutter machine	2 Pcs
152.	Camel Cutter	2 Pcs
153.	Spanner 10.5 mm	1 Pcs
154.	Spanner 6 mm	1 Pcs
155.	Tape Dispenser 3"	3 Pcs
156.	Tape Dispenser 1"	1 Pcs
157.	Twister	5 Pcs
158.	Nose Plaser	1 Pcs
159.	Temperature controlled soldering iron machine 10 w	3 Pcs
160.	Temperature controlled soldering iron machine 30 w	3 Pcs
161.	LM 306 test machine	2 Pcs
162.	Loudspeaker polarity test machine	1 Pcs
163.	Dispenser glue machine	2 Pcs
164.	Dispenser glue machine	2 Pcs
165.	Soldering Iron 35w	1 Pcs

RESEARCH AND DEVELOPMENT

Our Company has a qualified R & D team of B-Tech's and Electrical & Electronics Engineers who keep on creating new products and searches the possibilities of extension in the products to maintain the leadership in the industry.

After developing new products, our team actively participates in trade exhibitions related to electronics to introduce our products and obtain feedback from our customers, learning about their needs. At the same time, we collect information about our customer's request and requirements of our product.

Our Company got its R & D evaluated from Scinnovation Consultants Private Limited on December 27, 2017 so as to ascertain whether our Company is DSIR compliant. The report stated that our Company was eligible for DSIR recognition program in terms of new product development, new process development and cost reduction in the R & D facility provided that the production and R & D division of the Company are separated from each other. In compliance of the report C-116, Fateh Nagar, Delhi- 110018 was converted to R&D Unit in January 2018. Post recognitionunder DSIR recognition program,as and when approval comes, our Company will be benefited with an income tax deduction at 150% of dedicated R&D expenditure for both Operational Expenses & Capital Expenditure u/s 35 of Income Tax Act. We shall be benefitted on registration as certain government Tenders have pre-qualification which includes DSIR recognition for R&D centres, eligibility for Grants/Soft Loans from the Government on Project to Project basis, increases company's credibility etc.

OUR BRIEF FINANCIALS

- Our brief financials based on Restated Standalone Financial Statements are as under:-

(Rs. in Lakhs)

Particulars	December 31, 2017	As at March 31				
		2017	2016	2015	2014	2013
Income						
Revenue from Operations	15,185.01	16,963.66	12,254.30	11,315.02	11,166.53	8,553.78
Other Income	71.98	98.09	39.89	34.29	13.52	4.56
Total Income	**15,256.99**	**17,061.75**	**12,294.19**	**11,349.31**	**11,180.05**	**8,558.34**
Expenditure						
Cost of Direct Expenses	9,266.14	13,581.25	8,829.42	9,252.13	10,567.42	7,335.40
Purchase of Stock in Trade	3,322.78	1,741.36	2,213.53	508.43	514.62	141.54
Changes in Inventories	314.94	(432.05)	(293.91)	236.94	(1,054.08)	195.87
Employee Benefit Expenses	673.15	749.59	573.06	490.74	402.26	239.22
Finance Costs	288.16	365.42	230.59	176.97	144.94	97.17
Depreciation	113.23	112.35	81.03	84.95	44.65	36.19
Other Expenses	660.03	722.99	510.40	482.49	431.13	401.34
Total Expenditure	**14,638.43**	**16,840.91**	**12,144.12**	**11,232.65**	**11,050.94**	**8,446.73**
Restated Profit after tax for the year/period	413.87	148.69	95.26	66.28	85.11	74.44
Cash Profit for the year/period	527.10	261.04	176.29	151.23	129.76	110.63
Net Worth	5395.34	2332.03	2188.73	2093.47	1698.19	1328.48
Return on Net Worth (%)	7.67	6.38	4.35	3.17	5.01	5.60
Net Asset Value Per Share (in Rs.)	58.89	42.38	39.78	41.54	34.61	28.64
EPS (Basic & Diluted) (in Rs.)	4.52	2.70	1.73	1.32	1.73	1.60

The profit during the nine months ended December 31, 2017 has been higher due to following reasons:

1. Abolition of CST 2% since July 01, 2017
2. Sale of bigger equipment having better margins.
3. Implementation of GST which has entailed credit of customs duty on imports

Geographical Revenue details for nine months ended December 31, 2017 and last three financial years: -

(Rs. in Lakhs)

Particulars	December 31, 2017	As at March 31		
		2017	2016	2015
Domestic Sales	1,030.16	645.00	161.10	5.12
Trading Sales	2,088.18	1,811.92	1,234.60	419.22
Export Sales	11,639.53	14,301.67	10,436.05	9,935.66
Revenue from Operations	**14,757.87**	**16758.58**	**11836.75**	**10,349.76**

Product wise results for nine months ended December 31, 2017 and last three financial years: -

(Rs. in Lakhs)

Particulars	December 31, 2017	As at March 31		
		2017	2016	2015
P.A. Amplifiers	1,636.02	770.25	870.98	836.98
P.A. Horn	470.75	612.82	384.44	409.42
P.A. Horn Hooter	70.80	338.38	98.03	180.33
P.A. Horn Parts	37.71	62.89	10.95	41.22
P.A. Microphone	1,011.76	1,777.75	313.77	50.77
P.A. Sound column	834.93	1,183.21	934.05	524.48
P.A. Sound system	671.08	538.95	736.92	981.40
P.A. Speaker	5,269.67	6,767.97	4,593.84	3,434.20
P.A. Accessories	2045.07	2,717.56	2,103.05	2,540.52
Wooden Column	593.21	123.46	116.09	88.68
P.A. Equipment	0.13	35.61	424.00	828.99
P.A. Meghaphone	28.55	17.82	11.03	23.79
Total	**12669.69**	**14,946.67**	**10597.15**	**9940.78**

Note: Product wise sales include Domestic Sales and Export Sales.

Country wise bifurcation for export sales for nine months ended December 31, 2017 and last three financial years: -

(Value in Rs. Lakhs)

Country of Export	December 31, 2017		2016-17		2015-16		2014-15	
	Value	%age	Value	%age	Value	%age	Value	%age
Bangladesh	1,130.00	9.71	1,271.07	8.89	879.52	8.43	794.33	7.99
Kuwait	478.62	4.11	680.66	4.76	555.44	5.32	663.25	6.68
Fiji	277.76	2.39	260.23	1.82	90.76	0.87	110.54	1.11
Bahrain	139.79	1.20	196.37	1.37	445.32	4.27	442.17	4.45
Singapore	1,194.46	10.26	1,698.80	11.88	654.71	6.27	910.72	9.17
U.A.E	1,094.83	9.41	1,418.36	9.92	914.32	8.76	746.15	7.51
Yeman	490.68	4.22	581.97	4.07	320.68	3.07	232.14	2.34
Afghanistan	466.05	4.00	702.78	4.91	480.41	4.60	354.84	3.57
Oman	738.75	6.35	876.35	6.13	497.35	4.77	431.12	4.34
Saudi Arabia	408.29	3.51	587.07	4.10	344.88	3.30	149.23	1.50
Jordan	472.08	4.06	534.32	3.74	237.18	2.27	114.96	1.16
Dubai	1,380.59	11.86	1,622.69	11.35	1,152.27	11.04	1,121.44	11.29
Nepal	217.49	1.87	344.03	2.41	642.07	6.15	-	-
Kenya	1,520.69	13.06	1,700.53	11.89	1,216.99	11.66	1,289.39	12.98
Ghana	-	-	-	-	520.29	4.99	685.88	6.90
Ethiopia	167.71	1.44	190.59	1.33	254.12	2.44	215.89	2.17
Egypt	739.25	6.35	843.19	5.90	675.21	6.47	489.97	4.93
Uganda	394.25	3.39	365.86	2.56	311.29	2.98	280.50	2.82
South Africa	328.24	2.82	424.78	2.97	243.23	2.33	215.56	2.17
Libia	-	-	-	-	-	-	687.58	6.92
Total Export Sale	**11,639.53**	**100.00**	**14,301.67**	**100.00**	**10,436.05**	**100.00**	**9,935.66**	**100.00**

Note: Our products are further distributed to other countries from hub countries like UAE, South Aftrica, Lagos, Cairo & Singapore.

- Our brief financials based on Restated Consolidated Financial Statements are:-

(Rs. in Lakhs)

Particulars	December 31, 2017	As at March 31				
		2017	2016	2015	2014	2013
Income						
Revenue from Operations	24,387.05	16,967.17	12,254.30	11,315.02	11,166.53	8,553.78
Other Income	173.68	98.09	39.89	34.29	13.52	4.56
Total Income	**24,560.73**	**17,065.26**	**12,294.19**	**11,349.31**	**11,180.05**	**8,558.34**
Expenditure						
Cost of Direct Expenses	15,337.43	13,581.25	8,829.42	9,252.13	10,567.42	7,335.40
Purchase of Stock in Trade	7,448.27	1,741.72	2,213.53	508.43	514.62	141.54
Changes in Inventories	(1,893.94)	(432.05)	(293.91)	236.94	(1,054.08)	195.87
Employee Benefit Expenses	807.09	751.29	573.06	490.74	402.26	239.22
Finance Costs	525.75	370.21	232.67	178.07	146.57	98.65
Depreciation	177.57	122.23	81.03	84.95	44.65	36.41
Other Expenses	829.39	727.80	510.40	482.49	431.13	401.12
Total Expenditure	**23,231.56**	**16,862.45**	**12,146.20**	**11,233.75**	**11,052.57**	**8,448.21**
Restated Profit after tax for the year/period	1,021.09	135.41	95.26	66.28	85.11	74.44
Cash Profit for the year/period	1,198.67	257.65	176.29	151.23	129.76	110.85
Net Worth	5560.88	2318.77	2188.73	2093.47	1698.19	1328.48
Return on Net Worth (%)	18.36	5.84	4.35	3.17	5.01	5.60
Net Asset Value Per Share (in Rs.)	60.70	42.14	39.78	41.54	34.61	28.64
EPS (Basic & Diluted) (in Rs.)	11.15	2.46	1.73	1.32	1.73	1.60

The turnover and profit during the nine months ended December 31, 2017 has been higher due to following reasons:

1. Abolition of CST 2% since July 01, 2017
2. Sale of bigger equipment having better margins.
3. Implementation of GST which has entailed credit of customs duty on imports.
4. Acquisition of Five Core Acoustics Private Limited and consolidation of its results from April 2017 to December 2017
5. Our foreign subsidiaries in UAE& Singapore have started to function full fledgedly.
6. Trading activities to capture untapped markets.

SALES AND MARKETING

We have developed a marketing network in India and overseas. Our marketing team is led by our Directors who are responsible for the overall marketing strategies. Our success lies in the strength of our relationship with our customers who have been associated with us for a long period. The success and growth could be attributed to seamless and streamlined sales and marketing operations carried under the effervescent and energetic sales and marketing team armed with confidence and intelligent marketing skills as well as sound know-how of their domain. Our Company also undertakes sales through e-commerce websites like Amazon, Flipkart, Snapdeal, etc. Further, as part of our marketing and promotion strategy our Company consistently takes part in Trade Fairs and events as mentioned below: -

- Pro Wave Expo, Bangalore
- Secutech India, Mumbai, India
- Pro-Sound Exhibition, New Delhi, India
- Pro Sound, Frankfurt, Germany
- Electronics Exhibition, Chennai
- Esc Expo, Eros Hotel, New Delhi, India
- ITPO Exhibition, Colombo, Sri Lanka
- Electronics and Electrical Expo, Antananarivo, Madagascar
- DJ Expo, New Delhi, India
- Electronics Expo at Nairobi, Kenya

Marketing Strategy: 4Ps

The marketing strategy of 5core revolves around 4Ps - Product, Price, Place, Promotion detailed as under:-

- **Product**

5CORE invests a lot in research and development to deliver the best products to its customers in its PA system segment. Because of our continuous innovation and technology upgradation, we have been able to offer a wide range of variants in its different product categories. We as a brand have the privilege of building strong relationships between our ground level dealers and marketing team to develop products that they need.

- **Price**

5CORE is a dominant player in PA systems in both international and domestic market. We use Competitive Pricing of our products as marketing strategy. We Price our products relative to prices used by our competitors. At times we charge higher for our product as they are perceived better products bundled with after sales service.

- **Place**

5CORE sells directly to its recognised distributors/dealers all around the globe. It has a network of over 350 dealers in International market in different countries and over 240 dealers in India in different states. After the distributors, the products are distributed to their respective dealers in their respective network covering the whole geographic area. Then the products are directed to system integrator, service people, manufacturing plants, installation areas and other market areas of different products groups.

- **Promotion**

Promotion is a strong pillar in the marketing mix of our Company. We believe that advertising is the best form of promotion to engage potential customers and position our brand. We promote new products using newspapers and digital media. Big placard, neon signs and posters are put up on the distributors/dealers sites. We also have our inhouse digital team including web designer / photographers etc

ADMINISTRATIVE

Apart from highly skilled workers and expert technocrats on board, the backbone of proficient business operations is the competent and committed administrative team who with their sound understanding of the trade keep the operations smooth while streamlining costs to the company.

PRODUCTION

The Production team is the backbone, helping our Company sail successfully as a reliable and trustworthy name for its valued customers. Because, it is here where an extra - efficient team of experienced production managers, supervisors and workers pour their energy and complete focus on making processes fast and flawless.

QUALITY CONTROL PERSONNEL

The Quality department is divided into Input Quality Control, Process Quality Control and Output Quality Control. Quality Controlpersonnel having best in the field high quality standards with their precision led performance. Taking every little nuance under consideration, they ensure that only the best and consistent quality products are sent to the market.

COMPETITION

We operate in an increasingly high competitive market, with participants in the organized sector. We face competition from other large manufacturers. However, we expect that our commitment to quality, past record of timely execution and transparency will provide us with an edge over our competitors.

Some of our major competitors are: -

a) Harman International Industries, Inc. manufacturing products under brands like JBL, AMX, dbx, Crown International, Soundcraft etc
b) Shure Inc.
c) Sennheiser electronic GmbH & Co.KG
d) Bose Corporation
e) Yamaha Corporation
f) POPE Professional Acoustics Limited
g) Roland Corporation
h) Marshall Amplification plc.
i) Peavey Electronics Corporation
j) BEHRINGER International GmbH
k) Ahuja Radios

INTELLECTUAL PROPERTY

We have filed the application form for trademark registration summarized as follows: -

Sr. No.	Logo	Act Under Which Application Was Made	Country	Date of Application/ Approval date	Application No./Trade mark No.	Class	Current Status	Valid Upto
	5 CORE	Trademarks Act, 1999	India	March 03, 2008	1660174	9	Registered	March 03, 2028
	5 CORE	Trademarks Act, 1999	India	August 03, 2015	3024956	9	Registered	August 03, 2025
	5 CORE	Trademarks Act, 2009	Bangladesh	March 30, 2008	113127	9	Expired	March 30, 2015

	5 CORE	-	Madrid	November 20, 2014	1240846	9	Registered	November 20, 2024
	5 CORE	Myanmar Registration Act	Myanmar	July 13, 2015	IV/8945/2015	9	Registered	-
	5 CORE	Trade Marks Act	Nigeria	May 21, 2015	7338	9	Registered	May 21, 2022
	5 CORE	Trademarks Law, 2002	Saudi Arabia	1446/06/02	1436011589	9	Registered	1436/09/19

LAND & PROPERTIES

The following table sets forth the significant properties owned by us:

Sr. No.	Description of Land/Property	Area (In sq. meter)	Vendors Details	Purchase Consideration (Rs. In Lakhs)	Date of Purchase	Property Kind	Title
1.	F-622, Phase- I, Bhiwadi, Alwar, Rajasthan-301019	2000.00	Rajasthan Financial Corporation	44.80	March 30, 2006	Leasehold	Mortgaged to Andhra Bank
2.	WZ-15, Ground Floor (southern side), Uggarsain Market, Ashok Nagar, Delhi-110018	11.91	Ms. Rajinder Kaur	6.40	November 25, 2011	Freehold	Mortgaged to Andhra Bank
3.	WZ-15, Upper Ground Floor (southern side), Uggarsain Market, Ashok Nagar, Delhi-110018	63.54		27.90			
4.	WZ-15, Third Floor with roof rights (southern side), Uggarsain Market, Ashok Nagar, Delhi-110018	76.08	Mr. Navneet Singh	17.00	April 05, 2013	Freehold	Mortgaged to Andhra Bank

5.	F-24 to F-27, F-38 to F-41 and E-47(B) to E-50 RIICO Industrial Area, Sare Khurd, Bhiwadi, Alwar, Rajasthan-301019	26881.64	Rajasthan State Industrial Development and Investment Corporation	45.59	May 02, 2016	Leasehold	Mortgaged to Andhra Bank

The following table sets for the properties taken on lease / rent by us:

Sr. No.	Location of the property	Document and Date	Licensor / Lessor	Lease Rent/ License Fee (in Rs.)	Lease/License period		Purpose
					From	To	
1.	C-116, Basement, Fateh Nagar, Delhi- 110018	Rent Agreement dated October 16, 2017	Mr. Amarjit Singh Kalra	8000 p.m	October 16, 2017	September 15, 2018	R&D Unit
2.	C-116, Ground Floor, Fateh Nagar, Delhi- 110018	Rent Agreement dated October 16, 2017	Ms. Surinder Kaur Kalra	8000 p.m	October 16, 2017	September 15, 2018	R&D Unit
3.	WZ-15B, Ground Floor, Uggarsain Market, Ashok Nagar, Delhi- 110018	Rent Agreement dated October 16, 2017	Ms. Surinder Kaur Kalra	9,500 p.m	October 16, 2017	September 15, 2018	Registered Office

INSURANCE

The following are the details of the general insurance policies obtained by our Company:

S. No.	Name of the Insurance Company	Type of Policy	Validity Period	Description of cover under the policy	Policy No.	Sum Insured (Rs. In Lakhs)	Premium p.a (Rs. In Lakhs)
1.	United India Insurance Company Limited	Standard Fire and Special Perils Insurance Policy	April 19, 2017 to April 18, 2018	Building situated at 16B, Upper Ground Floor, Uggarsain Market, Ashok Nagar, Delhi- 110018	0406021117P101590246	30.00	0.01
2.	United India Insurance Company Limited	Standard Fire and Special Perils Insurance Policy	April 19, 2017 to April 18, 2018	Building situated at WZ-15, Third Floor, Uggarsain Market, Ashok Nagar, Delhi- 110018	0406021117P101590140	3.00	0.01
3.	United India Insurance Company Limited	Standard Fire and Special Perils Insurance Policy	April 19, 2017 to April 18, 2018	Building situated at C-130, Third Floor, Mansarovar Garden, Delhi- 110015	0406021117P101590059	14.60	0.01
4.	United India Insurance Company Limited	Standard Fire and Special Perils Insurance Policy	April 19, 2017 to April 18, 2018	Building situated at F-622, Phase- I, Bhiwadi, Alwar, Rajasthan- 301019	0406021117P101591136	42.80	0.07

5.	United India Insurance Company Limited	Standard Fire and Special Perils Insurance Policy (Floater Basis)	April 19, 2017 to April 18, 2018	Electronic goods manufacturing/ assembly at F-622, Phase- I, Bhiwadi, Alwar, Rajasthan- 301019 and F-24 to F-27, F-38 to F-41 and E-47(B) to E-50 RIICO Industrial Area, Sare Khurd, Bhiwadi, Alwar, Rajasthan- 301019	0406021117P101591843	3272.55	1.19
6.	United India Insurance Company Limited	Burglary Floater Policy	April 19, 2017 to April 18, 2018	Stock in trade or goods in custody - All kinds of plastic, wooden column, magnet used for manufacturing of speakers, mics, stands and other allied items at F-622, Phase- I, Bhiwadi, Alwar, Rajasthan- 301019 and F-24 to F-27, F-38 to F-41 and E-47(B) to E-50 RIICO Industrial Area, Sare Khurd, Bhiwadi, Alwar, Rajasthan- 301019	0406021117P101592752	3272.55	0.43

Note: Our Company is in the process of renewing all the insurances.

TEAM

Promoted by visionary and far-sighted promoters with hard-core success dreams in their sleeve, they have steered the business in the right direction with their experience, expertise and unmatched leadership skills. Valuing each and every individual of the team as the value-provider.

The team is layered with dedicated workforce at every level be it Research & Development, Quality, Production, Sales & Marketing or Administration. Our Company has a team of qualified engineers, diploma holders, MBAs, Chartered Accountants and experienced management staff.

HUMAN RESOURCE

We believe that a motivated and empowered employee base is the key to our operations and business strategy. We focus on attracting and retaining best possible talent. We have developed a large pool of skilled and experienced personnel. As on December 31, 2017 we have 296 employees. Our manpower is a prudent mix of the experienced and young people which gives us the dual advantage of stability and growth, whereas execution of services within time and quality. Our skilled resources together with our strong management team have enabled us to successfully implement our growth plans.

Department wise breakup of employees:

S. No.	Particulars		Total
1.	**Production**		**132**
2.	**Sales & Marketing**		**59**
	- International	27	
	- Domestic	20	
	- Online	6	
	- Government Tenders	3	
	- System Integration	3	
3.	**Human Resource Department**		**4**
	- Recruitment	1	
	- Compliance	3	
4.	**Import**		**3**
	- Import Clearance	1	
	- Documentation	2	
5.	**Export**		**5**
	- Export Clearance	2	
	- Documentation	3	
6.	**Finance**		**19**
	- CFO	1	
	- Banking	17	
	- Company Secretary	1	
7.	**Accounts**		**16**
	- GST	5	
	- Tax	5	
	- Filling & Maintaining Records	6	
8.	**Administration**		**15**
9.	**Inventory**		**6**

10.	**Quality** - Input Quality Control - Process Quality Control - Output Quality Control	 2 2 2	**6**
11.	**Advertising** - Media - Digital	 4 1	**5**
12.	**Purchase** - Local - Import - Commodities - Costing & Pricing	 8 5 2 2	**17**
13.	**Research & Development** - New Product Development - Feature Enhancement	 2 4	**6**
14.	**Information Technology**		**3**
	TOTAL		**296**

KEY INDUSTRY REGULATIONS AND POLICIES

The following description is a summary of various sector-specific laws and regulations in India, which are applicable to our Company currently. The information below has been obtained from publications in the public domain. It may not be exhaustive and is only intended to provide general information and is neither designed nor intended to substitute for professional legal advice.

The statements below are based on current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. For details of government approvals obtained by us, see the chapter titled "Government and Other Statutory Approvals" beginning on page 322 of this Draft Prospectus.

RELATED TO OUR BUSINESS

THE INDIAN CONTRACT ACT, 1872

The Contract Act is the legislation which lays down the general principles relating to formation, performance and enforceability of contracts. The rights and duties of parties and the specific terms of agreement are decided by the contracting parties themselves, under the general principles set forth in the Contract Act. The Contract Act also provides for circumstances under which contracts will be considered as 'void' or 'voidable'. The Contract Act contains provisions governing certain special contracts, including indemnity, guarantee, bailment, pledge, and agency.

FOREIGN EXCHANGE MANAGEMENT ACT, 1999

The Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India. As laid down by the FEMA Regulations no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the 'automatic route' within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 ("FEMA Regulations") to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India and Foreign Exchange Management (Export of Goods and Services) Regulations, 2000 for regulation on exports of goods and services.

FOREIGN TRADE (DEVELOPMENT AND REGULATION) ACT, 1992 ("FTA")

The Foreign Trade (Development and Regulation) Act, 1992 ("FTA") read along with relevant rules inter-alia provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. As per the provisions of the FTA, the Government:- (i) may make provisions for facilitating and controlling foreign trade; (ii) may prohibit, restrict and regulate exports and imports, in all or specified cases as well as subject them to exemptions; (iii) is authorised to formulate and announce an export and import policy and also amend the same from time to time, by notification in the Official Gazette; (iv) is also authorised to appoint a 'Director General of Foreign Trade' for the purpose of the Act, including formulation and implementation of the Export-Import ("EXIM") Policy. FTA read with the Indian Foreign Trade Policy inter-alia provides that no export or import can be made by a company without an Importer-Exporter Code number unless such company is specifically exempt. An application for an Importer-Exporter Code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce

ENVIRONMENTAL LAWS

ENVIRONMENT (PROTECTION) ACT, 1986

The main objective of this Act is to provide the protection and improvement of environment (which includes water, air, land, human being, other living creatures, plants, micro-organism and properties) and for matters connected therewith. The Act provide power to make rules to regulate environmental pollution, to notify standards and maximum limits of pollutants of air, water, and soil for various areas and purposes, prohibition and restriction on the handling of hazardous substances and location of industries.

The Central Government is empowered to constitute authority or authorities for the purpose of exercising of performing such of the powers and functions, appoint a person for inspection, for analysis or samples and for selection or notification of environmental laboratories. Such person or agency has power to inspect or can enter in the premises or can take samples for analysis.

THE AIR (PREVENTION AND CONTROL OF POLLUTION) ACT, 1981 *("Air Act")*

Pursuant to the provisions of the Air Act, any person, establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant State Pollution Control Board prior to establishing or operating such industrial plant. The State Pollution Control Board is required to grant consent within a period of four months of receipt of an application,but may impose conditions relating to pollution control equipment to be installed at the facilities. No person operating any industrial plant in any air pollution control area is permitted to discharge the emission of any air pollutant in excess of the standards laid down by the State Pollution Control Board. The penalties for the failure to comply with the above requirements include imprisonment of up to six years and the payment of a fine as may be deemed appropriate. Under the Air Act, the Central Board for the Prevention and Control of Water Pollution has powers, inter alia, to specify standards for quality of air, while the State Board for the Prevention and Control of Water Pollution have powers, inter alia, to inspect any control equipment, industrial plant or manufacturing process, to advise the State Government with respect to the suitability of any premises or location for carrying on any industry and to obtain information from any industry.

THE WATER (PREVENTION AND CONTROL OF POLLUTION) ACT, 1974 *("Water Act")*

The Water Act aims to prevent and control water pollution as well as restore water quality by establishing and empowering the Central Pollution Control Board and the State Pollution Control Boards. Under the Water Act, any person establishing any industry, operation or process, any treatment or disposal system, use of any new or altered outlet for the discharge of sewage or new discharge of sewage, must obtain the consent of the relevant State Pollution Control Board, which is empowered to establish standards and conditions that are required to be complied with. In certain cases, the State Pollution Control Board may cause the local Magistrates to restrain the activities of such person who is likely to cause pollution. Penalty for the contravention of the provisions of the Water Act include imposition of fines or imprisonment or both.

The Central Pollution Control Board has powers, inter alia, to specify and modify standards for streams and wells, while the State Pollution Control Boards have powers, inter alia, to inspect any sewage or trade effluents, and to review plans, specifications or other data relating to plants set up for treatment of water, to evolve efficient methods of disposal of sewage and trade effluents on land, to advise the State Government with respect to the suitability of any premises or location for carrying on any industry likely to pollute a stream or a well, to specify standards for treatment of sewage and trade effluents, to specify effluent standards to be complied with by persons while causing discharge of sewage, to obtain information from any industry and to take emergency measures in case of pollution of any stream or well. A central water laboratory and a state water laboratory have been established under the Water Act.

LAWS RELATING TO EMPLOYMENT AND LABOUR

FACTORIES ACT, 1948

This Act came into force on 1st April, 1949 and extends to the whole of India, including Jammu and Kashmir. It has been enacted to regulate working conditions in factories and to ensure the provision of the basic minimum requirements for safety, health and welfare of the workers as well as to regulate the working hours, leave, holidays, employment of children, women, etc. It ensures annual leaves with wages, provides additional protection from hazardous processes, additional protection to women workers and prohibition of employment of children.

MINIMUM WAGES ACT, 1948

This Act aims to make provisions for statutory fixation of minimum rates of wages in scheduled employment wherein labour is not organized. It seeks to prevent the exploitation of workers and protect their interest in the 'sweated industries'. Wage fixing authorities have been guided by the norms prescribed by the Fair Wage Committee in the settlement of issues relating to wage fixation in organized industries. The Act contemplates the minimum wage rates must ensure not only the mere physical needs of a worker which keeps them just above starvation level, but must ensure for him and his family's subsistence, and also to preserve his efficiency as a worker.

PAYMENT OF GRATUITY ACT, 1972

The Payment of Gratuity Act, 1972 ("Act") was enacted with the objective to regulate the payment of gratuity, to an employee who has rendered for his long and meritorious service, at the time of termination of his services. A terminal Lump sum benefit paid to a worker when he or she leaves employment after having worked for the employer for a prescribed minimum number of years is referred to as "gratuity." The provisions of the Act are applicable to all the factories. The Act provides that within 30 days of opening of the establishment, it has to notify the controlling authority in Form A and thereafter whenever there is any change in the name, address or change in the nature of the business of the establishment a notice in Form B has to be filed with the authority. The Employer is also required to display an abstract of the Act and the rules made there-under in Form U to be affixed at the or near the main entrance. Further, every employer has to obtain insurance for his Liability towards gratuity payment to be made under Payment of Gratuity Act 1972, with Life Insurance Corporation or any other approved insurance fund.

PAYMENT OF BONUS ACT, 1965

The Payment of Bonus Act, 1965 is applicable to every establishment employing 20 or more employees. The said Act provides for payment of the minimum bonus to the employees specified under the Act. It further requires the maintenance of certain books and registers such as the register showing computation of the allocable surplus; the register showing the set on & set off of the allocable surplus and register showing the details of the amount of Bonus due to the employees. Further it also requires for the submission of Annual Return in the prescribed form (Form D) to be submitted by the employer within 30 days of payment of the bonus to the Inspector appointed under the Act.

CHILD LABOUR (PROHIBITION AND REGULATION) ACT, 1986

This statute prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Under this Act the employment of child labour in the building and construction industry is prohibited.

INDUSTRIAL DISPUTES ACT, 1947

The Industrial Disputes Act 1947 lays down the machinery and procedure for investigation, settlement and resolution of Industrial disputes in what situations a strike or lock-out becomes illegal and what are the requirements for laying off or retrenching the employees or closing down the establishment. When a dispute exists or is apprehended, the appropriate Government may refer the dispute to a labour court, tribunal or arbitrator, to prevent the occurrence or continuance of the dispute, or a strike or lock-out while a proceeding is pending. The labour courts and tribunals may grant appropriate relief including ordering modification of contracts of employment or reinstatement of workmen.

WORKMEN'S COMPENSATION ACT 1923

This Act came into force on April 01, 1924. It aims at providing financial protection to workmen and their dependents in case of accidental injury by means of payment of compensation by the employers. However, here the employer shall not be liable in respect of any injury that does not result in the total or partial disablement of the workmen for a period exceeding 3 days in respect of any injury not resulting in death, caused by an accident which was due to the reason that workman was under the influence of drugs, or due to his willful disobedience of an order expressly given to him, or a willful removal or disregard of any safety device by the workmen, or when the employee has contacted a disease which is not directly attributable to a specific injury caused by the accident or to the occupation.

THE EMPLOYEES PROVIDENT FUNDS AND MISCELLANEOUS PROVISIONS ACT, 1952 ***("Employees Provident Fund and Miscellaneous Provisions Act")***

The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 is a social welfare legislation to provide for the institution of Provident Fund, Pension Fund and Deposit Linked Insurance Fund for employees working in factories and other establishments. The Act aims at providing social security and timely monetary assistance to industrial employees and their families when they are in distress.

The Act is administered by the Government of India through the Employees' Provident Fund Organization (EPFO). The following three schemes have been framed under the Act by the Central Government:

(a) he Employees' Provident Fund Schemes, 1952;
(b) The Employees' Pension Scheme, 1995; and
(c) The Employees' Deposit-Linked Insurance Scheme; 1976.

The Central Government has been constituted Employees' Provident Funds Appellate Tribunal to exercise the powers and discharge the functions conferred on such by Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 ("SHWW ACT")

The SHWW Act provides for the protection of women at work place and prevention of sexual harassment at work place. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behavior namely, physical contact and advances or a demand or request for sexual favour or making sexually colored remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to be made within a period of 3 (three) months from the date of the last incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall

be received by the Local Complaints Committee. The penalty for non-compliance with any provision of the SHWW Act shall be punishable with a fine extending to Rs. 50,000/- (Rupees Fifty Thousand Only).

INTELLECTUAL PROPERTY LAWS

TRADEMARKS ACT, 1999

A trademark is used in relation to goods so as to indicate a connection in the course of trade between the goods and a person having the right as proprietor or user to use the mark. The Trademarks Act, 1999, (Trademarks Act) governs the registration, acquisition, transfer and infringement of trademarks and remedies available to a registered proprietor or user of a trademark. Registration is valid for a period of 10 years but can be renewed in accordance with the specified procedure.

As per the Trademarks (Amendment) Bill, 2009, Registrar of Trade Marks is empowered to deal with international applications originating from India as well as those received from the International Bureau and maintain a record of international registrations. It also removes the discretion of the Registrar to extend the time.

PROPERTY RELATED LAWS

TRANSFER OF PROPERTY ACT, 1882

The transfer of property, including immovable property, between living persons, as opposed to the transfer of property by the operation of law, is governed by the Transfer of Property Act, 1882 ("T.P. Act"). The T.P. Act establishes the general principles relating to the transfer of property including among other things identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property.

THE INDIAN STAMP ACT, 1899

Stamp duty is payable on all instruments/ documents evidencing a transfer or creation or extinguishment of any right, title or interest in immoveable property. The Indian Stamp Act, 1899 (the "Stamp Act") provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule I of the Stamp Act. However, under the Constitution of India, the states are also empowered to prescribe or alter the stamp duty payable on such documents executed within the state. Instruments chargeable to duty under the Stamp Act but which have not been duly stamped, are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments by certain specified authorities and bodies and imposition of 138 penalties, for instruments which are not sufficiently stamped or not stamped at all. Instruments which have not been properly stamped instruments can be validated by paying a penalty of up to 10 times of the total duty payable on such instruments.

TAXATION & DUTY LAWS

THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 (GST)

GST is a single tax on the supply of goods and services, right from the manufacturer to the consumer. Credits of input taxes paid at each stage will be available in the subsequent stage of value addition, which makes GST essentially a tax only on value addition at each stage. The final consumer will thus bear only the GST charged by the last dealer in the supply chain, with set-off benefits at all the previous stages.

INCOME TAX ACT, 1961

The Income Tax Act, 1961 deals with the taxation of individuals, corporate, partnership firms and others. As per the provisions of this Act the rates at which they are required to pay tax is calculated on the income declared by them or assessed by the authorities, after availing the deductions and concessions accorded under the Act. The

maintenance of Books of Accounts and relevant supporting documents and registers are mandatory under the Act. Filing of returns of Income is compulsory for all assesses.

CUSTOMS ACT, 1962

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside India. Any Company requiring to import or export any goods is first required to get itself registered and obtain an IEC (Importer Exporter Code). Imported goods in India attract basic customs duty, additional customs duty and education cess. The rates of basic customs duty are specified under the Customs Tariff Act 1975. Customs duty is calculated on the transaction value of the goods. Customs duties are administrated by Central Board of Excise and Customs under the Ministry of Finance.

IN GENERAL

THE COMPANIES ACT, 1956 AND THE COMPANIES ACT, 2013

The consolidation and amendment in law relating to the Companies Act, 1956 made way to enactment of the Companies Act, 2013. The Companies Act, 1956 is still applicable to the extent not repealed and the Companies Act, 2013 is applicable to the extent notified. The act deals with incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The provisions of this act shall also apply to banking companies, companies engaged in generation or supply of electricity and any other company governed by any special act for the time being in force. A company can be formed by seven or more persons in case of public company and by two or more persons in case of private company. A company can even be formed by one person i.e. One Person Company. The provisions relating to formation and allied procedures are mentioned in the act.

OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

Our Company was incorporated as Five Core Electronics Limited under the provisions of the Companies Act, 1956 vide certificate of incorporation dated April 11, 2002 in West Bengal, Kolkata. Subsequently, our company shifted from the State of West Bengal to State of NCT of Delhi by an order of the Company Law Board dated April 26, 2006 and certificate of registration for the said order issued by Deputy Registrar of Companies, West Bengal, Kolkata dated May 29, 2006.

For information on the Company's activities, market, growth and managerial competence, please see the chapters "Our Management", "Our Business" and "Our Industry" beginning on pages 167, 118 and 109 respectively of this Draft Prospectus.

CHANGE IN REGISTERED OFFICE

At present our registered office is located at WZ-15B, Ground Floor, Uggarsain Market, Ashok Nagar, Delhi-110018. Prior to this, following changes were made in the location of our registered office:

Date	Particulars
Since Incorporation	1/A Grant Street 1st Floor Kolkata West Bengal- 700013
April 26, 2006	Our Registered office was shifted from the above location to B-47, Jail Road, Fateh Nagar, Delhi- 110018
June 01, 2009	Our Registered office was shifted from the above location to WZ-15B, Ground Floor, Uggarsain Market, Ashok Nagar, Delhi- 110018

KEY EVENTS AND MILESTONES IN THE HISTORY OF OUR COMPANY

Year	Event
2002	Our Company was incorporated as Five Core Electronics Limited
2006	Registered office Shifted from the State of Kolkata, West Bengal to Delhi
2009	Further Shifting of Registered office within the State of Delhi
2009	Manufacturing Unit at F-622, Phase- I, Bhiwadi, Alwar, Rajasthanwas established
2013	Started providing sound solutions for Railways
2014	Turnover crossed Rs. 100 cr.
2015	Participation in Trade Promotion Event under made in India Initiative Madagascar
2015	Participation in India Sourcing Fair, Colombo, Sri Lanka
2015	Company become the 5th Largest Exporter of India in Consumer Electronics
2016	Expansion started for a bigger manufacturing unit at F-24 to F-27, F-38 to F-41 and E-47(B) to E-50 RIICO Industrial Area, Sare Khurd, Bhiwadi, Alwar, Rajasthan.
2016	Approved Test Report by Electronics Regional Test Laboratory (North) on all the Electronic devices

2016	Four-day participation in the Hong Kong Electronics Fair
2016	Received Government Purchase Enlistment Certificate under Single Point Registration Scheme.
2016	Certified under ISO 9001:2015 for complying with the Quality Management System for manufacturing and supply of electronics & electrical goods.
2016	Installed Public Addressing (PA) Equipment at 7 different places during Simhastha (Kumbh) Mahaparva, Ujjain
2016	Company incorporated South Asia Exim Pte. Ltd., Singapore as a wholly owned Subsidiary
2017	BSI Registration
2017	Company incorporated PAN Arabian Ventures FZE (UAE) as a wholly owned subsidiary
2017	Took over 5Core Acoustics Private Limited
2018	Our Company has received "Electronics Business of the Year" award in Small Business Awards 2018 organised by Franchise India
2018	Our Company has received "Most Impactful 30 Power Brands 2018" award at Power Brands Glam- BFJA 2018

OUR MAIN OBJECT(S)

The main object(s) of our Company, as contained in our Memorandum of Association, are as set forth below:

1. To carry on the business of manufacture, trading, import, export, of all kinds of electronics & electrical goods and its items.
2. To carry on the business of manufacture, process, trade, repair, fabricate, buy, sell, exchange, stock, import, export, assemble, distribute, contract, repairing, branding, packaging, job work, commission agents and deal in all kinds of domestic appliances, electrical products, electronic products, dish anteena, washing machines, television, cooking ranges, cooking stoves, gas cylinders, utensils of all kinds, kitchen tools of all kinds, crockery, table wares, table crockery sets, sewing machines, juicer, mixies, toaster and gadgets, fans, electrical fittings, tubes, bulbs fancy lights, electrical goods, main switches, generators, electric motor, electric pumps, water tanks, geysers, electric press, radio, tape recorder, two-in-one, three-in-one, c.d, players, loud speakers, amplifiers, anteena, fabrics of all kinds and their allied products. And to design, develop, manufacture (including research machinery), its accessories, parts and tools meant for production of above said products and to act as consultants, managers, project engineers, contractors, project suppliers for said products and also its plant and machinery.
3. To carry on the business of manufacturers, processors, assemblers, buyers, sellers, importers, exporters, traders, agents, distributors, suppliers repairing, branding, packaging, job work, commission agents and dealers in all kinds of electrical, electronic, components, devices, equipments, instruments, appliances, products and goods such as mobile phones, computers, televisions, radio, transformers, stabilizers, fans, airconditioners, washing machines, refrigerators, micro ovens, heaters, cooking ranges, juicer, mixer, capacitors, condensors, semi-conductors, transistors, rectifiers, integrated and hybrid circuits, connectors, printed circuits, coils, chokes, electric fittings, and all type of electrical and electronic domestic appliances and devices.
4. To manufacture, buy, sell, export, import, assemble, fit, repair, convert, alter, maintain or otherwise deal in all kinds of electronic products, consumer goods, computer software and hardware, and electrical, electronic, electrotech and such other similar equipments and products and liaisoning agents, representative and to provide consultancy thereof.

AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

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

Date of Shareholders' Approval	Amendment
June 15, 2005	The situation clause was amended for shifting from the State of West Bengal to State of NCT of Delhi
June 15, 2006	The Initial Authorized Share Capital of Rs. 10,00,000 (Rupees Ten Lakhs only) consisting of 1,00,000 Equity shares of face value of Rs. 10/- each was increased to Rs. 20,00,000 (Rupees Twenty Lakhs only) consisting of 2,00,000 Equity Shares of face value of Rs.10/- each.
March 15, 2007	The Authorized Share Capital of Rs. 20,00,000 (Rupees Twenty Lakhs only) consisting of 2,00,000 Equity shares of face value of Rs. 10/- each was increased to Rs. 50,00,000 (Rupees Fifty Lakhs only) consisting of 5,00,000 Equity Shares of face value of Rs.10/- each
November 01, 2007	The Authorized Share Capital of Rs. 50,00,000 (Rupees Fifty Lakhs only) consisting of 5,00,000 Equity shares of face value of Rs. 10/- each was increased to Rs. 60,00,000 (Rupees Sixty Lakhs only) consisting of 6,00,000 Equity Shares of face value of Rs.10/- each
June 10, 2008	The Authorized Share Capital of Rs. 60,00,000 (Rupees Sixty Lakhs only) consisting of 6,00,000 Equity shares of face value of Rs. 10/- each was increased to Rs. 2,00,00,000 (Rupees Two Crores only) consisting of 20,00,000 Equity Shares of face value of Rs.10/- each
August 16, 2010	The Authorized Share Capital of Rs. 2,00,00,000 (Rupees Two Crores only) consisting of 20,00,000 Equity shares of face value of Rs. 10/- each was increased to Rs. 4,00,00,000 (Rupees Four Crores only) consisting of 40,00,000 Equity Shares of face value of Rs.10/- each
February 25, 2011	The Authorized Share Capital of Rs. 4,00,00,000 (Rupees Four Crores only) consisting of 40,00,000 Equity shares of face value of Rs. 10/- each was increased to Rs. 5,00,00,000 (Rupees Five Crores only) consisting of 50,00,000 Equity Shares of face value of Rs.10/- each
August 10, 2013	The Authorized Share Capital of Rs. 5,00,00,000 (Rupees Five Crores only) consisting of 50,00,000 Equity shares of face value of Rs. 10/- each was increased to Rs. 7,00,00,000 (Rupees Seven Crores only) consisting of 70,00,000 Equity Shares of face value of Rs.10/- each
March 31, 2016	Alteration of objects clause in the Memorandum of Association.
April 04, 2017	The Authorized Share Capital of Rs. 7,00,00,000 (Rupees Seven Crores only) consisting of 70,00,000 Equity shares of face value of Rs. 10/- each was increased to Rs. 9,00,00,000 (Rupees Nine Crores only) consisting of 90,00,000 Equity Shares of face value of Rs.10/- each

April 11, 2017	The Authorized Share Capital of Rs. 9,00,00,000 (Rupees Nine Crores only) consisting of 90,00,000 Equity shares of face value of Rs. 10/- each was increased to Rs. 10,00,00,000 (Rupees Ten Crores only) consisting of 1,00,00,000 Equity Shares of face value of Rs.10/- each
April 11, 2017	Alteration of Memorandum and Articles of Association pursuant to Companies Act, 2013 and listing requirements.
January 30, 2018	The Authorized Share Capital of Rs. 10,00,00,000 (Rupees Ten Crores only) consisting of 1,00,00,000 Equity shares of face value of Rs. 10/- each was increased to Rs. 13,00,00,000 (Rupees Thirteen One Crores only) consisting of 1,30,00,000 Equity Shares of face value of Rs.10/- each

HOLDING COMPANY OF OUR COMPANY

Our Company has no holding company as on the date of filing of this Draft Prospectus.

SUBSIDIARIES OF OUR COMPANY

The details of our Subsidiaries as on the date of filing of this Draft Prospectus are as provided below:

S. No.	Name of the Company	Status
1.	5 Core Acoustics Private Limited	Wholly-owned Subsidiary
2.	PAN Arabian Ventures FZE, United Arab Emirates	Wholly-owned Subsidiary
3.	South Asia Exim Pte. Ltd., Singapore	Wholly-owned Subsidiary
4.	EMS & Exports Private Limited	Subsidiary Company
5.	Kaneer Industries Private Limited	Subsidiary Company

DETAILS OF MERGERS AND ACQUISITIONS

There has been no merger or acquisitions of businesses or undertakings in last 5 years except acquisition of 5 Core Acoustics Private Limited as its wholly owned subsidiary.

JOINT VENTURES OF OUR COMPANY

Our Company does not have joint ventures as on the date of this Draft Prospectus.

INJUNCTIONS OR RESTRAINING ORDERS

The Company is not operating under any injunction or restraining order.

DETAILS OF PAST PERFORMANCE

For details in relation to our financial performance in the previous five financial years, including details of non-recurring items of income, refer to section titled "Financial Statements" beginning on page 216 of this Draft Prospectus.

SHAREHOLDERS AGREEMENTS

Our Company has not entered into any shareholder's agreement as on date of filing of this Draft Prospectus.

OTHER AGREEMENTS

Our Company has not entered into any specific or special agreements except that have been entered into in ordinary course of business and agreement dated January 01, 2018 with Managing Director for his appointment as on the date of filing of this Draft Prospectus.

GUARANTEES GIVEN BY OUR COMPANY

Our Company has not provided any guarantee as on the of this Draft Prospectus except in the normal course of business.

RESTRICTIVE COVENANTS IN LOAN AGREEMENTS

For details in relation to Restrictive Covenants in Loan Agreements, please see the chapters "Financial Indebtedness" beginning on page 308 of this Draft Prospectus.

STRATEGIC/ FINANCIAL PARTNERS

Our Company has no strategic and financial partners as on the date of filing of this Draft Prospectus.

CONVERSION OF LOANS INTO EQUITY SHARES

There has been no incident of conversion of loans availed from Banks into equity shares as on the date of filing of this Draft Prospectus.

CAPITAL RAISING ACTIVITIES THROUGH EQUITY

For details in relation to our capital raising activities through Equity, please see the chapters "Capital Structure" beginning on page 69 of this Draft Prospectus.

RATING

Our Company has a credit rating for its working capital facilities from CRISIL valid at present as on the date of this Draft Prospectus. On November 27, 2017, CRISIL has reaffirmed its ratings on the bank loan facilities of Rs. 6100.00 Lakhs of our Company at "CRISIL BBB-/Stable/CRISIL A3" collectively with other group companies.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS OR BANKS

There have been no defaults or rescheduling of borrowings with financial institutions or banks as on the date of this Draft Prospectus.

NUMBER OF SHAREHOLDERS

Our Company has 10 (Ten) shareholders on date of this Draft Prospectus.

OUR MANAGEMENT

BOARD OF DIRECTORS

We are required to have not less than 3 directors and not more than 15 directors, subject to Section 149 of Companies Act, 2013. We currently have 6 (Six) Directors on our Board.

The following table sets forth details regarding our Board of Directors as on the date of this Draft Prospectus other than Directorship in our Company:

Sr. No.	Name, Father's/Husband`s Name, Designation, Address, Occupation, Nationality, Term and DIN	Date of Appointment / Change in Current Designation	Other Directorships
1.	**Name:** Amarjit Singh Kalra **Age:** 51years **Father's Name:** Mr. Surinder Singh Kalra **Designation:** Managing Director **Address:** C - 130, Ground Floor, Mansarover Garden, New Delhi- 110015 **Term:** 5 years **Nationality:** Indian **Occupation:** Business **DIN:** 00176921	April 11, 2002 Appointment as Managing Director on January 01, 2018	1. 5 Core Acoustics Private Limited 2. Five Core Exim Limited 3. Indian Acoustics Private Limited 4. Digi Export Venture Private Limited 5. Happy Acoustics Private Limited 6. Kaneer Industries Private Limited 7. EMS & Exports Private Limited
2.	**Name:** Surinder Kaur Kalra **Age:** 43 years **Father's Name:** Late Sh. Charanjit Singh Malhotra **Designation:**Non- ExecutiveDirector **Address:** C - 130, First Floor, Mansarover Garden, New Delhi- 110015 **Term:** Liable to retire by rotation **Nationality:** Indian **Occupation:** Business **DIN:** 00177037	April 11, 2002	1. 5 Core Acoustics Private Limited 2. Five Core Exim Limited 3. Indian Acoustics Private Limited 4. Digi Export Venture Private Limited 5. Happy Acoustics Private Limited 6. Kaneer Industries Private Limited 7. EMS & Exports Private Limited

3.	**Name:** Jagjit Kaur Kalra **Age:** 73 years **Father's Name:** Mr. Dayal Singh **Designation:** Non- Executive Director **Address:** C - 130, Upper Ground Floor, Mansarover Garden, New Delhi- 110015 **Term:** Liable to retire by rotation **Nationality:** Indian **Occupation:** Business **DIN:** 00177128	January 30, 2017	1. 5 Core Acoustics Private Limited 2. Five Core Exim Limited 3. Digi Export Venture Private Limited 4. Kaneer Industries Private Limited 5. EMS & Exports Private Limited
4.	**Name:** Raj Kumar Projapati **Age:** 54 years **Father's Name:** Mr. Nanku Projapati **Designation:** Non-Executive & Independent Director **Address:** B-4/214-B, Keshav Puram, L/Road Delhi- 110035 **Term:** 5 years **Nationality:** Indian **Occupation:** Business **DIN:** 02228070	October 01, 2014	1. Five Core Exim Limited 2. Raga Realty Private Limited
5.	**Name:** Aditya Agarwal **Age:** 24 years **Father's Name:** Mr. Rajeev Aggarwal **Designation:** Non-Executive & Independent Director **Address:** 33, Govind Ghera, Vrindavan, Vrindavan Bangar, Mathura, Uttar Pradesh - 281121 **Term:** 5 years **Nationality:** Indian **Occupation:** Business **DIN:** 08042253	January 30, 2017	Nil

6.	**Name:** Neeraj Sharma **Age:** 25 years **Father's Name:** Mr. Ram Gopal Sharma **Designation:** Non-Executive & Independent Director **Address:** House No. RZ-80, Manas Kunj, Uttam Nagar, D.K. Mohan Garden, New Delhi - 110059 **Term:** 5 years **Nationality:** Indian **Occupation:** Business **DIN:** 08042256	January 30, 2017	Nil

BRIEF BIOGRAPHIES OF OUR DIRECTORS

Mr. Amarjit Singh Kalra, aged 51 Years, is the Promoter and Managing Director of our Company. He holds a Diploma in Electronics. He has an experience of over 30 years in production and marketing of electronic goods. At the age of 14 he started business of electronic spare parts in Calcutta. In the year 1996, he had opened the first "Cyber Café" in Calcutta and also introduced five core solder wire which was far superior in quality to the single core ones available in the market for which he was named in various newspapers and magazines. He was a secretary of All India Radio and Electronics Associations, Eastern Region for several years. He is a member of the executive committee of Electronics Hardware & Software Export Promotion Council (ESC). He has travelled extensively over 60 countries across globe. He has also attended and executed more than 100 exhibitions globally for 5CORE brand.Our Company has recently been awarded "Electronics Business of the Year 2018" and nominated for the "Most Impactful Power Brand of India " under his guidance.

Ms. Surinder Kaur Kalra, aged 43 Years, is the Promoter and Non-Executive Director of our Company. She is a graduate from Tribhuvan University, Nepal. She has a rich experience of more than 25 years in production and marketing of electronic goods. She has planning and organization skills and is aware of the rapid technological changes as per the demands of the international market which contributes in the overall development of the business. The major goal of her career is manufacturing and producing fewer more bespoke products with less emphasis on high volume manufacturing.

Ms. Jagjit Kaur Kalra, aged 73 years is the Non-Executive Director of the Company. She has an experience of more than 20 years in warehouse management. She is currently the Director of Digi Export Venture Private Limited, our Goup Company.

Mr. Raj Kumar Projapati, aged 54 years is the Non - Executive & Independent Director of our Company. He is a commerce graduate. He has more than 32 years of experience in the field of accounts and taxation. He is also an independent director in our Group Company, Five Core Exim Limited.

Mr. Aditya Agarwal, aged 24 years is the Non - Executive & Independent Director of our Company. He is a commerce graduate from University of Delhi and creative personality by passion. He has a sound knowledge and experience in GST and Taxation. He appointed as independent director of the company with an objective to offer the best of his skills in every domain. Currently, he is pursuing MBA from Symbiosis and carrying out the business of distribution of soft drinks in Mathura and Vrindavan region of Uttar Pradesh, India.

Mr. Neeraj Sharma, aged 25 years, is the Non - Executive & Independent Director of our Company. He is a mechanical engineer from Pusa Institute. He is sound academic background with rich experience in engineering that shall be helpful for the Company to emerge more strongly. Currently, he is working in Jindal Steel and PowerLimited.

CONFIRMATIONS

As on the date of this Draft Prospectus:

1. Mr. Amarjit Singh Kalra and Ms. Surinder Kaur Kalra are related to each other as husband and wife. Ms. Jagjit Kaur Kalra is the mother of Mr. Amarjit Singh Kalra, none of the other Directors of the Company are related to each other as per Section 2 (77) of Companies Act, 2013.
2. There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Management Personnel were selected as a Director or member of the senior management.
3. The Directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
4. None of the above-mentioned Directors are on the RBI List of willful defaulters.
5. Further, none of our Directors are or were directors of any company whose shares were (a) suspended from trading by stock exchange(s) for more than 3 months during the five years prior to the date of filing the Draft Prospectus or (b) delisted from the stock exchanges.
6. None of the Promoters, Persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority. For further details, refer Chapter titled "Outstanding Litigation and Material Developments" beginning on the page 315 of this Draft Prospectus.

REMUNERATION / COMPENSATION OF DIRECTORS

Directors of the Company may be paid monthly remuneration, sitting fees, commission and any other amounts as may be decided by our Board in accordance with the provisions of the Articles of Association, the Companies Act and other applicable laws and regulations. Except Mr. Amarjit Singh Kalra who was paid Gross Remuneration of Rs. 12.00 Lakhs during financial year 2016-17, none of our Directors had received any remuneration/compensation during the preceding financial year.

SHAREHOLDING OF OUR DIRECTORS

As per the Articles of Association of our Company, a Director is not required to hold any qualification shares.

The following table details the shareholding of our Directors as on the date of this Draft Prospectus:

Sr. No.	Name of the Director	No. of Equity Shares	% of Pre-Issue Equity Share Capital	% of Post Issue Equity Share Capital
1.	Amarjit Singh Kalra	38,39,595	41.34	30.42
2.	Surinder Kaur Kalra	24,41,783	26.29	19.35
3.	Jagjit Kaur Kalra	8,37,084	9.01	6.63
4.	Raj Kumar Projapati	-	-	-
5.	Aditya Agarwal	-	-	-
6.	Neeraj Sharma	-	-	-

INTERESTS OF DIRECTORS

All of our Directors may be deemed to be interested to the extent of fees payable, if any to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable, if any to them under our Articles of Association, and/or to the extent of remuneration paid to them for services rendered as an officer or employee of our Company. Some of our Directors may be deemed to be interested to the extent of consideration received/paid such as rent paid on account of lease agreement or interest paid on any loan or advances provided to our company, any body corporate including companies and firms and trusts, in which they are interested as directors, members, partners or trustees.

Our Directors may also be regarded as interested in the Equity Shares, if any, held by them or that may be subscribed by and allotted to the companies, firms, and trusts, if any, in which they are interested as directors, members, promoter, and /or trustees pursuant to this Issue. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares, if any.

None of our Directors has been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others.

Except as stated in the chapter "Our Management" and 'Related Party Transactions' beginning on page 167 and 214 respectively of this Draft Prospectus and described herein to the extent of shareholding in our Company, if any, our Directors do not have any other interest in our business.

Our Directors have no interest in any property acquired by our Company within two years of the date of this Draft Prospectus except as mentioned chapter titled "Our Business" on page 118 of this Draft Prospectus.

Our Directors are not interested in the appointment of or acting as Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

PROPERTY INTEREST

Except as stated/referred to in the heading titled "Land & Properties" beginning on page 150 of this Draft Prospectus, our Directors has not entered into any contract, agreement or arrangements during the preceding two years from the date of this Draft Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them.

CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Name	Date of event	Nature of event	Reason
Amarjit Singh Kalra	October 05, 2015	Change in Designation	Appointment as Whole-Time Director
Jagjit Kaur Kalra	May 10, 2017	Resignation	Due to personal reasons
Anshu	May 30, 2017	Resignation	Due to personal reasons
Rama Kant	August 25, 2017	Appointment	Appointment as Non-Executive Director
Rama Kant	November 30, 2017	Resignation	Due to personal reasons
Amarjit Singh Kalra	January 01, 2018	Change in Designation	Appointment as Managing Director
Jagjit Kaur Kalra	January 30, 2018	Appointment	Appointment as Non-Executive Director

Name	Date of event	Nature of event	Reason
Aditya Agarwal	January 30, 2018	Appointment	Appointment as Non-Executive & Independent Director
Neeraj Sharma	January 30, 2018	Appointment	Appointment as Non-Executive & Independent Director

BORROWING POWERS OF THE BOARD

Pursuant to special resolution passed at Extra-Ordinary General Meeting of our Company held on January 01, 2018 consent of the members of our Company was accorded to the Board of Directors of our Company pursuant to Section 180 (1)(c) of the Companies Act, 2013 for borrowing, from time to time, any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company (apart from temporary loans obtained from our Company's bankers in the ordinary course of business) may exceed in the aggregate, the paid-up capital of our Company and its free reserves, provided however, the total amount so borrowed in excess of the aggregate of the paid-up capital of our Company and its free reserves shall not at any time exceed Rs. 500.00 Crores.

CORPORATE GOVERNANCE

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. We have complied with the requirements of the applicable regulations, including the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, in respect of corporate governance including constitution of the Board and Committees thereof. The corporate governance framework is based on an effective independent Board, the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

We have a Board constituted in compliance with the Companies Act, 2013 and as per the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 in accordance with best practices in corporate governance. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Our executive management provides the Board detailed reports on its performance periodically.

Currently, our Board has 6 (Six) Directors. We have 1 (One) Managing Director, 2(Two) Non- Executive Director and 3 (Three) Non- Executive & Independent Directors. The constitution of our Board is in compliance with the Companies Act, 2013.

The following committees have been formed in compliance with the corporate governance norms:

A. Audit Committee
B. Stakeholders Relationship Committee
C. Nomination and Remuneration Committee

A) Audit Committee

Our Company has re-constituted the Audit Committee, as per the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, vide resolution passed in the meeting of the Board of Directors held on January 30, 2018.

The terms of reference of Audit Committee complies with the requirements of Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The committee presently comprises the following 3 (Three) directors.

Composition of Audit Committee

Name of the Director	Status	Nature of Directorship
Raj Kumar Projapati	Chairman	Non-Executive & Independent Director
Neeraj Sharma	Member	Non-Executive & Independent Director
Amarjit Singh Kalra	Member	Managing Director

The Company Secretary of the Company acts as the Secretary to the Audit committee.

Role of the audit committee

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
   a. Matters required to be included in the Directors Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
   b. Changes, if any, in accounting policies and practices and reasons for the same.
   c. Major accounting entries involving estimates based on the exercise of judgment by management.
   d. Significant adjustments made in the financial statements arising out of audit findings.
   e. Compliance with listing and other legal requirements relating to financial statements.
   f. Disclosure of any related party transactions.
   g. Modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the half yearly and annual financial statements before submission to the board for approval.
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/Draft Prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process.
8. Approval of any transactions of the Company with Related Parties, including any subsequent modification thereof.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the Company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.

13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors on any significant findings and follow up there on.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
18. To review the functioning of the Whistle Blower mechanism, in case the same exists.
19. Approval of appointment of Chief Financial Officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience & background, etc. of the candidate.
20. To overview the Vigil Mechanism of the Company and took appropriate actions in case of repeated frivolous complaints against any Director or Employee.
21. Monitoring the end use of funds raised through public offers and related matters.

The Audit Committee shall mandatorily review the following information:

1. Management Discussion and Analysis of financial condition and results of operations.
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management.
3. Management letters / letters of internal control weaknesses issued by the statutory auditors.
4. Internal audit reports relating to internal control weaknesses.
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
6. Statement of deviations:
   a) Half yearly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
   b) Annual statement of funds utilized for purposes other than those stated in the offer document/Draft Prospectus/notice in terms of Regulation 32(7).

Powers of the Audit Committee

- Investigating any activity within its terms of reference;
- Seeking information from any employee;
- Obtaining outside legal or other professional advice; and
- Securing attendance of outsiders with relevant expertise, if it considers necessary.

B) **Stakeholders Relationship Committee**

Our Company has constituted the Stakeholders Relationship Committee to redress the complaints of the shareholders. The Stakeholders Relationship Committee was constituted as per the provisions of Section 178(5) of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 vide resolution passed at the meeting of the Board of Directors held January 30, 2018.

Composition of Stakeholders Relationship Committee

Name of the Director	Status	Nature of Directorship
Neeraj Sharma	Chairman	Non-Executive & Independent Director
Raj Kumar Projapati	Member	Non-Executive & Independent Director
Amarjit Singh Kalra	Member	Managing Director

The Stakeholders Relationship Committee shall oversee all matters pertaining to investors of our Company. The terms of reference of the Stakeholders Relationship Committee include the following:

1. Redressal of shareholders'/investors' complaints.
2. Reviewing on a periodic basis the approval of transfer or transmission of shares, debentures or any other securities made by the Registrar and Share Transfer Agent;
3. Issue of duplicate certificates and new certificates on split/consolidation/renewal.
4. Non-receipt of declared dividends, balance sheets of the Company.
5. Carrying out any other function as prescribed under the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

C) **Nomination and Remuneration Committees**

Our Company has re-constituted the Nomination and Remuneration Committee. The constitution of the Nomination and Remuneration Committee as per the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 was approved by a Meeting of the Board of Directors held on January 30, 2018.

Composition of Nomination and Remuneration Committee

Name of the Director	Status	Nature of Directorship
Raj Kumar Projapati	Chairman	Non-Executive & Independent Director
Neeraj Sharma	Member	Non-Executive & Independent Director
Jagjit Kaur Kalra	Member	Non-Executive Director

The Company Secretary of the Company acts as the Secretary to the Nomination and Remuneration Committee.

Role of Nomination and Remuneration Committee

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, Key Managerial Personnel and other employees.
2. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.

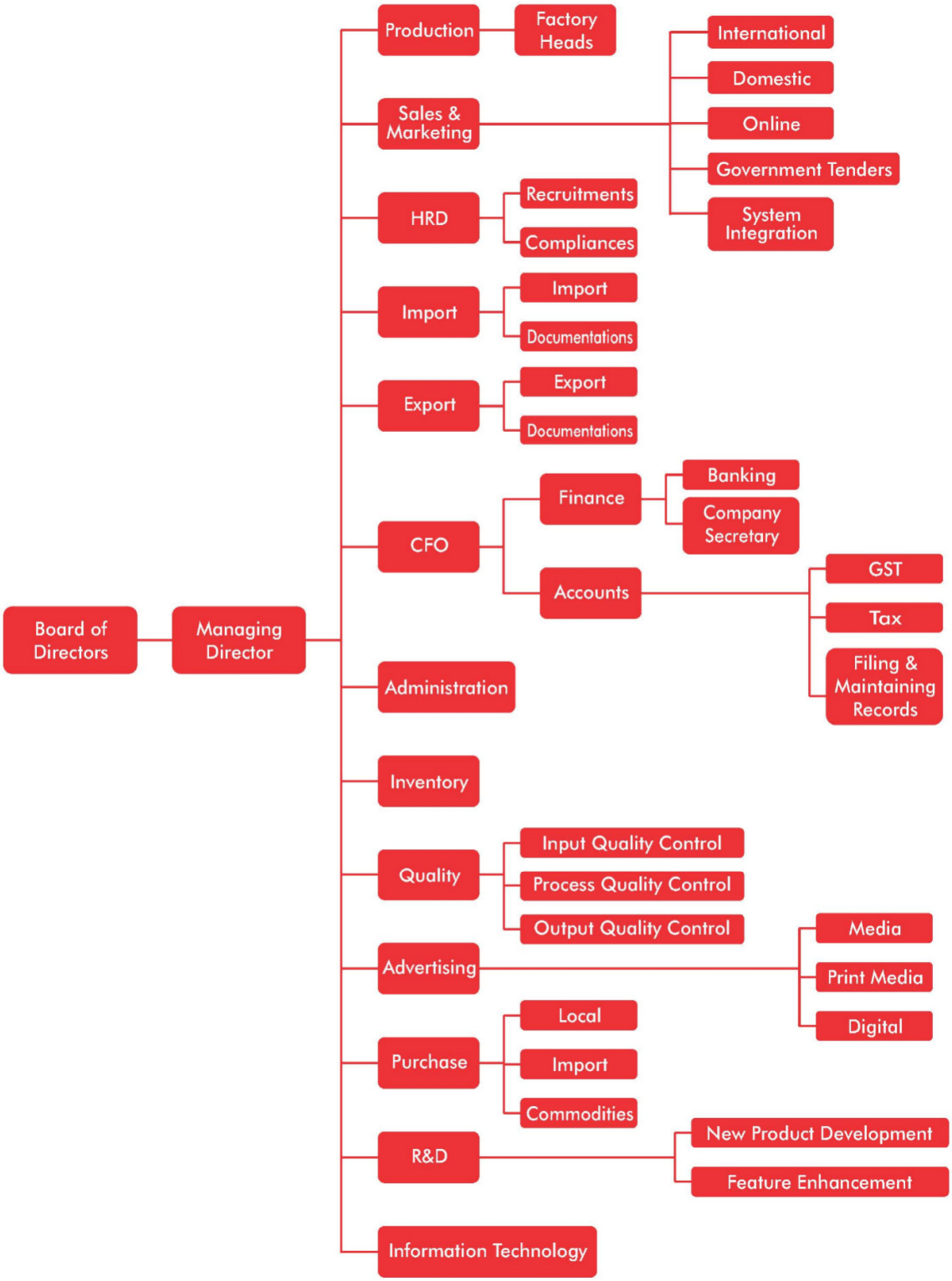
3. Devising a policy on diversity of Board of Directors.
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
5. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
6. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

Policy on Disclosures and Internal Procedure for Prevention of Insider Trading

We will comply with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 after listing of our Company's shares on the Stock Exchange.

Saurabh Kumar Jain, Company Secretary and Compliance Officer, is responsible for setting forth policies, procedures, monitoring and adhering to the rules for the prevention of dissemination of price sensitive information and the implementation of the code of conduct under the overall supervision of the Board.

ORGANISATIONAL STRUCTURE



FUNCTIONAL HEADS

Mr. Pradeep Choudhry, aged 55 Years, is responsible for the Production in our Company. He has done B.Tech in Electricals and Electronics. He is having total experience of around 26 years and is associated with the organization for last 7 months.

Mr. Anurag Bora, aged 30 Years, is the Sales and Marketing Head of our Company. He is holding B.Tech degree in Electronics and Instrumentation and has done PGDM in Marketing and Finance. He has an experience of around 7 years in Sales and Marketing. He has skills of Business Development and Client Relationship Management. He is associated with our organization for last 5 years.

Mr. Rabindra Biswal, aged 52 Years, is the Manager-HR in our Company. He holds the Master's degree in Public Administration and Master's Degree in Human Resource Management. He has an experience of around 17 years in HR domain. He is holding proficiency in Compliances, Labour Law, Statutory Compliances, ESIC and PF. He is associated with our Company for last 6 Months.

Mr. Chandra Shekhar Maurya, aged 38 Years, is the Head of our Import Department. He has done PGDM in Marketing. He has an experience of around 8 years in the field of Import and Export. He is responsible for organizing our import operations. He possesses good interacting, organizing, geographical and focusing skill sets. He is associated with our Company for last 8 years.

Mr. Deepak, aged 30 Years, is heading the Export Department of our Company. He holds Master's Degree in International Business and has done certification course in Export and Import Management. He has an experience of around 9 years in the field of Export and Import. He is responsible for planning and implementing export strategy and activities consistent with overall aims and requirements of the organization. He is also responsible for handling customer complaints. He undertakes analysis of our foreign market and represents our company in foreign exhibitions. He is associated with our Company for last 6 years.

Mr. S. R Sharma, aged 62 Years, is the Finance Head of our Company. He has done B.Com (Hon.) from Delhi University and Diploma in Forex Management. He has an experience of around 36 years in Finance, Banking and Financial Management. He is associated with our Company for last 4 years.

Mr. P.S. Negi, aged 42 Years, is the Accounts Head of our Company. He has done B.Com. He is holding an experience of around 19 years in Accounting and Taxation. He is associated with our Company for last 4 years.

Mr. Manoj Nanda, aged 52 Years, is the Manager-Admin in our Company. He holds Master's degree in Public Administration and P.G. Diploma in Business Administration. He has an experience of around 21 years in Administration. He is holding proficiency in General Administration, vendor management, Transport Management, Liaison, Factory Administration and security. He is associated with our Company for last 7 Months.

Mrs. Rekha Diwan, aged 53 Years, is the Head of the Inventory Department in our organization. She is holding the Master's degree in Commerce stream. She has an experience of around 29 years and is proficient in Tally. She is responsible for planning, organizing, managing and evaluating the inventory management activities. She is associated with our Company for last 4 years.

Mr. Pramanshu Vasistha, aged 28 Years, is heading our Quality Department. He has done B.Tech in Electronics and Communications. He plays a crucial role in business by ensuring that the products meet quality standards. He plans and coordinates quality management programs and formulates quality control policies. He also works to improve the organization's efficiency and profitability by reducing waste. He is associated with our Company for last 5 Years.

Mr. Manmohan Singh, aged 27 Years, is the heading our Digital and Media Advertising. He has done B.Tech in Communication and Computer Science. He is having the experience of around 7 years. He is also proficient in Web Analytic Implementations. He is associated with our Company for last 4 Months.

Mrs. Nidhi Chadha, aged 36 Years, is the Purchase Head. She is a graduate with around 15 Years of Experience. She is responsible for liaising with suppliers, manufacturers, relevant internal departments and customers. She is having skills in developing purchasing strategies. She is associated with our Company for last 2 Years.

Mr. Devender Kaushik, aged 60 Years, is the R & D Head in our Company. He is a graduate and holds Diploma certification in Electronics. He is having the experience of around 38 years. He is responsible for research, design and evaluates materials, assemblies. He is associated with our Company for last 3 Years.

Mr. Prabhat Kumar, aged 30 Years, is the head of IT department in our Company. He has done the Diploma Certification in Computer Hardware and networking. He has an experience of around 10 years. He is responsible for security, data storage and disaster recovery strategies. He is associated with our Company for last 7 Years.

KEY MANAGERIAL PERSONNEL

Mr. Amarjit Singh Kalra *(Promoter & Managing Director)*

Mr. Amarjit Singh Kalra, aged 51 Years, is the Promoter and Managing Director of our Company. He holds a Diploma in Electronics. He has an experience of over 30 years in production and marketing of electronic goods. At the age of 14 he started business of electronic spare parts in Calcutta. In the year 1996, he had opened the first "Cyber Café" in Calcutta and also introduced five core solder wire which was far superior in quality to the single core ones available in the market for which he was named in various newspapers and magazines. He was a secretary of All India Radio and Electronics Associations, Eastern Region for several years. He is a member of the executive committee of Electronics Hardware & Software Export Promotion Council (ESC). He has travelled extensively over 60 countries across globe. He has also attended and executed more than 100 exhibitions globally for 5CORE brand. Our Company has recently been awarded "Electronics Business of the Year 2018" and nominated for the "Most Impactful Power Brand of India" under his guidance.

Mr. Amitabh Singh *(Chief Financial Officer)*

Mr. Amitabh Singh, aged 36 years, is the Chief Financial Officer of our Company. He is a graduate in Commerce from Delhi University. He has an experience of more than 6 years in finance, audit and accounts. He was appointed as Senior Account Executive in April 2013 and considering his experience, he has appointed as Chief Financial Officer of our Company w.e.f. January 01, 2018. Since he was designated as CFO w.e.f. January 01, 2018, he was paid a remuneration of Rs. 1.09 Lakhs in this capacity during the financial year 2017-2018.

Mr. Saurabh Kumar Jain *(Company Secretary &Compliance Officer)*

Mr. Saurabh Kumar Jain, aged 23 years, is the Company Secretary & Compliance Officer of our Company. He is a graduate in Commerce from Rajasthan University. He is an associate member of the Institute of Company Secretaries of India. He has an experience in corporate & legal matters. Since he had joined the Company on December 01, 2017, he was paid a remuneration of Rs. 0.85 Lakhs during financial year 2017-18.

RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

There is no family relationship between the Key Managerial Personnel of our Company.

FAMILY RELATIONSHIPS OF DIRECTORS WITH KEY MANAGERIAL PERSONNEL

Mr. Amarjit Singh Kalra and Ms. Surinder Kaur Kalra are related to each other as husband and wife, Ms. Jagjit Kaur Kalra is the mother of Mr. Amarjit Singh Kalra, there is no family relationship between other Key Managerial Personnel and Directors of our Company. All of Key Managerial Personnel are permanent employees of our company.

ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS

None of our Directors has been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others.

SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

None of the Key Managerial Personnel hold any Equity shares of our Company as on the date of this Draft Prospectus except the following:

Sr. No.	Name of the Key Managerial Personnel	Designation	No. of shares held
1.	Amarjit Singh Kalra	Managing Director	38,39,595
2.	Amitabh Singh	Chief Financial Officer	100

BONUS OR PROFIT SHARING PLAN OF THE KEY MANAGERIAL PERSONNEL

Our Company has not entered into any Bonus or Profit Sharing Plan with any of the Key Managerial Personnel.

LOANS TO KEY MANAGERIAL PERSONNEL

No loans and advances given to the Key Managerial Personnel as on the date of this Draft Prospectus.

INTEREST OF KEY MANAGERIAL PERSONNEL

The key managerial personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and to the extent of Equity Shares held by them in our Company, if any.

Except as disclosed in this Draft Prospectus, none of our key managerial personnel have been paid any consideration of any nature from our Company, other than their remuneration and reimbursement of expenses.

Our Key Managerial Personnel have no interest in any property acquired by our Company within two years of the date of this Draft Prospectus.

CHANGES IN KEY MANAGERIAL PERSONNEL DURING LAST THREE (3) YEARS

The changes in the key managerial personnel in the last three years are as follows:

Name of Managerial Personnel	Designation	Date of Event	Reason
Amarjit Singh Kalra	Whole Time Director	October 05, 2015	Designation changed to Whole- Time Director
Puneet Khurana	Company Secretary	April 01, 2016	Appointment as Company Secretary
Puneet Khurana	Company Secretary	April 30, 2016	Due to personal reasons

Deepika	Company Secretary	October 01, 2016	Appointment as Company Secretary
Deepika	Company Secretary	October 31, 2016	Due to personal reasons
Swati Srivastava	Company Secretary	April 22, 2017	Appointment as Company Secretary
Swati Srivastava	Company Secretary	July 15, 2017	Due to personal reasons
Saurabh Kumar Jain	Company Secretary & Compliance Officer	December 01, 2017	Appointment as Company Secretary & Compliance Officer
Amitabh Singh	Chief Financial Officer	January 01, 2018	Appointment as Chief Financial Officer
Amarjit Singh Kalra	Managing Director	January 01, 2018	Designation changed to Managing Director

Other than the above changes, there have been no changes to the key managerial personnel of our Company that are not in the normal course of employment.

ESOP/ESPS SCHEME TO EMPLOYEES

Presently, our company does not have any ESOP/ESPS Scheme for employees.

PAYMENT OR BENEFIT TO OUR OFFICERS

Except as disclosed in the heading titled "Related Party Disclosure" in the section titled "Financial Statements" beginning on page 216 of this Draft Prospectus, no amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of our officers except the normal remuneration for services rendered as officers or employees.

OUR PROMOTERS AND PROMOTER GROUP

OUR PROMOTERS

1. Mr. Amarjit Singh Kalra
2. Ms. Surinder Kaur Kalra

DETAILS OF OUR PROMOTERS

1. Mr. Amarjit Singh Kalra

Mr. Amarjit Singh Kalra, aged 51 Years, is the Promoter and Managing Director of our Company. He holds a Diploma in Electronics. He has an experience of over 30 years in production and marketing of electronic goods. At the age of 14 he started business of electronic spare parts in Calcutta. In the year 1996, he had opened the first "Cyber Café" in Calcutta and also introduced five core solder wire which was far superior in quality to the single core ones available in the market for which he was named in various newspapers and magazines. He was a secretary of All India Radio and Electronics Associations, Eastern Region for several years. He is a member of the executive committee of Electronics Hardware & Software Export Promotion Council (ESC). He has travelled extensively over 60 countries across globe. He has also attended and executed more than 100 exhibitions globally for 5CORE brand.Our Company has recently been awarded "Electronics Business of the Year 2018" and nominated for the "Most Impactful Power Brand of India" under his guidance.

Particulars	Details
Permanent Account Number	AKWPK0803H
Aadhar No.	828741580117
Passport No.	Z1935184
Bank Account Details	Andhra Bank **Branch-** R K Puram, New Delhi **Account No. -** 048110100068542

2. Ms. Surinder Kaur Kalra

Ms. Surinder Kaur Kalra, aged 43 Years, is the Promoter and Non- Executive Director of our Company. She is a graduate from Tribhuvan University, Nepal. She has a rich experience of more than 25 years in production and marketing of electronic goods. She has planning and organization skills and is aware of the rapid technological changes as per the demands of the international market which contributes in the overall development of the business. The major goal of her career is manufacturing and producing fewer more bespoke products with less emphasis on high volume manufacturing.

Particulars	Details
Permanent Account Number	AFMPK2461E
Aadhar No:	293123215703
Passport No.	N7787471
Bank Account Details	Andhra Bank **Branch-** R K Puram, New Delhi **Account No. -** 048110100068533

OUR PROMOTER GROUP

Our Promoter Group in terms of Regulation 2(1)(zb) of SEBI (ICDR) Regulations includes the following persons:

1. Individuals

The natural persons who are part of our Promoter Group (due to the relationship with our Promoters), other than the Promoters named above are as follows:

Relationship	Mr. Amarjit Singh Kalra	Mrs. Surinder Kaur Kalra
Father	Mr. Surinder Singh Kalra	Late Sh. Charanjit Singh Malhotra
Mother	Ms. Jagjit Kaur Kalra	Ms. Darshan Kaur
Spouse	Mrs. Surinder Kaur Kalra	Mr. Amarjit Singh Kalra
Brother	-	Mr. Manpreet Singh Malhotra Mr. Binderjit Singh Malhotra
Sister	Ms. Dimple Arora Ms. Madhu Gulati	Ms. Kawaljit Kaur Batra
Children	Mr. Ineet Singh Kalra Ms. Kaneer Kaur Kalra	Mr. Ineet Singh Kalra Ms. Kaneer Kaur Kalra
Spouse Father	Late Sh. Charanjit Singh Malhotra	Mr. Surinder Singh Kalra
Spouse Mother	Mrs. Darshan Kaur	Mrs. Jagjit Kaur Kalra
Spouse Brother	Mr. Manpreet Singh Malhotra Mr. Binderjit Singh Malhotra	-
Spouse Sister	Ms. Kawaljit Kaur Batra	Ms. Dimple Arora Ms. Madhu Gulati

2. **Companies and proprietorship firms forming part of our Promoter Group are as follows:**

Relationship with promoters	Mr. Amarjit Singh Kalra	Ms. Surinder Kaur Kalra
Any company in which 10% or more of the share capital is held by the promoter or an immediate relative of the promoter or a firm or HUF in which the promoter or any one or more of his immediate relative is a member	1. Happy Acoustics Private Limited 2. Indian Acoustics Private Limited 3. Digi Export Venture Private Limited 4. Five Core Exim Limited (formerly known as Aurum Soft Systems Limited) 5. 5 Core Acoustics Private Limited 6. EMS & Exports Private Limited 7. Kaneer Industries Private Limited	1. Happy Acoustics Private Limited 2. Indian Acoustics Private Limited 3. Digi Export Venture Private Limited 4. Five Core Exim Limited (formerly known as Aurum Soft Systems Limited) 5. 5 Core Acoustics Private Limited 6. EMS & Exports Private Limited 7. Kaneer Industries Private Limited
Any company in which a company (mentioned above) holds 10% of the total holding	Nil	Nil
Any HUF or firm in which the aggregate share of the promoter and his immediate relatives is equal to or more than 10% of the total holding	1. Visual and Acoustics Corporation LLP 2. EMS & Exports 3. Amarjit Singh Kalra HUF 4. A.S. Electronics 5. Happy Electronics 6. Surinder Singh Kalra HUF 7. Surinder Traders 8. Himalayan Traders 9. J K Enterprises 10. Jagjit Traders 11. Neha Exports	1. Visual and Acoustics Corporation LLP 2. EMS & Exports 3. Amarjit Singh Kalra HUF 4. A.S. Electronics 5. Happy Electronics 6. Surinder Singh Kalra HUF 7. Surinder Traders 8. Himalayan Traders 9. J K Enterprises 10. Jagjit Traders 11. Neha Exports

OTHER UNDERTAKINGS AND CONFIRMATIONS

Our Company undertakes that the details of Permanent Account Number, Bank Account Number and Passport Number/Aadhar Number of the Promoters will be submitted to the NSE - Emerge Platform, where the securities of our Company are proposed to be listed at the time of submission of this Draft Prospectus.

COMMON PURSUITS OF OUR PROMOTER GROUP

All the Group Entities have objects similar to that of our Company's business, the details as mentioned in the Chapter "Our Group Entities" beginning on page 196 of this Draft Prospectus. Currently we do not have any non-compete agreement/arrangement with any of our Group Entities. Such a conflict of interest may have adverse effect on our business and growth. We shall adopt the necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise.

INTEREST OF THE PROMOTERS

Interest in the promotion of Our Company

Our promoters may be deemed to be interested in the promotion of the Issuer to the extent of the Equity Shares held by them as well as their relatives and also to the extent of any dividend payable to them and other distributions in respect of the aforesaid Equity Shares. Further, our Promoters may also be interested to the extent of Equity Shares held by or that may be subscribed by and allotted to companies and firms in which either of them are interested as a director, member or partner.

Interest in the property of Our Company

Our Promoters do not have any interest in any property acquired by our Company in last two years or proposed to be acquired by our Company except as mentioned in the Chapter "Our Business" beginning on page 118 of this Draft Prospectus.

Interest as Member of our Company

As on the date of this Draft Prospectus, our Promoters hold 62,81,378 Equity Shares of our Company and are therefore interested to the extent of their shareholding and the dividend declared, if any, by our Company. Except to the extent of shareholding of the Promoters in our Company our Promoters do not hold any other interest in our Company.

Payment Amounts or Benefit to Our Promoters during the Last Two Years

No payment has been made or benefit given to our Promoters in the two years preceding the date of this Draft Prospectus except as mentioned / referred to in this chapter and in the section titled 'Our Management', 'Financial Statements' and 'Capital Structure' on pages 167, 216 and 69 respectively of this Draft Prospectus. Further as on the date of this Draft Prospectus, there is no bonus or profit sharing plan for our Promoters.

OTHER COMPANIES/UNDERTAKINGS/VENTURES OF OUR PROMOTERS

Except as disclosed in the chapter titled "Our Management" and "Our Group Entities" beginning on pages 167 and 196 respectively of this Draft Prospectus, there are no Companies/Undertakings/Ventures promoted by our Promoters in which they have any business or any other interest.

CHANGE IN CONTROL & MANAGEMENT

Since Incorporation the control and management of the Company is taken care by Mr. Amarjit Singh Kalra and Ms. Surinder Kaur Kalra who were also the subscribers to the Memorandum of Association.

LITIGATION INVOLVING OUR PROMOTERS

For details of litigation involving our Promoters, refer chapter titled "Outstanding Litigation and Material Developments" beginning on page 315 of this Draft Prospectus.

COMPANIES WITH WHICH OUR PROMOTER HAS DISASSOCIATED IN THE LAST THREE YEARS

Our Promoters have not disassociated themselves as promoter(s) from any Company in three years preceding the date of this Draft Prospectus.

CONFIRMATIONS

For details on litigations and disputes pending against the Promoters and defaults made by them including violations of securities laws, please refer to the section titled "*Outstanding Litigation and Material Developments*" on page 315 of this Draft Prospectus. Our Promoters have not been declared as willful defaulters by the RBI or any other governmental authority.

RELATED PARTY TRANSACTIONS

Except as disclosed in the "*Related Party Transactions*" beginning on page 214 of this Draft Prospectus, our Company has not entered into any related party transactions with our Promoter

OUR SUBSIDIARIES

The details of Our Subsidiary Companies are provided below:

1. 5 Core Acoustics Private Limited
2. EMS & Exports Private Limited
3. Kaneer Industries Private Limited
4. PAN Arabian Ventures FZE
5. South Asia Exim Pte. Ltd.

1. 5 CORE ACOUSTICS PRIVATE LIMITED

Corporate Information

5 Core Acoustics Private Limited was incorporated on September 07, 1995 under the provisions of Companies Act, 1956. The Corporate Identification Number of the Company is U29100DL1995PTC072253. PAN of the Company is AAACR4282J. The Registered Office of the Company is situated at WZ-15B, Uggarsain Market, Ashok Nagar, New Delhi- 110018, India.

The Main Object of the company is to carry on the business of manufacture, trading, import, export of all kinds of electronics & electrical goods and its items, to manufacture, buy, sell, export, import, assemble, fit, repair, convert, alter, maintain or otherwise deal in all kinds of electronic products, consumer goods, computer software and hardware, and electrical, electronic, electrotech and such other similar equipments and products and liaisoning agents, representative and to provide consultancy thereof.

Board of Directors

The Directors of 5 Core Acoustics Private Limited as on the date of this Draft Prospectus are as follows:

Name	Designation	DIN
Amarjit Singh Kalra	Director	00176921
Surinder Kaur Kalra	Director	00177037
Jagjit Kaur Kalra	Director	00177128

Capital Structure

The Capital Structure of 5 Core Acoustics Private Limited as on the date of this Draft Prospectus is as follows:

Particulars	No. of Equity Shares
Authorized Share Capital	60,00,000 Equity Shares of Rs. 10/- each
Issued, Subscribed and Paid-up Capital	31,44,855 Equity Shares of Rs. 10/- each

Change in Capital Structure

There has been no change in the capital structure of 5 Core Acoustics Private Limited in the last six months prior to filing of this Draft Prospectus.

Shareholding Pattern

The Shareholding Pattern of 5 Core Acoustics Private Limited as on date of this Draft Prospectus:

Name	No. of Shares	Percentage (%)
Five Core Electronics Limited	3144849	100.00
Amarjit Singh Kalra*	1	-
Surinder Kaur Kalra*	1	-
Surinder Singh Kalra*	1	-
Jagjit Kaur Kalra*	1	-
Amitabh Singh*	1	-
Pramanshu Vasistha*	1	-
TOTAL	**31,44,855**	**100.00**

**Shares held on behalf of Five Core Electronics Limited as Nominee Shareholders.*

Note: The control of 5 Core Acoustics Private Limited was acquired in April 2017 by issuing 20,21,693 equity shares of our Company to their shareholders in satisfaction of total consideration of Rs. 1415.19 Lakhs.

Financial Information

(Rs. In Lakhs)

Particulars	December 31, 2017	March 31,		
		2017	2016	2015
Equity Capital	314.49	230.25	230.25	230.25
Reserve & Surplus	871.69	376.85	328.15	303.12
Total Revenue	6061.94	7045.38	4677.29	719.29
Profit/(Loss) after Tax	197.27	48.70	25.02	2.18
Earnings Per Share (Basic) (Rs.)	6.27	2.12	0.42	0.04
Earnings Per Share (Diluted) (Rs.)	6.27	2.12	0.42	0.04
Net worth	1186.18	607.10	558.40	533.37
NAV per Share of face value Rs. 10/- (Rs.)	37.72	26.37	24.25	23.17

Manufacturing Unit

The Manufacturing Unit of 5 Core Acoustics Private Limited is situated at C-828, RIICO Industrial Area, Phase-II, Bhiwadi, Alwar, Rajasthan- 301019.

Following is the list of major plant & machineries used in the manufacturing process:

Sr. No.	Name of Machinery	Qty.
1	Dip Soldering Machine	4 Pcs
2	Fork lifter machine 2000 kg capacity	4 pcs
3	Lamination Machine (for driver unit)	1 Pcs
4	Magnet Charger Machine 300 mm	2 Pcs
5	Buffing Machine	3 Pcs
6	Moulding Machine	2 Pcs
7	Powder Coating/ Paint Machine	1 Pcs
8	Grinder Machine	1 Pcs

9	Terminal Machine (Ty-1) Tag Fitting	1 Pcs
10	Thermal Contraction Machine	1 Pcs
11	Low Distortion Audio Oscillator (Og-100) Machine	4 Pcs
12	Buffing Machine	1 Pcs
13	Digital Micrometer	1 Pcs
14	Loud Speaker Multi Tester Lm-306	1 Pcs
15	Conveyor Drive	3 Pcs
16	Component Vibrator Machine	1 Pcs
17	Hv Tester Machine	1 Pcs
18	Buff Machine (3 Hp)	1 Pcs
19	Circular Wood Saw Machine Model J-634 St	2 PcS
20	Cold Chamber Pressure Die Casting Machine with Accessories	1 PcS
21	Cooling Tower With Exhaust Fan (Capacity 500Ltr)	1 PcS
22	Debencher Cabinet (Setup for Powder Coating)	1 PcS
23	Metal Crucible (Size 28"X18") 180kg Dhool	2 PcS
24	Single Conveyor Belt With Setup - 400mm	2 PcS
25	Cnc Wood Carving Machine Single Phase 1kw Spindle	1 PcS
26	Cnc Wood Carving Machine Three Phase 3kw Spindle	1 PcS
27	Cnc Atcwood Carving Machine Three Phase 7kw Spindle	1 pcs
28	Lathe Machine 6 Feet With 2 HP Crompton Motor	2 Pcs
29	Lathe Machine 4Feet With 2 HP Crompton Motor	2 pcs
30	CNC Turning Machine	1 Pcs
31	Automatic Threading Machines	3 pcs
32	Hand Molding Machine	2 Pcs
33	Multi Meter For Impedance Checking	2 Pcs
34	Conveyor Set Up For Home Theathers 42 Ft Double For Sub Woofers	1 Pcs
35	Conveyor Set Up For Home Theathers 42 Ft Single For Satellite	1 Pcs
36	Spanner 6 Mm	1 Pcs
37	Temprature controlled soldering iron machine	3 Pcs
38	LM 306 test machine	2 Pcs
39	Loudspeakr polarity test machine	1 Pcs

2. EMS & EXPORTS PRIVATE LIMITED

Corporate Information

EMS & Exports Private Limited was incorporated on February 28, 2017 under the provisions of Companies Act, 2013. The Corporate Identification Number of the Company is U32309DL2017PTC313645. PAN of the Company is AAECE5434F. The Registered Office of the Company is situated at WZ-15B, R.No.301, Uggarsain Market, Ashok Nagar, New Delhi- 110018, India.

The Main Object of the company is to carry on the business of manufacture, trading, import, export of all kinds of electronics & electrical goods and its items, to manufacture, buy, sell, export, import, assemble, fit, repair, convert, alter, maintain or otherwise deal in all kinds of electronic products, consumer goods, computer software and hardware, and electrical, electronic, electrotech and such other similar equipments and products and liaisoning agents, representative and to provide consultancy thereof and to take over the running business with all assets and liabilities of Partnership concern M/s EMS & Exports.

Board of Directors

The Directors of EMS & Exports Private Limited as on the date of this Draft Prospectus are as follows:

Name	Designation	DIN
Amarjit Singh Kalra	Director	00176921
Surinder Kaur Kalra	Director	00177037
Jagjit Kaur Kalra	Director	00177128

Capital Structure

The Capital Structure of EMS & Exports Private Limited as on the date of this Draft Prospectus is as follows:

Particulars	No. of Equity Shares
Authorized Share Capital	30,00,000 Equity Shares of Rs. 10/- each
Issued, Subscribed and Paid-up Capital	10,000 Equity Shares of Rs. 10/- each

Change in Capital Structure

There has been no change in the capital structure of EMS & Exports Private Limited in the last six months prior to filing of this Draft Prospectus.

Shareholding Pattern

The Shareholding Pattern of EMS & Exports Private Limited as on date of this Draft Prospectus:

Name	No. of Shares	Percentage (%)
Five Core Electronics Limited	6,695	67.00
Amarjit Singh Kalra	3,300	33.00
Surinder Kaur Kalra*	1	-
Surinder Singh Kalra*	1	-
Jagjit Kaur Kalra*	1	-
Amitabh Singh*	1	-
Pramanshu Vasistha*	1	-
TOTAL	**10,000**	**100.00**

**Shares held on behalf of Five Core Electronics Limited as Nominee Shareholders.*

Financial Information

(Rs. In Lakhs)

Particulars	December 31, 2017	March 31, 2017
Equity Capital	1.00	1.00
Reserve & Surplus	0.02	0.01
Total Revenue	1.48	1.65
Profit/(Loss) after Tax	0.01	0.00
Earnings Per Share (Basic) (Rs.)	0.06	0.03
Earnings Per Share (Diluted) (Rs.)	0.06	0.03
Net worth	1.02	1.01
NAV per Share of face value Rs. 10/- (Rs.)	10.21	10.07

3. KANEER INDUSTRIES PRIVATE LIMITED

Corporate Information

Kaneer Industries Private Limited was incorporated on February 23, 2017 under the provisions of Companies Act, 2013. The Corporate Identification Number of the Company is U32302DL2017PTC313398. PAN of the Company is AAGCK4637A. The Registered Office of the Company is situated at WZ-15B/1, Uggarsain Market, Ashok Nagar, New Delhi 110018, India.

The Main Object of the company is to carry on the business of manufacture, trading, import, export of all kinds of electronics & electrical goods and its items, to manufacture, buy, sell, export, import, assemble, fit, repair, convert, alter, maintain or otherwise deal in all kinds of electronic products, consumer goods, computer software and hardware, and electrical, electronic, electrotech and such other similar equipments and products and liaisoning agents, representative and to provide consultancy thereof and to take over the running business with all assets and liabilities of Proprietorship Concern M/s Neha Exports.

Board of Directors

The Directors of Kaneer Industries Private Limited as on the date of this Draft Prospectus are as follows:

Name	Designation	DIN
Amarjit Singh Kalra	Director	00176921
Surinder Kaur Kalra	Director	00177037
Jagjit Kaur Kalra	Director	00177128

Capital Structure

The Capital Structure of Kaneer Industries Private Limited as on the date of this Draft Prospectus is as follows:

Particulars	No. of Equity Shares
Authorized Share Capital	50,00,000 Equity Shares of Rs. 10/- each
Issued, Subscribed and Paid-up Capital	10,000 Equity Shares of Rs. 10/- each

Change in Capital Structure

There has been no change in the capital structure of Kaneer Industries Private Limited in the last six months prior to filing of this Draft Prospectus.

Shareholding Pattern

The Shareholding Pattern of Kaneer Industries Private Limited as on date of this Draft Prospectus:

Name	No. of Shares	Percentage (%)
Five Core Electronics Limited	6,695	67.00
Amarjit Singh Kalra	3,300	33.00
Surinder Kaur Kalra*	1	-
Surinder Singh Kalra*	1	-
Jagjit Kaur Kalra*	1	-
Amitabh Singh*	1	-
Pramanshu Vasistha*	1	-
TOTAL	**10,000**	**100.00**

**Shares held on behalf of Five Core Electronics Limited as Nominee Shareholders.*

Financial Information

(Rs. In Lakhs)

Particulars	December 31, 2017	March 31, 2017
Equity Capital	1.00	1.00
Reserve & Surplus	0.02	0.01
Total Revenue	1.77	1.86
Profit/(Loss) after Tax	0.00	0.00
Earnings Per Share (Basic) (Rs.)	0.00	0.00
Earnings Per Share (Diluted) (Rs.)	0.00	0.00
Net worth	1.02	1.01
NAV per Share of face value Rs. 10/- (Rs.)	10.21	10.07

4. PAN ARABIAN VENTURES FZE

Corporate Information

PAN Arabian Ventures FZE was incorporated on June 14, 2017 as a Free Zone Establishment with Limited Liability. The Registration Number of the Company is 189888. The address of the Company is Warehouse Number RA08ZE01, North Zone Jebel Ali Free Zone, Dubai, United Arab Emirates.

The Main Object of the company is computer software trading Audio-Visual, recording equipment & accessories trading, electrical and electronic appliances spare parts trading, electronic card and chips and requisites trading, mobile phones trading, musical instruments and requisites trading telephones and telecommunications equipment trading.

Authorized Representative

The details of the Authorized Representative of PAN Arabian Ventures FZE as on the date of this Draft Prospectus are as follows:

Name	Designation	Date of Appointment
Ineet Singh Kalra	Authorized Representative	June 14, 2017

Capital Structure

The Capital Structure of PAN Arabian Ventures FZE as on the date of this Draft Prospectus is as follows:

Particulars	No. of Equity Shares
Authorized Share Capital	1,000 Equity Shares of AED 100/- each
Issued, Subscribed and Paid-up Capital	1,000 Equity Shares of AED 100/- each

Change in Capital Structure

There has been no change in the capital structure of PAN Arabian Ventures FZE in the last six months prior to filing of this Draft Prospectus.

Shareholding Pattern

As on date of this Draft Prospectus our promoters are interested to the following extent:

Name	No. of Shares	Percentage (%)
Five Core Electronics Limited	1,000	100.00
TOTAL	**1,000**	**100.00**

Financial Information

(Rs. In Lakhs)

Particulars	December 31, 2017*
Equity Capital	17.38
Reserve & Surplus	365.16
Total Revenue	2866.05
Profit/(Loss) after Tax	365.16
Earnings Per Share (Basic) (Rs.)	36515.82
Earnings Per Share (Diluted) (Rs.)	36515.82
Net worth	382.54

**Financial details are from June 14, 2017 (inception) to December 31, 2017*

Note:

a) 1 United Arab Emirates Dirham = 17.41 as average rate for Profit & Loss Transactions.
b) 1 United Arab Emirates Dirham = 17.38 as closing rate for Balance Sheet items.

5. SOUTH ASIA EXIM PTE. LTD

Corporate Information

South Asia Exim Pte. Ltd was incorporated on October 24, 2016 as a private company limited by shares. The Registration Number of the Company is 201629176W. The registered office address of the Company is 10 Jalan Besar #02-20 Sim Lim Tower Singapore 208787.

The Main Object of the company is general wholesale trade (including general importers and exporters).

Board of Directors

The Directors of South Asia Exim Pte. Ltd as on the date of this Draft Prospectus are as follows:

Name & Address	Designation	ID	Date of Appointment
Divyen Prakash Mehta R/o- 51A, Jalan Loyang Besar, Singapore (509374)	Director	S2765837G	October 24,2016
Ineet Singh Kalra R/o- C-130, Mansarover Garden, Delhi-110015	Director	Z2516479	July 14, 2017

Capital Structure

The Capital Structure of South Asia Exim Pte. Ltd as on the date of this Draft Prospectus is as follows:

Particulars	No. of Equity Shares
Issued Share Capital	10,000 Equity Shares of S$ 1/- each
Paid-up Capital	10,000 Equity Shares of S$ 1/- each

Change in Capital Structure

There has been no change in the capital structure of South Asia Exim Pte. Ltd in the last six months prior to filing of this Draft Prospectus.

Shareholding Pattern

As on date of this Draft Prospectus our promoters are interested to the following extent:

Name	No. of Shares	Percentage (%)
Five Core Electronics Limited	10,000	100.00
TOTAL	**10,000**	**100.00**

Financial Information

(Rs. In Lakhs)

Particulars	December 31, 2017*
Equity Capital	4.77
Reserve & Surplus	37.90
Total Revenue	372.76
Profit/(Loss) after Tax	42.79
Earnings Per Share (Basic) (Rs.)	427.89
Earnings Per Share (Diluted) (Rs.)	427.89
Net worth	42.67

**Financial details are from April01, 2017 (inception) to December 31, 2017*

Note:

a) 1 Singapore Dollar = 47.06 as average rate for Profit & Loss Transactions.

b) 1 Singapore Dollar = 17.347.74 as closing rate for Balance Sheet items.

CONFIRMATION

Our Promoters and persons forming part of Promoter Group have confirmed that they have not been declared as willful defaulters by the RBI or any other governmental authority and there are no violations of security laws committed by them in the past and no proceedings pertaining to such proceedings are pending against them. Additionally, none of the Promoters and persons forming part of Promoter Group has been restrained from accessing the capital markets for any reasons by SEBI or any other authorities. None of the Subsidiarieshas a negative net worth as on the date of this Draft Prospectus.

SALES/PURCHASES BETWEEN OUR COMPANY AND GROUP ENTITIES

Except as disclosed in the section titled 'Related Party Transactions' beginning on page 214 of this Draft Prospectus, there have been no sales/purchases of products and services between our Company and Subsidiaries.

COMMON PURSUITS

All of our Subsidiarieshave objects similar to that of our Company's business. The Subsidiaries have been conducting business similar to our Company. Currently we do not have any non-compete agreement/arrangement with any of our Subsidiaries. We shall adopt the necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise.

OTHER CONFIRMATIONS

1. None of the securities of our Subsidiariesare listed on any stock exchange and none of our Subsidiarieshave made any public or right issue of securities in the preceding three years.
2. None of the Subsidiarieshave been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.
3. None of the Subsidiariesare Willful Defaulters.

OUR GROUP ENTITIES

As per the SEBI ICDR Regulations for the purpose of identification of group companies, our Company has considered companies in which our Company, promoter or an immediate relative of the promoter hold 10% or more of shareholding as on the date of this Draft Prospectus.

A. Our Group Companies include:

1. Happy Acoustics Private Limited
2. Indian Acoustics Private Limited
3. Digi Export Venture Private Limited
4. Five Core Exim Limited (formerly known as Aurum Soft Systems Limited)

B. Other Group Entities of Promoters:

1. Visual and Acoustics Corporation LLP
2. EMS & Exports
3. A.S. Electronics
4. Surinder Traders
5. Jagjit Traders
6. Satguru Enterprises
7. Neha Exports
8. Amarjit Singh Kalra HUF
9. Surinder Singh Kalra HUF

A. Our Group Companies includes:

The details of our Group Companies are provided below:

1. HAPPY ACOUSTICSPRIVATE LIMITED

Corporate Information

Happy Acoustics Private Limited was incorporated on March 16, 2012 under the provisions of Companies Act, 1956. The Corporate Identification Number of the Company is U74999DL2012PTC233017. PAN of the Company is AACCH8673H. The Registered Office of the Company is situated at WZ-15, Ground Floor, Uggarsain Market, Ashok Nagar, New Delhi- 110018, India.

The Main Object of the company is to carry on the business as manufacturers, importers, exporters of electronic & electrical goods, including branding, packaging and trading activities and job work, designers, processors, marketers, assemblers, distributors, dealers of finished & unfinished electronic goods, to manufacture, buy, sell, import, export, assemble, repair, convert overhaul, alter, maintain, improve and deal in all kinds of electronic components, appliances, electronic accounting and business machines, electronic communication equipments, electronic control instruments, valves, transistors, condensers, coils, radiographs, including everything in electronics and electrical and including components, spares and accessories, all kinds of electronic equipments, apparatuses including television sets, record player, tape recorders, all sorts of electrical and wireless sets, insulation testers, tubes, cells, batteries, flash lights of all kinds and description, wire cables conductors, generators, transformers of all types electric motors, mobile telephone instruments, electronic & electrical gizmos, inter-coms, accessories and components thereof.

Board of Directors

The Directors of Happy Acoustics Private Limited as on the date of this Draft Prospectus are as follows:

Name	Designation	DIN
Amarjit Singh Kalra	Director	00176921
Surinder Kaur Kalra	Director	00177037

Capital Structure

The Capital Structure of Happy Acoustics Private Limited as on the date of this Draft Prospectus is as follows:

Particulars	No. of Equity Shares
Authorized Share Capital	50,00,000 Equity Shares of Rs. 10/- each
Issued, Subscribed and Paid-up Capital	38,93,232 Equity Shares of Rs. 10/- each

Change in Capital Structure

There has been no change in the capital structure of Happy Acoustics Private Limited in the last six months prior to filing of this Draft Prospectus.

Interest of our Promoters

As on date of this Draft Prospectus our promoters are interested to the following extent:

Name	Nature of Interest	No. of Shares	Percentage (%)
Amarjit Singh Kalra	Promoter	20,68,563	53.13
Surinder Kaur Kalra	Promoter	13,83,806	35.54
Jagjit Kaur Kalra	Immediate Relative of Promoter	1,80,463	4.64
Surinder Singh Kalra HUF	Immediate Relative of Promoter	2,60,400	6.69
TOTAL		**38,93,232**	**100.00**

Financial Information

(Rs. In Lakhs)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015
Equity Capital	362.76	362.76	362.76
Reserve & Surplus	1927.10	1806.28	1724.02
Total Revenue	15730.62	10517.00	9370.80
Profit/(Loss) after Tax	120.81	82.26	70.30
Earnings Per Share (Basic) (Rs.)	3.33	2.27	1.94
Earnings Per Share (Diluted) (Rs.)	3.33	2.27	2.89
Net worth	2289.86	2169.04	2086.79
NAV per Share of face value Rs. 10/- (Rs.)	63.12	59.79	57.52

2. INDIAN ACOUSTICS PRIVATE LIMITED

Corporate Information

Indian Acoustics Private Limited was incorporated on June 21, 2010 under the provisions of Companies Act, 1956. The Corporate Identification Number of the Company is U32109DL2010PTC204357. PAN of the Company is AACCI4905R. The Registered Office of the Company is situated at WZ-15B, First Floor, Agrasen Market, Ashok Nagar, New Delhi- 110018, India.

The Main Object of the company is to carry on the business of manufacturer, producer, importer, exporter, buyer, seller, suppliers and distributors, wholesale and retail dealers, repairing, branding, packaging, job work, maintain, improve and deal in acoustics & its allied range, electronic & electrical goods with their components and all kinds of its allied/related products.

Board of Directors

The Directors of Indian Acoustics Private Limited as on the date of this Draft Prospectus are as follows:

Name	Designation	DIN
Amarjit Singh Kalra	Director	00176921
Surinder Kaur Kalra	Director	00177037

Capital Structure

The Capital Structure of Indian Acoustics Private Limited as on the date of this Draft Prospectus is as follows:

Particulars	No. of Equity Shares
Authorized Share Capital	70,00,000 Equity Shares of Rs. 10/- each
Issued, Subscribed and Paid-up Capital	60,76,161 Equity Shares of Rs. 10/- each

Change in Capital Structure

There has been no change in the capital structure of Indian Acoustics Private Limited in the last six months prior to filing of this Draft Prospectus.

Interest of our Promoters

As on date of this Draft Prospectus our promoters are interested to the following extent:

Name	Nature of Interest	No. of Shares	Percentage (%)
Amarjit Singh Kalra	Promoter	27,91,579	45.94
Surinder Kaur Kalra	Promoter	17,91,802	29.49
Jagjit Kaur Kalra	Immediate Relative of Promoter	14,10,780	23.22
Surinder Singh Kalra	Immediate Relative of Promoter	82,000	1.35
TOTAL		**60,76,161**	**100.00**

Financial Information

(Rs. in Lakhs)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015
Equity Capital	605.52	605.52	605.52
Reserve & Surplus	1034.96	970.57	910.84
Total Revenue	8419.77	7654.54	7613.79
Profit/(Loss) after Tax	64.40	59.72	50.98
Earnings Per Share (Basic) (Rs.)	1.06	0.98	0.84
Earnings Per Share (Diluted) (Rs.)	1.06	0.98	0.84
Net worth	1640.48	1576.08	1516.36
NAV per Share of face value Rs. 10/- (Rs.)	27.09	26.03	25.04

3. DIGI EXPORT VENTURE PRIVATE LIMITED

Corporate Information

Digi Export Venture Private Limited was incorporated on June 25, 2010 under the provisions of Companies Act, 1956. The Corporate Identification Number of the Company is U32200DL2010PTC204832. PAN of the Company is AADCD6699J. The Registered Office of the Company is situated at WZ-15B, 2nd Floor Uggarsain Market, Ashok Nagar, New Delhi 110018, India.

The Main Object of the company is to carry on the business of manufacturer, producers, importer, exporters, buyer, sellers, suppliers and distributors, wholesale and retail dealers, repairing, branding, packaging, job work, commission agent, in all kind of products, natural resources, commodities and merchandise and deal in all kind of readymade garments, hosiery, consumer products, electronic and electrical goods in their components, rubber goods, plastic goods, steel goods, chemical and chemical products, food products, processed foods, stationery items, novelties, gift items, textiles, fabrics, silk, woolen, cotton products, carpets, precious and semi-precious stones, jewelry, quartz, pharma products, edible oils, telecommunication goods and general merchandise.

Board of Directors

The Directors of Digi Export Venture Private Limited as on the date of this Draft Prospectus are as follows:

Name	Designation	DIN
Amarjit Singh Kalra	Director	00176921
Surinder Kaur Kalra	Director	00177037
Jagjit Kaur Kalra	Director	00177128

Capital Structure

The Capital Structure of Digi Export Venture Private Limited as on the date of this Draft Prospectus is as follows:

Particulars	No. of Equity Shares
Authorized Share Capital	90,00,000 Equity Shares of Rs. 10/- each
Issued, Subscribed and Paid-up Capital	76,26,960 Equity Shares of Rs. 10/- each

Change in Capital Structure

There has been no change in the capital structure of Digi Export Venture Private Limited in the last six months prior to filing of this Draft Prospectus.

Interest of our Promoters

As on date of this Draft Prospectus our promoters are interested to the following extent:

Name	Nature of Interest	No. of Shares	Percentage (%)
Amarjit Singh Kalra	Promoter	50,58,134	66.32
Jagjit Kaur Kalra	Immediate Relative of Promoter	12,78,359	16.76
Surinder Singh Kalra	HUF of Immediate Relative of Promoter	12,90,467	16.92
TOTAL		**76,26,960**	**100.00**

Financial Information

(Rs. in Lakhs)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015
Equity Capital	727.09	727.09	727.09
Reserve & Surplus	775.75	732.91	689.51
Total Revenue	5950.29	5844.08	4880.52
Profit/(Loss) after Tax	42.84	43.39	34.78
Earnings Per Share (Basic) (Rs.)	0.71	0.72	0.58
Earnings Per Share (Diluted) (Rs.)	0.71	0.72	0.58
Net worth	1502.84	1460.00	1416.60
NAV per Share of face value Rs. 10/- (Rs.)	20.67	20.08	19.48

4. FIVE CORE EXIM LIMITED (FORMERLY KNOWN AS AURUM SOFT SYSTEMS LIMITED)

Corporate Information

The Company was incorporated on March 04, 1994 with the name Jaisal Securities Private Limited under the provisions of the Companies Act, 1956. The name of the Company was changed to Aurum Soft Systems Limited from Jaisal Securities Private Limited vide Special Resolution dated January 11, 2010. Subsequently, the name of the company has been changed to Five Core Exim Limited from Aurum Soft Systems Limited w.e.f. January 30, 2018 vide shareholders resolution dated January 20, 2018. Accordingly, the Company got the approval from Bombay Stock Exchange (BSE) on February 07, 2018. The Corporate Identification Number of the Company is L32200TN1994PLC026958. The PAN of the Company is AAACJ1783E. The Registered Office of the Company is situated at City Centre Plaza, 3rd Floor, Room No. 7/48 Anna Salai, Chennai 600020 India. The Corporate Office is situated at 15B/1, Room No. 203-204, Uggarasain Market, Ashok Tilak Nagar, New Delhi- 110018.

The Company was acquired in financial year 2017-18 from their erstwhile promoters. The acquisition was made in terms of SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 2011.

The Main Object of the company is:

- To carry on the business of developers, builders, consultants, real estate agents, contractors, decorators and architects.
- To establish and run data processing/computer centers/software development centers including offshore development centers, offices and to offer consultancy and data processing software development services, including development of generic software packages, both application packages and operating systems and other services, that are normally offered by data processing/computer centers/software development centers to industrial business and other types of customers and to impart training of electronic data processing, computer software and hardware to customers and other and to buy, sell, export, import of software, hardware and establishment of incidental infrastructural facilities.
- To act as telecom and internet specialists, counsellors, out sourced facilities managers, consultants, programmers and to provide educational, corporate, personal training and any other kind of service or facility relating to telecommunication and internet hardware, software and technology, programming, software development, information, retrieval, internet and digital media and any other electronic communication devices and provide other services including but not limited to the hiring, renting, leasing, sales, purchase, import, export and retailing of all types of telecom and internet related hardware, software, technology and components thereof.

Board of Directors

The Directors of Five Core Exim Limited as on the date of this Draft Prospectus are as follows:

Name	Designation	DIN
Surinder Kaur Kalra	Managing Director	00177037
Amarjit Singh Kalra	Director	00176921
Jagjit Kaur Kalra	Director	00177128
Raj Kumar Projapati	Director	02228070
Paramdeep Sarna Singh	Director	07919281
Vinish Channa	Director	07919299

Capital Structure

The Capital Structure of Five Core Exim Limited as on the date of this Draft Prospectus is as follows:

Particulars	No. of Equity Shares
Authorized Share Capital	20,50,00,000 Equity Shares of Rs. 2/- each
Issued, Subscribed and Paid-up Capital	6,51,00,000 Equity Shares of Rs. 2/- each

Change in Capital Structure

There has been no change in the capital structure of Five Core Exim Limited in the last six months prior to filing of this Draft Prospectus.

Public or Rights Issue in the last three years

FCEXL has not made any public or rights issue in the three years immediately preceding the date of this Draft Prospectus.

Interest of our Promoters

As on date of this Draft Prospectus our promoters are interested to the following extent:

Name	Nature of Interest	No. of Shares	Percentage (%)
Amarjit Singh Kalra	Promoter	3,65,94,107	56.21
TOTAL		**3,65,94,107**	**56.21**

Financial Information

(Rs. in Lakhs)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015
Equity Capital	1302.00	1302.00	1302.00
Reserve & Surplus	(701.49)	(688.61)	1419.44
Total Revenue	346.60	1093.03	1097.80
Profit/(Loss) after Tax	(12.88)	(2108.05)	(9.37)
Earnings Per Share (Basic) (Rs.)	(0.02)	(3.24)	(0.01)
Earnings Per Share (Diluted) (Rs.)	(0.02)	(3.24)	(0.01)
Net worth	600.51	613.39	2721.44
NAV per Share of face value Rs. 10/- (Rs.)	0.44	0.45	1.99

Highest and Lowest price during the preceeding six months

Set forth below are the monthly high and low prices of the equity shares of FCEXL during the six months immediately preceding the date of this Draft Prospectus at the BSE.

Month	High	Low
October 2017	2.03	1.24
November 2017	2.03	2.03
December 2017	2.03	2.03
January 2018	2.78	2.13
February 2018	2.78	2.78
March 2018	2.78	1.76

The closing price for FCEXL shares as on April 17, 2018 on the BSE is Rs. 1.81. The market capitalisation of FCEXL as on April 17, 2018 on the BSE is Rs. 11.20 Crores.

Promise v. performance

FCEXL has not completed any public or rights issue in the 10 years immediately preceding the date of this Draft Prospectus.

Mechanism for redressal of investor grievance

The Board of Directors of the Company has constituted a stakeholders' relationship committee in accordance with Companies Act, 1956/2013 and SEBI (LODR) Regulations, 2015 to approve matters with respect to the complaints/ grievances of shareholders for transfer of shares, non-receipt of dividend or share certificates, and demat related matters. Ms. Swati Srivastava is the Compliance Officer. The Company seeks to redress any complaints received as expeditiously as possible. As of April 17, 2018, there were no investor complaints pending against FCEXL.

Shareholding Pattern as on March 31, 2018

Sr. No.	Category & Name of the Shareholders (I)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. Of Shares Underlying Outstanding convertible securities (X)	No. of Shares Underlying Outstanding Warrants (Xi)	No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (Xi) (a)	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)		Number of equity shares held in dematerialized form (XIV)
								No. of Voting (XIV) Rights												
								Class eg: X	Class eg: y	Total	Total as a % of Total Voting rights					No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
A	**Table II - Statement showing shareholding pattern of the Promoter and Promoter Group**																			
(1)	**Indian**																			
(a)	Individuals/Hindu undivided Family	1	36594107			36594107	56.21	36594107		36594107	56.21				56.21					36594107
(b)	Central Government/ State Government(s)																			
(c)	Financial Institutions/																			

	Banks																			
(d)	Any Other (specify)																			
Sub-Total (A)(1)		**1**	**36594107**			**36594107**	**56.21**	**36594107**		**36594107**	**56.21**				**56.21**					**36594107**
(2)	**Foreign**																			
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)																			
(b)	Government																			
(c)	Institutions																			
(d)	Foreign Portfolio Investor																			
(e)	Any Other (specify)																			
Sub-Total (A)(2)																				
Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)		**1**	**36594107**			**36594107**	**56.21**	**36594107**		**36594107**	**56.21**				**56.21**					**36594107**
	Details of Shares which remain unclaimed for Promoter & Promoter Group																			
B	**Table III - Statement showing shareholding pattern of the Public shareholder.**																			
(1)	**Institutions**																			
(a)	Mutual Funds																			
(b)	Venture Capital Funds																			
(c)	Alternate Investment Funds																			

(d)	Foreign Venture Capital Investors																			
(e)	Foreign Portfolio Investors	2	7866977			7866977	12.08	7866977		7866977	12.08				12.08					7866977
(f)	Financial Institutions/ Banks																			
(g)	Insurance Companies																			
(h)	Provident Funds/ Pension Funds																			
(i)	Any Other (specify)																			
Sub-Total (B)(1)		**2**	**7866977**			**7866977**	**12.08**	**7866977**		**7866977**	**12.08**				**12.08**					**7866977**
(2)	**Central Government/ State Government(s)/ President of India**																			
Sub-Total (B)(2)																				
(3)	**Non-institutions**																			
(a(i))	Individuals - i.Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	3090	7197190			7197190	11.06	7197190		7197190	11.06				11.06					6894065
(a(ii))	Individuals - ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	12	9076519			9076519	13.94	9076519		9076519	13.94				13.94					9076519
(b)	NBFCs registered with RBI																			

(c)	Employee Trusts																			
(d)	Overseas Depositories (holding DRs) (balancing figure)																			
(e)	Any Other (specify)	113	4365207			4365207	6.71	4365207		4365207	6.71				6.71					4348707
Sub-Total (B)(3)		**3215**	**20638916**			**20638916**	**31.70**	**20638916**		**20638916**	**31.70**				**31.70**					**20319291**
Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)		**3217**	**28505893**			**28505893**	**43.79**	**28505893**		**28505893**	**43.79**				**43.79**					**28186268**
	Details of the shareholders acting as persons in Concert for Public																			
	Details of Shares which remain unclaimed for Public																			
C	**Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder**																			
(1)	Custodian/DR Holder - Name of DR Holders (If Available)																			
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)																			
Total Non Promoter- Non Public Shareholding (C)= (C)(1)+(C)(2)																				
Total (A+B+C2)		**3218**	**65100000**			**65100000**	**100.00**	**65100000**		**65100000**	**100.00**				**100.00**					**64780375**
Total (A+B+C)		**3218**	**65100000**			**65100000**	**100.00**	**65100000**		**65100000**	**100.00**				**100.00**					**64780375**

B. Other Group Entities:

1. EMS & EXPORTS (Partnership Firm)

Brief Information

M/s. EMS & Exports was established on January 01, 2009 as a Partnership Firm. The office of the Firm is situated at WZ-15B, Second Floor, R No. 301, Uggarsain Market, Tilak Nagar, New Delhi - 110018. The Permanent Account Number (PAN) of Firm is AACFE6834G.

The partnership firm is carrying on the business of Manufacturing, Selling and Trading in Electronics including computer hardware.

As on the date of this Draft Prospectusthe firm has two partners in the following profit sharing ratio:

Sr. No.	Particulars	%Stake
1.	Amarjit Singh Kalra	80.00
2.	Jagjit Kaur Kalra	20.00
	Total	**100.00**

Financial performance of EMS & Exports for last three years as mentioned below:

(Rs. In Lakhs)

Particulars	For the Year ended		
	March 31, 2017	March 31, 2016	March 31, 2015
Total Capital	2015.02	1849.82	1467.03
Total Revenue	14039.81	10500.01	9129.51
Net Profit	169.96	125.19	98.37

2. VISUAL & ACOUSTICS CORPORATION LLP

M/s. Visual & Acoustics Corporation LLP was established on November 26, 2009 as a Limited Liability Partnership Firm. The office of the Firm is situated at Khasra No. 93, 13/Min, Village Mundka, Nangloi, West Delhi 110041. The Permanent Account Number (PAN) of Firm is AAIFV6293Q.

The Limited liability partnership firm is carrying on the business of Manufacturing, Trading and Exports in Electronic Goods with their components.

As on the date of this Draft Prospectusthe LLP has three partners in the following profit sharing ratio:

Sr. No.	Particulars	%Stake	Profit Sharing Ratio %
1.	Amarjit Singh Kalra	30.00	75.00
2.	Surinder Kaur Kalra	30.00	12.50
3.	Surinder Singh Kalra	40.00	12.50
	Total	**100.00**	**100.00**

Financial performance of Visual & Acoustics Corporation LLP for last three years as mentioned below:

(Rs. In Lakhs)

Particulars	For the Year ended March		
	March 31, 2017	March 31, 2016	March 31, 2015
Total Capital	1514.16	1413.41	1150.84
Total Revenue	7074.12	6471.37	5108.90
Net Profit	80.34	73.25	56.71

3. A.S ELECTRONICS

Brief Information

M/s. A.S Electronics was established on March 04, 2014 as a Proprietary Firm. The office of the Firm is situated at WZ-15B, First Floor, Room No-202, Uggarsain Market, Ashok Nagar, New Delhi - 110018. The Permanent Account Number (PAN) of Firm is AKWPK0803H.

The firm is carrying on the business of Manufacturing, Selling and Trading in Electronics including computer hardware.

As on the date of this Draft Prospectus, the proprietor of the firm is:

Sr. No.	Particulars	% Stake
1.	Amarjit Singh Kalra	100.00
	Total	**100.00**

Financial performance of A.S. Electronics for last three years as mentioned below:

(Rs. In Lakhs)

Particulars	For the Year ended		
	March 31, 2017	March 31, 2016	March 31, 2015
Turnover	199.68	84.53	23.34
Net Profit	13.84	6.77	1.87

4. SURINDER TRADERS

Brief Information

M/s. Surinder Traders was established on March 04, 2014 as a Proprietary Firm. The office of the Firm is situated at WZ-15B, First Floor, Room No. 203, Uggarsain Market, Ashok Nagar, New Delhi - 110018. The Permanent Account Number (PAN) of Firm is AFMPK2461E.

The firm is carrying on the business of Manufacturing, Selling and Trading in Electronics including computer hardware.

As on the date of this Draft Prospectus, the proprietor of the firm is:

Sr. No.	Particulars	% Stake
1.	Surinder Kaur Kalra	100.00
	Total	**100.00**

Financial performance of Surinder Traders for last three years as mentioned below:

(Rs. In Lakhs)

Particulars	For the Year ended		
	March 31, 2017	March 31, 2016	March 31, 2015
Turnover	190.00	95.53	78.16
Net Profit	11.88	11.46	6.48

5. JAGJIT TRADERS

Brief Information

M/s. Jagjit Traders was established on March 04, 2014 as a Proprietary Firm. The office of the Firm is situated at WZ-15B, First Floor, Room No-302, Uggarsain Market, Ashok Nagar, New Delhi - 110018. The Permanent Account Number (PAN) of Firm is ANTPK4395G.

The firm is carrying on the business of Manufacturing, Selling and Trading in Electronics including computer hardware.

As on the date of this Draft Prospectus, the proprietor of the firm is:

Sr. No.	Particulars	% Stake
1.	Jagjit Kaur Kalra	100.00
	Total	**100.00**

Financial performance of Jagjit Traders for last three years as mentioned below:

(Rs. In Lakhs)

Particulars	For the Year ended		
	March 31, 2017	March 31, 2016	March 31, 2015
Turnover	199.11	98.33	76.08
Net Profit	17.86	18.96	11.50

6. SATGURU ENTERPRISES

Brief Information

M/s. Satguru Enterprises was established on October 29, 2011 as a Proprietary Firm. The office of the Firm is situated at C-130, Mansarovar Garden, New Delhi- 110015. The Permanent Account Number (PAN) of Firm is AFYPK7984E.

The firm is carrying on the business of Manufacturing, Selling and Trading in Electronics including computer hardware.

As on the date of this Draft Prospectus, the proprietor of the firm is:

Sr. No.	Particulars	%Stake
1.	Surinder Singh Kalra	100.00
	Total	**100.00**

Financial performance of Satguru Enterprises for last three years as mentioned below:

(Rs. In Lakhs)

Particulars	For the Year ended		
	March 31, 2017	March 31, 2016	March 31, 2015
Total Income	8.05	5.09	5.02
Net Profit	0.72	0.24	0.21

7. NEHA EXPORTS

Brief Information

M/s. Neha Exports was established on November 17, 2006 as a Proprietary Firm. The office of the Firm is situated at WZ-97, Street No. 64, Sant Garh, New Delhi - 110018. The Permanent Account Number (PAN) of Firm is AKJPG0948G.

The firm is carrying on the business of Manufacturing, Selling and Trading in Electronics including computer hardware.

As on the date of this Draft Prospectus, the proprietor of the firm is:

Sr. No.	Particulars	%Stake
1.	Madhu Gulati	100.00
	Total	**100.00**

Financial performance of Neha Exports for last three years as mentioned below:

(Rs. In Lakhs)

Particulars	For the Year ended		
	March 31, 2017	March 31, 2016	March 31, 2015
Total Capital	1302.03	1105.66	751.06
Total Income	7310.06	6302.09	6003.71
Net Profit	77.56	66.67	43.35

8. AMARJIT SINGH KALRA HUF

Brief Information

Amarjit Singh KalraHUF is situated at C-130, Mansarover Garden, New Delhi 110018. The Permanent Account Number (PAN) of the HUF is AAHHA8772Q. Amarjit Singh KalraHUF derives income from trade in electronics and interest on deposits.

Members of Amarjit Singh Kalra HUF:

Sr. No.	Particulars	Status
1.	Amarjit Singh Kalra	Karta
2.	Surinder Kaur Kalra	Co-Parcener
3.	Ineet Singh Kalra	Co-Parcener
4.	Kaneer Kaur Kalra	Co-Parcener

Financial Information of the HUF for last 3 years:

(Rs. In Lakhs)

Particulars	For the Year ended		
	March 31, 2017	March 31, 2016	March 31, 2015
Total Income	5.02	5.01	3.41
Tax Paid	0.26	0.26	0.16

9. SURINDER SINGH KALRA HUF

Brief Information

Surinder Singh KalraHUF is an ancestral HUF and is situated at WZ-15B, Uggarsain Market, Ashok Nagar, New Delhi - 110018. The Permanent Account Number (PAN) of the HUF is AAQHS3875P. Surinder Singh KalraHUF derives income from interest on deposits.

Members of Surinder Singh Kalra HUF:

Sr. No.	Particulars	Status
1.	Surinder Singh Kalra	Karta
2.	Jagjit Kaur Kalra	Co-Parcener
3.	Amarjit Singh Kalra	Co-Parcener

Financial Information of the HUF for last 3 years:

(Rs. In Lakhs)

Particulars	For the Year ended		
	March 31, 2017	March 31, 2016	March 31, 2015
Total Income	6.46	5.05	5.01
Tax Paid	0.66	0.26	0.26

CONFIRMATION

Our Promoters and persons forming part of Promoter Group have confirmed that they have not been declared as willful defaulters by the RBI or any other governmental authority and there are no violations of security laws committed by them in the past and no proceedings pertaining to such proceedings are pending against them. Additionally, none of the Promoters and persons forming part of Promoter Group has been restrained from accessing the capital markets for any reasons by SEBI or any other authorities. None of the Group Entities has a negative net worth as on the date of this Draft Prospectus.

INTERSET OF OUR GROUP COMPANIES

(i) In the Promotion of our Company

None of our Group Companies are interested in the promotion of our Company except as disclosed in the section titled "Financial Statements" beginning on page 216 of this Draft Prospectus and to the extent of their shareholding in our Company.

(ii) In the properties acquired or proposed to be acquired by our Company in the past two years before filing the Draft Prospectus

None of our Group Companies is interested in the properties acquired or proposed to be acquired by our Company in the two years preceding the filing of the Draft Prospectus.

(iii) In transactions for acquisition of land

None of our Group Companies is interested in any transactions for the acquisition of land.

SICK COMPANIES / WINDING UP

No Promoter Group Companies listed above have been declared as a sick company under the Sick Industrial Companies (Special Provisions) Act, 1985.There is no winding up proceedings against any of the Promoter Group Companies.

LITIGATION

For details on litigations and disputes pending against the Promoters and Promoter Group Entities and defaults made by them, please refer to the chapter titled, 'Outstanding Litigations and Material Developments' beginning on page 315 of this Draft Prospectus.

DEFUNCT GROUP COMPANIES

None of our Group Companies remain defunct and no application has been made to Registrar of Companies for striking off the name of any of our Group Companies during the five years preceding the date of filing of the Draft Prospectus.

RELATED BUSINESS TRANSACTIONS WITHIN THE GROUP COMPANIES AND SIGNIFICANCE ON THE FINANCIAL PERFORMANCE OF OUR COMPANY

For more information on Related Business Transactions within the Group Companies and significance on the financial performance of our Company, see section titled "Related Party Transactions" on page 214 of this Draft Prospectus.

DISASSOCIATIONS

Our Directors and/or Promoters have not disassociated themselves from any Company or Entity for last 5 years except the following: -

Name of Entity	Name of Interested Promoter / Director	Nature of Interest	Date of Disassociation/ Closure
Happy Electronics	Amarjit Singh Kalra	Proprietor	March 03, 2014
Himalayan Traders	Surinder Kaur Kalra	Proprietor	March 03, 2014
J. K. Enterprises	Jagjit Kaur Kalra	Proprietor	March 03, 2014

BUSINESS INTEREST OF GROUP COMPANIES

Except to extent of their shareholding in our Company, none of our Group Companies have any interest in promotion and business interest or other business interest in our Company. For further details please refer to the chapter titled, 'Capital Structure' beginning on page 69 of this Draft Prospectus.

SALES/PURCHASES BETWEEN OUR COMPANY AND GROUP ENTITIES

Except as disclosed in the section titled 'Related Party Transactions' beginning on page 214 of this Draft Prospectus, there have been no sales/purchases of products and services between our Company and Group Entities during the financial year 2016-17.

COMMON PURSUITS

All of our Group Entities have objects similar to that of our Company's business. The group entities have been conducting business similar to our Company. Currently we do not have any non-compete agreement/arrangement with any of our Group Entities. We shall adopt the necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise.

OTHER CONFIRMATIONS

1. None of the securities of our Group Companies except Five Core Exim Limited are listed on any stock exchange and none of our Group Companies have made any public or right issue of securities in the preceding three years.
2. None of the Group Companies have been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.
3. None of the Group Companies are Willful Defaulters.

RELATED PARTY TRANSACTIONS

For details on Related Party Transactions of our Company, please refer to Annexure VIII of restated standalone financial statement under the section titled, '*Financial Statements*' beginning on page 216 of this Draft Prospectus.

DIVIDEND POLICY

Under the Companies Act, an Indian company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders, who have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors. Under the Companies Act, dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous Years or out of both.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion.

Dividends are payable within 30 days of approval by the Equity Shareholders at the Annual General Meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the "record date" are entitled to be paid the dividend declared by our Company. Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by Our Company.

We have not declared dividend in any Financial Year.

SECTION V – FINANCIAL INFORMATION

FINANCIAL STATEMENT, AS RESTATED

INDEPENDENT AUDITOR'S REPORT ON EXAMINATION OF RESTATED STANDALONE FINANCIAL INFORMATION

To,
The Board of Directors,
Five Core Electronics Ltd.
WZ-15B Ground Floor, Uggarsain Market
Ashok Nagar, Delhi-110018.

Dear Sirs,

1. We have examined the attached Restated Standalone Financial Information of **Five Core Electronics Ltd.** (hereinafter referred to as "the Company") as approved by the Board of Directors of the Company in their meeting held on April 12, 2018, prepared by the management of the company in terms of the requirement of Section 26 of the Companies Act, 2013 read with the Companies (Draft Prospectus and Allotment of Securities) Rules, 2014, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time (the 'SEBI Regulations'), the Guidance Note on 'Reports in Company's Draft Prospectus (Revised)' issued by the Institute of Chartered Accountants of India ('ICAI') to the extent applicable ('Guidance Note'), and in terms of our engagement agreed upon with you in accordance with our engagement letter dated January 01, 2018, in connection with the proposed Initial Public Offer (IPO) of the Company.

2. These Restated Standalone Financial Information (included in **Annexure I to XIII**) have been extracted by the Management of the Company from:

   (a) The Company's Standalone Audited Financial Statements for the period ended December 31, 2017 and for the years ended March 31, 2017, 2016, 2015, 2014 and 2013, which have been approved by the Board of Directors at their meeting held on January 31, 2018, June 26, 2017, May 02, 2016, August 27, 2015, August 29, 2014 and August 14, 2013 respectively and books of account underlying those financial statements and other records of the Company, to the extent considered necessary for the preparation of the Restated Standalone Financial Information, are the responsibility of the Company's Management. The Standalone Financial Statements of the Company for the period ended December 31, 2017 (9 Months) have been audited by **GSK & Associates LLP** and for the financial year ended March 31, 2017, 2016, 2015, 2014 and 2013 have been audited by **Praveen Aggarwal & Co.** as sole statutory auditors and they have issued unqualified reports for these years.

3. In accordance with the requirement of Section 26 of the Companies Act, 2013 read with Companies (Draft Prospectus and Allotment of Securities) Rules 2014, the SEBI Regulations, the Guidance Note, as amended from time to time and in terms of our engagement agreed with you, we further report that:

   (i) The Restated Standalone Statement of Assets and Liabilities as at December 31, 2017, March 31, 2017, 2016, 2015, 2014 and 2013, examined by us, as set out in **Annexure–I** (along with **Annexures I.1 to I.16**) to this report, read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Standalone Financial Statements' appearing in **Annexure-IV** and ' Notes to the Restated Standalone Financial Statements' appearing in **Annexure-VI** are after making such adjustments and re-grouping/re-classification as in our opinion were appropriate and are more fully described in the statement of Material Adjustments to the Standalone Financial Statements appearing in **Annexure-V**. As a result of these adjustments, the amounts reported in the

above mentioned statements are not necessarily the same as those appearing in the audited financial statements of the Company for the relevant financial years/interim period.

(ii) The Restated Standalone Statement of Profit and Loss of the Company for the period ended December 31, 2017 and for the years ended March 31, 2017, 2016, 2015, 2014 and 2013, examined by us, as set out in **Annexure – II** (along with **Annexures II.1 to II.11**) to this report, read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Standalone Financial Statements' appearing in **Annexure-IV** and 'Notes to the Restated Standalone Financial Statements' appearing in **Annexure-VI** are after making such adjustments and re-grouping/re-classification as in our opinion were appropriate and are more fully described in the statement of Material Adjustments to the Standalone Financial Statements appearing in **Annexure–V**. As a result of these adjustments, the amounts reported in the above mentioned statements are not necessarily the same as those appearing in the audited financial statements of the Company for the relevant financial years/interim period.

(iii) The Restated Standalone Statement of Cash flows of the Company for the period ended December 31, 2017 and for the years ended March 31, 2017, 2016, 2015, 2014 and 2013, examined by us, as set out in **Annexure–III** to this report, read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Standalone Financial Statements' appearing in **Annexure-IV** and ' Notes to the Restated Standalone Financial Statements' appearing in **Annexure-VI** are after making such adjustments and regrouping/re-classification as in our opinion were appropriate and are more fully described in the statement of Material Adjustments to the Standalone Financial Statements appearing in **Annexure –V**. As a result of these adjustments, the amounts reported in the above mentioned statements are not necessarily the same as those appearing in the audited financial statements of the Company for the relevant financial years/interim period.

4. Based on the above, and to the best of our information and according to the explanations given to us, we are of the opinion that Restated Standalone Financial Information:

(a) have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policies for all the reporting periods based on the significant accounting policies adopted by the Company as at March 31, 2017;

(b) have been made after incorporating adjustments for prior period and other material amounts in the respective financial years to which they relate to; and

(c) do not contain any extra-ordinary items that need to be disclosed separately other than those presented in the Restated Standalone Financial Information and do not contain any qualification requiring adjustments.

5. We have also examined the following other Restated Standalone Financial Information as set out in the Annexures to this report and forming part of the Restated Standalone Financial Information, prepared by the management of the Company and approved by the Board of Directors on April 12, 2018, relating to the company for the period ended December 31, 2017 and for the years ended March 31, 2017, 2016, 2015, 2014 and 2013:

i) Restated Standalone Statement of Share Capital included in Annexure–I.1;
ii) Restated Standalone Statement of Reserve & Surplus included in Annexure–I.2;
iii) Restated Standalone Statement of Long Term Borrowings included in Annexure-I.3;
iv) Restated Standalone Statement of Long Term Provisions included in Annexure-I.4;

v) Restated Standalone Statement of Short Term Borrowings included in Annexure I.5;
vi) Restated Standalone Statement of Trade Payable included in Annexure I.6;
vii) Restated Standalone Statement of Other Current Liabilities included in Annexure I.7;
viii) Restated Standalone Statement of Short Term Provision included in Annexure I.8;
ix) Restated Standalone Statement of Fixed Assets included in Annexure I.9;
x) Restated Standalone Statement of Non Current Investments included in Annexure I.10;
xi) Restated Standalone Statement of Long Term Loans & Advances included in Annexure I.11;
xii) Restated Standalone Statement of Deferred Tax liability/Assets (net) included in Annexure I.12;
xiii) Restated Standalone Statement of Inventories included in Annexure I.13;
xiv) Restated Standalone Statement of Trade Receivables included in Annexure I.14;
xv) Restated Standalone Statement of Cash and Bank Balances included in Annexure I.15;
xvi) Restated Standalone Statement of Short Term Loans and Advances included in Annexure I.16;
xvii) Restated Standalone Statement of Revenue from Operations included in Annexure II.1;
xviii) Restated Standalone Statement of Other Income included in Annexure II.2;
xix) Restated Standalone Statement of Cost of Direct Expenses included in Annexure II.3;
xx) Restated Standalone Statement of Changes in Inventories included in Annexure II.4;
xxi) Restated Standalone Statement of Employees Benefit Expenses included in Annexure II.5;
xxii) Restated Standalone Statement of Finance Cost included in Annexure II.6;
xxiii) Restated Standalone Statement of Depreciation included in Annexure II.7
xxiv) Restated Standalone Statement of Other Expenses included in Annexure II.8;
xxv) Restated Standalone Statement of Exceptional Items included in Annexure II.9;
xxvi) Restated Standalone Statement of Expenditure in Foreign Currency included in Annexure II.10;
xxvii) Restated Standalone Statement of Earnings in Foreign currency included in Annexure II.11;
xxviii) Restated Standalone Statement of Cash Flows included in Annexure III;
xxix) Restated Standalone Statement of Accounting Policies included in Annexure IV;
xxx) Restated Standalone Statement of Material Adjustment included in Annexure V;
xxxi) Restated Standalone Statement of Notes to Financial Statements included in Annexure VI;
xxxii) Restated Standalone Statement of Contingent Liabilities included in Annexure VII;
xxxiii) Restated Standalone Statement of Related Party Transaction included in Annexure VIII;
xxxiv) Restated Standalone Statement of Accounting Ratios included in Annexure IX;
xxxv) Restated Standalone Statement of Capitalisation included in Annexure X;
xxxvi) Restated Standalone Statement of Tax Shelters included in Annexure XI;
xxxvii) Restated Standalone Statement of Financial Indebtness included in Annexure XII; and
xxxviii) Restated Standalone Statement of Dividend included in Annexure XIII.

6. This report should neither in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by the respective auditors of the Company, nor should this report be construed as an opinion on any of the Standalone Financial Information referred to herein.

7. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

8. In our opinion, the above Restated Standalone Financial Information contained in **Annexure I to XIII** to this report read along with the Basis of Preparation and Significant Accounting Policies (Refer **Annexure–IV**) and Notes to Restated Standalone Financial Information (Refer **Annexure–VI**) after making adjustments and re-grouping/re-classification as considered appropriate and have been prepared in accordance with the provisions of Section 26 of the Companies Act, 2013 read with the Companies (Draft Prospectus and Allotment of Securities) Rules, 2014, to the extent applicable, the SEBI Regulations, the Guidance Note issued in this regard by the ICAI, as amended from time to time, and in terms of our engagement agreed with you.

Our report is intended solely for use of the Management and for inclusion in the offer documents or in connection with the proposed issue of equity shares of the Company and is not to be used, referred to or distributed for any other purpose except with our prior written consent.

For SNMG & Co.
Chartered Accountants,
Firm Regn. No. 004921N

Rakesh Kumar
Partner
M.N.: 083911

Place: Delhi
Dated: April 12, 2018

ANNEXURE – I :RESTATED STANDALONE STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Lakhs)

Sr. No.	Particulars	Note No.	31st Dec. 2017	As at 31st March 2017	2016	2015	2014	2013
A.	**Equity and Liabilities**							
1	**Shareholders' Funds**							
	Share Capital	I.1	928.76	550.27	550.27	550.27	502.84	471.22
	Reserves & Surplus	I.2	4,466.58	1,781.76	1,638.46	1,543.20	1,195.35	857.26
	Share application money pending allotment		-	1,234.25	-	-	-	220.90
2	**Non-Current Liabilities**							
	Long-Term Borrowings	I.3	542.36	1,340.17	679.65	58.33	130.49	86.68
	Other Non Current Liabilities	I.4	20.83	12.16	-	-	-	-
	Deferred Tax Liabilities (Net)	I.12	-	-	-	-	0.77	-
3	**Current Liabilities**							
	Short Term Borrowings	I.5	2,308.28	2,246.79	1,522.77	881.01	1,376.43	290.80
	Trade Payables	I.6	1,208.95	162.50	109.80	131.46	275.39	374.52
	Other Current Liabilities	I.7	353.28	320.26	331.73	146.11	110.91	36.86
	Short Term Provisions	I.8	193.52	43.91	19.45	10.52	11.91	12.46
	Total		**10,022.56**	**7,692.07**	**4,852.13**	**3,320.90**	**3,604.09**	**2,350.70**
B.	**Assets**							
1	**Non Current Assets**							
	Fixed Assets							
	Tangible Assets	I.9	1,285.12	1,165.08	407.25	362.35	411.55	365.06
	Intangible Assets		-	-	-	-	-	-
	Capital Work In Progress		-	-	-	-	-	-
	Non-Current Investments	I.10	1,438.71	5.98	-	-	-	-
	Long Term Loans and Advances	I.11	1.12	0.86	603.82	6.93	11.18	11.98
	Deferred Tax Assets (Net)	I.12	32.11	30.11	17.30	10.29	-	0.05
2	**Current Assets**							
	Inventories	I.13	4,223.88	3,623.88	2,486.71	1,707.07	1,981.92	1,104.87
	Trade Receivables	I.14	537.21	829.85	40.96	240.29	379.11	279.15
	Cash and Cash Equivalents	I.15	1,287.04	1,238.24	621.01	202.06	166.41	75.76
	Short-term loans and advances	I.16	1,217.37	798.07	675.08	791.91	653.92	513.83
	Total		**10,022.56**	**7,692.07**	**4,852.13**	**3,320.90**	**3,604.09**	**2,350.70**

ANNEXURE – II :RESTATED STANDALONE STATEMENT OF PROFIT AND LOSS

(Rs. in Lakhs)

Sr. No	Particulars	Note No.	31st Dec 2017	For The Year Ended March 31, 2017	2016	2015	2014	2013
A.	**Revenue:**							
	Revenue from Operations	II.1	15,185.01	16,963.66	12,254.30	11,315.02	11,166.53	8,553.78
	Other income	II.2	71.98	98.09	39.89	34.29	13.52	4.56
	Total revenue		**15,256.99**	**17,061.75**	**12,294.19**	**11,349.31**	**11,180.05**	**8,558.34**

B.	**Expenses:**							
	Material Consumed	**II.3**	9,266.14	13,581.25	8,829.42	9,252.13	10,567.42	7,335.40
	Purchase of Stock in Trade		3,322.78	1,741.36	2,213.53	508.43	514.62	141.54
	Changes in Inventories	**II.4**	314.94	(432.05)	(293.91)	236.94	(1,054.08)	195.87
	Employee Benefit Expenses	**II.5**	673.15	749.59	573.06	490.74	402.26	239.22
	Finance Costs	**II.6**	288.16	370.18	232.67	178.07	146.57	98.65
	Depreciation	**II.7**	113.23	112.35	81.03	84.95	44.65	36.41
	Other Expenses	**II.8**	660.03	722.99	510.40	482.49	431.13	401.12
	Total Expenses		**14,638.43**	**16,845.67**	**12,146.20**	**11,233.75**	**11,052.57**	**8,448.21**
	Profit/(Loss) before exceptional items and tax		**618.56**	**216.08**	**147.99**	**115.56**	**127.48**	**110.13**
	Less/(Add) : Exceptional Items	**II.9**	-	-	2.22	11.84	0.39	-
	Profit before tax		**618.56**	**216.08**	**145.77**	**103.72**	**127.09**	**110.13**
	Tax expense :							
	Current tax		206.70	80.19	57.52	48.50	41.16	35.90
	Deferred Tax		(2.01)	(12.80)	(7.01)	(11.06)	0.82	(0.21)
	Profit/(Loss) for the year		**413.87**	**148.69**	**95.26**	**66.28**	**85.11**	**74.44**
	Earning per equity share in Rs.:							
	(1) Basic		4.52	2.70	1.73	1.32	1.73	1.60
	(2) Diluted		4.52	2.70	1.73	1.32	1.73	1.60

ANNEXURE – III : RESTATEDSTANDALONE STATEMENT OF CASH FLOWS

(Rs. in Lakhs)

Particulars	31st Dec	For The Year Ended March 31,				
	2017	2017	2016	2015	2014	2013
A. CASH FLOW FROM OPERATING ACTIVITIES						
Profit/ (Loss) before tax	**618.56**	**216.08**	**145.77**	**103.72**	**127.09**	**110.13**
Adjustments for:						
Depreciation/ Amortization	113.23	112.35	81.03	84.95	44.65	36.41
Interest Expense	259.26	320.81	191.78	160.12	126.96	88.18
Interest/ Other Income Received	(57.72)	(80.87)	(24.37)	(6.06)	(6.45)	(3.80)
(Profit)/Loss on Sale of Fixed Assets	-	-	(2.85)	-	0.39	-
Others	9.52	7.28				
Operating profit before working capital changes	**942.85**	**575.65**	**391.36**	**342.73**	**292.64**	**230.92**
Movements in working capital :						
(Increase)/ Decrease in Inventories	(600.00)	(1,137.17)	(779.64)	274.85	(877.05)	131.43
(Increase)/Decrease in Trade Receivables	292.64	(788.89)	199.33	138.82	(99.96)	17.56
(Increase)/Decrease in Long Term Loans & Advances	(0.26)	602.96	(596.89)	4.25	0.80	(1.00)
(Increase)/Decrease in Short Term Loans & Advances	(419.30)	(122.99)	116.83	(137.99)	(140.09)	(160.81)
Increase/(Decrease) in Trade Payables	1,046.45	52.70	(21.66)	(143.93)	(99.13)	277.86
Increase/(Decrease) in Other Current Liabilities	33.02	(11.47)	185.62	35.20	74.05	19.17
Cash generated from operations	**1,295.40**	**(829.21)**	**(505.05)**	**513.93**	**(848.74)**	**515.13**
Income tax paid during the year	(57.96)	(56.22)	(48.60)	(49.88)	(41.72)	(25.71)
Net cash from operating activities (A)	**1,237.44**	**(885.43)**	**(553.65)**	**464.05**	**(890.46)**	**489.42**
B. CASH FLOW FROM INVESTING ACTIVITIES						
Purchase of Fixed Assets	(233.24)	(870.21)	(141.07)	(38.76)	(91.81)	(123.88)
Sale of Fixed Assets	-	-	18.00	-	0.29	-
Purchase/(Sale) of Long Term Investments	(1,432.73)	(5.98)	-	-	-	
Interest Received / Other Income	57.72	80.87	24.37	6.06	6.45	3.80
Net cash from investing activities (B)	**(1,608.25)**	**(795.32)**	**(98.70)**	**(32.70)**	**(85.07)**	**(120.08)**
C. CASH FLOW FROM FINANCING ACTIVITIES						
Share Capital Issued (including premium)	2,649.44	-	-	332.00	284.60	185.81
Share Application Money Received (Net)	(1,234.25)	1,234.25	-	-	(220.90)	35.08
Proceeds/(Repayment) of Borrowings	(736.32)	1,384.54	1,263.08	(567.58)	1,129.44	(464.06)
Interest paid on borrowings	(259.26)	(320.81)	(191.78)	(160.12)	(126.96)	(88.18)
Net cash from financing activities (C)	**419.61**	**2,297.98**	**1,071.30**	**(395.70)**	**1,066.18**	**(331.35)**

Net increase in cash and cash equivalents (A+B+C)	**48.80**	**617.23**	**418.95**	**35.65**	**90.65**	**37.99**
Cash and cash equivalents at the beginning of the year	1,238.24	621.01	202.06	166.41	75.76	37.77
Cash and cash equivalents at the end of the year	**1,287.04**	**1,238.24**	**621.01**	**202.06**	**166.41**	**75.76**

ANNUXURE – IV

Basis of Preparation and Significant Accounting Policies and Practices of the Restated Standalone Financial Statements for the period ended December 31, 2017 (9 Months) and years ended March 31, 2017, 2016, 2015, 2014 and 2013.

1) Company Overview

Five Core Electronics Limited was incorporated on April 11, 2002 under the provisions of Companies Act, 1956 with Registrar of Companies, West Bengal, Kolkata. Subsequently, the company was transferred from the State of West Bengal to State of NCT of Delhi by an order of the Company Law Board dated April 26, 2006 and certificate of registration for the said order was issued by Deputy Registrar of Companies, West Bengal, Kolkata dated May 29, 2006.

The Company was founded to enter the audio era with innovative products driven by the needs of professional customers reflecting its commitment to the industry with the use of advanced technology and techniques in the field of Audio Systems. The Company is dealing in the manufacturing as well as exporting of Public Address Systems, Woofers, Amplifiers, Computer Speakers, Personal Speaker Systems, Headphones and Earphones.

2) Basis of Preparation of Financial Statement

1. The Restated Standalone Financial Information has been prepared by applying necessary adjustments to:

   a. the Standalone Financial Statements ('Financial Statement') of the Company for the period ended December 31, 2017 and years ended March 31, 2017, 2016, 2015, 2014 and 2013, prepared and presented under the historical cost convention, except for certain financial instruments which are measured at fair value, using the accrual system of accounting in accordance with the generally accepted accounting principles in India ('Indian GAAP'), the provisions of the Companies Act, 1956 (up to March 31, 2014), and notified sections, schedules and rules of the Companies Act, 2013 (with effect from April 01, 2014), including the Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, ("the Act") read with Rule 7 of Companies (Accounts) Rules, 2014), to the extent applicable and in the manner so required, and;

2. The classification of assets and liabilities of the Company is done into current and non-current based on the operating cycle of the business of the Company. The operating cycle of the business of the Company is less than twelve months and, therefore, all current and non-current classifications are done based on the status of realisability and expected settlement of the respective asset and liability within a period of twelve months from the reporting date as required by Schedule III to the Companies Act, 2013.

3. The accounting policies adopted in the preparation of financial statements are consistent with those used in the previous year.

4. With effect from April 01, 2014, Schedule III notified under the Act, has become applicable to the Company for the preparation and presentation of its financial statements. Accordingly, previous year's figures have been re-grouped/re-classified wherever applicable. Appropriate re-classification/re-grouping have been made in the Restated Standalone Financial information wherever required, to corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the presentation and recognition as per the audited financial statements of the Company and the requirement of SEBI Regulations. The financial statements are prepared in Indian rupees rounded off to the nearest Lakhs.

3) Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

4) Fixed Assets, Depreciation and Amortisation

a) Fixed assets are stated at cost of acquisition or construction inclusive of freight, duties, taxes, other incidental expenses and net of CENVAT. Assets acquired on lease are not reflected in the accounts and the lease rent is charged to Statement of Profit & Loss, as accrued.
b) Depreciation on fixed assets other than Land is provided on the written down value of fixed assets at the rates calculated in accordance with the life prescribed by Schedule II to the Companies Act, 2013.

5) Impairment of assets

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss.

6) Borrowing Cost

Borrowing Cost directly attributable to acquisition/ construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are recognised in Statement of Profit and loss in the period in which they are incurred.

7) Investment

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Costs of investments include acquisition charges such as brokerage, fees and duties.

8) Revenue Recognition

a) Revenue in respect of Sale of Products is recognized on dispatch of goods to the Customers, which coincides with the transfer of Property to the buyer.
b) Service Income is recognized as and when the services are performed in accordance with the terms of the Contract.
c) Insurance claims are recognized for on their acceptance & receipts.

d) Purchase are recognized on the date of their dispatch by supplier at the price inclusive of demurrage, wharfage and are shown at their gross value net of returns.

e) Duty Draw back are accounted on accrual basis. Difference if any at the time duty drawback is cleared by the Government authorities is duly accounted on actual basis.

f) DEPB / Focus are accounted for as Income at the time of export on accrual basis.nterest and other Income is recognized on time proportion basis.

9) Foreign currency Transaction

a) Initial Recognition

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that are closely approximate the rate at the date of the transaction.

b) Conversion

Foreign currency monetary items of the Company outstanding at the Balance Sheet date are restated at the year-end rates.

c) Exchange Differences

Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

10) Employee Benefits

Company‘s contribution paid/payable during the year to Provident Fund and Labour welfare fund are recognized on accrual basis in the Profit & Loss Account. Company liability towards Gratuity, Leave Encashment are being accounted for on accrual basis.

11) Taxation

a) Current Tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

b) Deferred Tax

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realize such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their reliability.

12) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

13) Earnings Per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

14) Cash and cash equivalents

Cash comprises cash on hand, Cheques in hand and fixed deposits with banks. Cash equivalents are short-term balances, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

15) Inventories

Inventories are valued out basis as under:

Raw Material	At cost or net realizable value, whichever is less
Work in progress	At cost
Stores & Spares	At cost
Finished Goods	At cost or net realizable value whichever is lower

Appropriate share of overheads are allocated over the work in progress, manufactured/ Processed finished goods.

Appropriate provisions are made for slow and non moving inventories to write down the carrying value.

16) Micro, Small & Medium Enterprises Development Act, 2006

The Company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as Micro, Small and Medium Enterprises. Consequently the amount paid/ payable to these parties during the year is not ascertainable. Consequently, as of now, it is neither possible for the Company to ascertain whether payment to such enterprises has been made within 45 days from the date of acceptance of supply of goods or services rendered by a supplier nor to give the relevant disclosures as required under the Act. This has been relied upon by the auditors.

17) Custom, Excise Duty & Value Added Tax

The custom duty payable on imported material lying at the end of the year in custom bonded warehouses and excise duty in respect of goods manufactured but not cleared for the factory premises at the end of the year are neither included in expenses nor considered in valuation of such material/goods. Such duties are accounted for on actual payment on clearance of such material/goods.

18) 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

19) Segment Reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The Company has only one business, disclosure of segment-wise information is not applicable under accounting Standard 17 - 'Segmental Information' (AS-17) notified by the Companies (Accounting Standards) Rules, 2006. There is no geographical segment to be reported since all the operations are undertaken in India, but, Five Core Electronics Ltd. have two Subsidiaries which are located outside India i.e. South Asia Exim PTE Limited (Singapore) and Pan Arabian Venture FZE (UAE).

20) Miscellaneous Expenditure

Preliminary expenses included under the above heads is being amortized over the period of 5 years i.e. 1/5th expenses is charged every year to the Profit & Loss A/c.

ANNEXURE –V: MATERIAL ADJUSTMENT TO THERESTATED STANDALONE FINANCIALSTATEMENT

1. Material Regrouping

Appropriate adjustments have been made in the Restated Standalone Financial Statements of Assets and Liabilities, Profit and Losses and Cash Flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities in order to bring them in line with the regroupings as per the audited financial statements of the company and the requirements of SEBI Regulations.

2. Material Adjustments:

The Summary of results of restatement made in the Audited Standalone Financial Statements for the respective years and its impact on the profit/(loss) of the Company is as follows:

(Rs. In Lakhs)

Particulars	31st Dec	For The Year Ended March 31,				
	2017	2017	2016	2015	2014	2013
(A)Net Profits as per audited financial statements (A)	414.83	129.39	95.60	76.13	85.30	74.05
Add/(Less) : Adjustments on account of -						

1) Prior Period Taxes charged to P/L	4.76	2.08	1.10	1.63	1.48	0.42
2) Interest on Income Tax Added to Finance Cost	-	(4.76)	(2.08)	(1.10)	(1.63)	(1.48)
3) Deferred Tax	(5.72)	4.75	0.64	1.46	(0.04)	1.45
4) Employee Benefit Implementation effect (Prior Period Expenses)	-	5.39	-	-	-	-
5) Advance (DEPB)/Custom duty Write Off	-	11.84	-	(11.84)	-	-
Total Adjustments (B)	**(0.96)**	**19.30**	**(0.34)**	**(9.85)**	**(0.19)**	**0.39**
Restated Profit/ (Loss) (A+B)	**413.87**	**148.69**	**95.26**	**66.28**	**85.11**	**74.44**

3. Notes on Material Adjustments pertaining to prior years

1) Prior Period Taxes Charged to Profit & Loss

The prior period taxes have been routed through Statement of Profit & Loss as it represents interest expenses for those respective years.

2) Deferred tax recalculated and resultant effect is provided in profit in loss.

3) Employee Benefit Expenses

The Company adopt the accounting policy to recognized the Provision of gratuity and Leave encashment from financial year ending 31 March 2017, hence earlier year provision outstanding charged to retain earnings and nullified the same from prior period expenses.

4) Other Expenses and Financial Expenses

Theses reflect the net effect of actual expense incurred but recognized in later financial years and expense pertains of earlier years recognized in current year. The Other Expenses and Loans accounts are also affected for the same.

5) Additional Depreciation due to change in Companies Act w.e.f 2014-15

During the FY 2014-15 schedule-II of the Companies Act came into force. It required that the additional depreciation on account of change in estimate should be w/off from retained earnings. However the company adopted the Schedule from FY 2015-16 but effect of additional depreciation not recognized. The same is being w/off from retained earnings.

6) Company Created Revaluation Reserves has been nullified and corresponding effect taken to respective assets.

7) **Reconciliation of the Opening Balance of Balance in Profit & Loss Account for the FY 2012-13**

(Rs. In Lakhs)

Particulars	For The Year Ended March 31, 2013
(A) Opening Balance of Balance inProfit& Loss Account as per audited financial statements (A)	**283.25**
Add/(Less) : Adjustments on account of -	
1. Provision for Income Taxes for Prior Period	(0.42)
Total Adjustments (B)	**(0.42)**
Restated opening Balance of balance in Profit & Loss Account(A+B)	**282.83**

ANNEXURE- I.1: Restated Standalone Statement of Share Capital

(Rs. In Lakhs)

Particulars	31st Dec	As at 31st March				
	2017	2017	2016	2015	2014	2013
Authorized						
10,000,000 Equity Shares of Rs. 10 each	1,000.00	700.00	700.00	700.00	700.00	500.00
Issued						
9,287,622 Equity Shares of Rs. 10 each	928.76	550.27	550.27	550.27	502.84	471.22
Subscribed & Fully Paid Up						
9,287,622 Equity Shares of Rs. 10 each (Fully Paidup)	928.76	550.27	550.27	550.27	502.84	471.22
Total	**928.76**	**550.27**	**550.27**	**550.27**	**502.84**	**471.22**

Notes:

I.1.1 Right, Preferences and Restrictions attached to Shares:

The Company has one class of equity shares having a par value of Rs. 10/- per share. Each Shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion of their shareholding.

I.1.2 Reconciliation of No. of Shares Outstanding at the end of the year

Particulars	31stDec	As at 31st March				
	2017	2017	2016	2015	2014	2013
Shares outstanding at the beginning of the year	5,502,712	5,502,712	5,502,712	5,028,428	4,712,206	4,505,745
Shares issued during the year	3,784,910		-	474,284	316,222	206,461
Bonus Shares issued during the year			-	-	-	
Shares bought back during the year		-	-	-	-	-
Any other movement (please specify)	-	-	-	-	-	-
Share outstanding at the end of the year	**9,287,622**	**5,502,712**	**5,502,712**	**5,502,712**	**5,028,428**	**4,712,206**

I.1.3 During the FY 2013-14, The Company has increased the Authorised Share Capital of Rs. 5,00,00,000 (divided into 50,00,000 Equity Shares of Rs. 10/- each) to Rs. 7,00,00,000 (divided into 70,00,000 Equity Shares of Rs. 10/- each).

I.1.4 During the FY 2017-18, The Company has increased the Authorised Share Capital of Rs. 7,00,00,000 (divided into 70,00,000 Equity Shares of Rs. 10/- each) to Rs. 10,00,00,000 (divided into 1,00,00,000 Equity Shares of Rs. 10/- each).

I.1.5 During the FY 2012-13, The Company has increased, it's paid up share capital by allotment of 2,06,461 Equity Shares of Rs.10/- each.

I.1.6 During the FY 2013-14, The Company has increased, it's paid up share capital by allotment of 3,16,222 Equity Shares of Rs.10/- each.

I.1.7 During the FY 2014-15, The Company has increased, it's paid up share capital by allotment of 4,74,284 Equity Shares ofRs.10/- each.

I.1.8 During the FY 2017-18, The Company has increased, it's paid up share capital by allotment of 37,84,910 Equity Shares of Rs.10/- each. 1,763,217 Equity Shares allotted on right issue basis and 2,021,693 Equity Shares allotted for consideration other than cash on swap of shares for 100% buy out of Five Core Acoustics Pvt. Ltd.

I.1.5 Details of Shareholding more than 5% of the aggregate shares in the company

Name of Shareholder	31-Dec-17		31-Mar-17		31-Mar-16		31-Mar-15		31-Mar-14		31-Mar-13	
	No.	% of Holding	No.	% of Holding	No.	% of Holding	No.	% of Holding	No.	% of Holding	No.	% of Holding
Amarjit Singh Kalra	3,839,595	41.34%	1,995,013	36.26%	1,995,013	36.26%	1,995,013	36.26%	1,634,871	32.51%	1,454,871	30.87%
Amarjit Singh Kalra-HUF	431,703	4.65%	267,374	4.86%	267,374	4.86%	267,374	4.86%	267,374	5.32%	267,374	5.67%
Jagjit Kaur Kalra	974,310	10.49%	581,784	10.57%	581,784	10.57%	581,784	10.57%	524,784	10.44%	524,784	11.14%
Surinder Kaur Kalra	2,441,783	26.29%	1,308,338	23.78%	1,308,338	23.78%	1,308,338	23.78%	1,251,196	24.88%	1,116,530	23.69%
Surinder Singh Kalra	1,468,103	15.81%	1,349,903	24.53%	1,349,903	24.53%	1,349,903	24.53%	1,349,903	26.85%	1,348,347	28.61%

ANNEXURE – I.2: Restated Standalone Statement of Reserves and Surplus

(Rs. In Lakhs)

Particulars	31st Dec 2017	As at 31st March 2017	2016	2015	2014	2013
Securities Premium Reserve						
Balance as at the beginning of the year	1,037.54	1,037.54	1,037.54	752.97	499.99	334.82
Add: Addition during the year	2,270.95	-	-	284.57	252.98	165.17
Balance as at the end of the year	**3,308.49**	**1,037.54**	**1,037.54**	**1,037.54**	**752.97**	**499.99**
Balance in Statement of Profit & Loss						
Balance as at the beginning of the year	744.22	600.92	505.66	442.38	357.27	282.83
Add: Profit for the year	413.87	148.69	95.26	66.28	85.11	74.44
(Less): Employee Benefit Implementation	-	(5.39)	-	-	-	-
(Less): Addl Dep pursuant to change in law	-	-	-	(3.00)	-	-
Balance as at the end of the year	**1,158.09**	**744.22**	**600.92**	**505.66**	**442.38**	**357.27**
Grand Total	**4,466.58**	**1,781.76**	**1,638.46**	**1,543.20**	**1,195.35**	**857.26**

I.2.2 Company Created Revaluation Reserves has been nullified and corresponding effect taken to respective assets.

I.2.3 During the FY 2014-15 schedule-II of the companies act came into force. It required that the additional depreciation on account of change in estimate should be w/off from retained earnings. However the company adopted the schedule-ii from FY 2015-16 but effect of such amount has not consider anywhere. The same is being w/off from retained earnings and respective assets.

ANNEXURE – I.3 : RESTATED STANDALONE STATEMENT OF LONG TERM BORROWINGS

(Rs. in Lakhs)

Particulars	31-Dec-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Secured:						
Term Loan:						
From NBFC:						
Reliance Capital Limited.	24.18	29.40	-	-	-	-
Vehicle Loans:						
From Banks						
ICICI Bank Ltd.	-	-	-	14.29	20.50	-
Kotak Mahindra BankLtd.	63.47	79.08	76.64	-	-	-
Andhra Bank	6.26	13.33	20.55	-	-	-
Axis BankLtd.	23.89	27.87	-	-	-	-
From NBFC:						
BMW India Financial Services Pvt. Ltd	-	-	-	-	11.10	18.15

Unsecured Loans:						
From Banks:						
HDFC Bank Ltd	33.41	44.44	35.00	10.67	16.84	-
ICICI Bank Ltd	4.33	16.26	30.00	15.19	24.55	-
Kotak Mahindra BankLtd.	11.46	22.26	40.74	30.58	-	-
Indusind BankLtd.	42.14	-	2.13	9.65	-	-
Barclays Bank Ltd	-	-	-	-	0.61	7.25
From NBFC:						
Capital First Ltd	30.00	-	6.10	18.96	29.63	-
Capital Float Ltd	49.55	40.59	40.00	-	-	-
Tata Capital Financial Services Ltd	-	-	-	6.07	22.27	-
Magma Fincorp Ltd	-	-	8.45	26.46	41.58	-
India Infoline Finance Ltd.	35.10	45.74	-	-	-	-
Aditya Birla Finanice Ltd.	26.93	35.64	-	-	-	-
Neo Growth Credit Pvt Ltd	1.51	23.63	-	-	-	-
From Directors						
Amarjit Singh Kalra	89.97	441.62	226.70	8.43	29.59	52.25
Surinder kaur kalra	80.85	347.10	224.50	3.49	5.30	5.41
Jagjit Kaur kalra	190.37	336.45	60.50	-	0.55	0.30
Others						
Sarabjeet Singh Kharbanda	-	-	-	-	-	17.00
Total	**713.42**	**1,503.41**	**771.31**	**143.79**	**202.52**	**100.36**
Less : Amount disclosed under the head "Other current liabilities" (Refer Note I.7)	171.06	163.24	91.66	85.46	72.03	13.68
Total	**542.36**	**1,340.17**	**679.65**	**58.33**	**130.49**	**86.68**

ANNEXURE – I.4 : Restated Standalone Statement of Long Term Provisions

(Rs. In Lakhs)

Particulars	31st Dec	As at 31st March				
	2017	2017	2016	2015	2014	2013
Provision for Employee Benefit	20.83	12.16	-	-	-	-
Total	**20.83**	**12.16**	**-**	**-**	**-**	**-**

ANNEXURE – I.5: Restated Standalone Statement of Short Term Borrowings

(Rs. In Lakhs)

Particulars	31st Dec	As at 31st March				
	2017	2017	2016	2015	2014	2013
Secured Loan Repayable on Demand :						
Packing Credit from Andhra Bank	1,660.29	1,864.13	1,427.43	-	-	-
Packing Credit from Bank of Baroda	-	-	-	997.97	1,310.46	211.98
Cash Credit from Andhra Bank	407.99	382.66	95.34	-	-	-
Cash Credit from Bank of Baroda	-	-	-	(116.96)	65.97	78.82
Unsecured Loan						
Andhra Bank (Loan Against GST Credit)	240.00					
Grand Total	**2,308.28**	**2,246.79**	**1,522.77**	**881.01**	**1,376.43**	**290.80**

ANNEXURE – I.6: Restated Standalone Statement of Trade Payables

(Rs. In Lakhs)

Particulars	31st Dec	As at 31st March				
	2017	2017	2016	2015	2014	2013
- Micro and Small Enterprises	-	-	-	-	-	
- Others	1,208.95	162.50	109.80	131.46	275.39	374.52
Grand Total	**1,208.95**	**162.50**	**109.80**	**131.46**	**275.39**	**374.52**

ANNEXURE – I.7: Restated Standalone Statement of Other Current Liabilities

(Rs. In Lakhs)

Particulars	31st Dec	As at 31st March				
	2017	2017	2016	2015	2014	2013
Current Maturities of Long Term Borrowings	171.06	163.24	91.66	85.46	72.03	13.68
Statutory Dues	3.88	4.73	3.60	3.70	1.83	1.61
Other Outstanding Liabilities	105.41	56.85	50.67	43.95	37.05	21.57
Advances from Customers	72.93	95.44	185.80	13.00	-	-
Directors Remuneration Payable	-	-	-	-	-	-
Grand Total	**353.28**	**320.26**	**331.73**	**146.11**	**110.91**	**36.86**

ANNEXURE – I.8: Restated Standalone Statement of Short Term Provisions

(Rs. In Lakhs)

Particulars	31st Dec	As at 31st March				
	2017	2017	2016	2015	2014	2013
Provision for Income Tax (net of income tax paid)	192.17	43.40	19.45	10.52	11.91	12.46
Provision for Employee benefit	1.35	0.51	-	-	-	-
Grand Total	**193.52**	**43.91**	**19.45**	**10.52**	**11.91**	**12.46**

ANNEXURE – I.9: Restated Standalone Statement of Fixed Assets

(Rs. In Lakhs)

Particulars	31st Dec	As at 31st March				
	2017	2017	2016	2015	2014	2013
Tangible Assets						
Land						
Gross Block	674.97	674.97	74.37	74.37	74.37	56.35
Less: Accumulated Depreciation	-	-	-	-	-	-
Net Block	674.97	674.97	74.37	74.37	74.37	56.35
Building						
Gross Block	164.98	164.98	95.73	95.73	95.73	95.73
Less: Accumulated Depreciation	29.37	24.03	18.41	14.17	9.71	5.30
Net Block	135.61	140.95	77.32	81.56	86.02	90.43
Office Equipments						
Gross Block	101.23	70.16	49.94	39.89	32.21	40.19
Less: Accumulated Depreciation	62.95	47.72	34.20	25.09	9.59	12.92
Net Block	38.28	22.44	15.74	14.80	22.62	27.27
Plant & Machinery						
Gross Block	464.24	327.80	229.11	226.67	215.73	191.99
Less: Accumulated Depreciation	188.66	148.47	117.12	91.41	61.57	38.43
Net Block	275.58	179.33	111.99	135.26	154.16	153.56
Electric Equipments &Installations						
Gross Block	63.76	33.81	17.05	17.05	16.36	1.94
Less: Accumulated Depreciation	27.15	19.21	13.11	11.13	8.09	1.13
Net Block	36.61	14.60	3.94	5.92	8.27	0.81
Computers						
Gross Block	117.59	95.77	75.67	59.34	41.26	26.44
Less: Accumulated Depreciation	93.81	78.26	58.97	43.55	24.61	18.72
Net Block	23.78	17.51	16.70	15.79	16.65	7.72
Furniture & Fixtures						
Gross Block	44.85	30.87	17.22	17.10	15.73	14.66
Less: Accumulated Depreciation	21.33	16.06	12.46	10.52	7.91	6.31
Net Block	23.52	14.81	4.76	6.58	7.82	8.35
Vehicles						
Gross Block	185.50	185.50	154.58	69.23	69.23	42.44
Less: Accumulated Depreciation	108.73	85.03	52.15	41.16	27.59	21.87
Net Block	76.77	100.47	102.43	28.07	41.64	20.57
Total Tangible Assets	**1285.12**	**1165.08**	**407.25**	**362.35**	**411.55**	**365.06**
Intengible Assets						
Gross Block	-	-	-	-	-	-
Less: Accumulated Depreciation	-	-	-	-	-	-
Net Block	-	-	-	-	-	-
Total Intangible Assets	**-**	**-**	**-**	**-**	**-**	**-**
Capital Work in Progress	-	-	-	-	-	-

Note:- Revaluation Reserves created by the Company in the audited Financial Statements has been nullified and corresponding assets have been restated at their actual cost.
During the year 2014-15, some assets were reclassified and, therefore, these effects have been considered in this restated financial statement for the earlier years for which information was made available by the management.

ANNEXURE – I.10: Restated Standalone Statement of Non-Current Investments

(Rs. In Lakhs)

Particulars	31st Dec	As at 31st March				
	2017	2017	2016	2015	2014	2013
Investments in Subsidiaries						
Unquoted Value at Cost						
Kaneer Industries Pvt. Ltd. Equity Shares of Rs 10/- each in {Percentage shareholding in the subsidiary -67% [6,700 Shares] from FY 2016-17	0.67	0.67	-	-	-	-
Ems & Exports Pvt. Ltd. Equity Shares of Rs 10/- each in {Percentage shareholding in the subsidiary -67% [6,700 Shares] from FY 2016-17	0.67	0.67	-	-	-	-
5core Acoustics Pvt Ltd Equity Shares of Rs 10/- each in {Percentage shareholding in the subsidiary -100% [31,44,855 Shares] from FY 2017-18	1,415.18	-	-	-	-	-
Pan Arabian Venture Fze Equity Shares of Rs 100/- each in {Percentage shareholding in the subsidiary -100% [1,000 Shares] from FY 2017-18	17.55	-	-	-	-	-
South Asia Exim PTE Ltd. Equity Shares of Rs 10/- each in {Percentage shareholding in the subsidiary -100% [10,000 Shares] from FY 2016-17	4.64	4.64	-	-	-	-
Grand Total	**1,438.71**	**5.98**	**-**	**-**	**-**	**-**

(Rs. In Lakhs)

Particulars	31st Dec	As at 31st March				
	2017	2017	2016	2015	2014	2013
Total Quoted Shares	-	-	-	-	-	-
Total Unquoted Shares	1438.71	5.98	-	-	-	-
Total Other Investments	-	-	-	-	-	-
Total Investments in Subsidiaries	1438.71	5.98	-	-	-	-
Total Investments in Joint Ventures	-	-	-	-	-	-

ANNEXURE – I.11: Restated Standalone Statement ofLong Term Loans and Advances

(Rs. In Lakhs)

Particulars	31st Dec	As at 31st March				
	2017	2017	2016	2015	2014	2013
(Unsecured considered good)						
Security Deposits	1.12	0.86	7.63	6.93	1.61	2.41
Excise / Import Duty Recoverable	-	-	-	-	9.57	9.57
Capital Advances for Property	-	-	596.19	-	-	-
Grand Total	**1.12**	**0.86**	**603.82**	**6.93**	**11.18**	**11.98**

ANNEXURE – I.12: Restated Standalone Statement of Deferred Tax Assets/(Liabilities) (Net)

(Rs. In Lakhs)

Particulars	31stDec	As at 31st March				
	2017	2017	2016	2015	2014	2013
Deferred Tax Assets						
Related to Fixed Assets	24.78	25.92	17.30	10.29		0.05
Related to Employee Benefit Expenses	7.33	4.19				
Total (a)	**32.11**	**30.11**	**17.30**	**10.29**	**-**	**0.05**
Deferred Tax Liability						
Related to Fixed Assets	-	-	-	-	0.77	-
Total (b)	**-**	**-**	**-**	**-**	**0.77**	**-**
Net deferred tax Asset/(Liability){(a)-(b)}	**32.11**	**30.11**	**17.30**	**10.29**	**(0.77)**	**0.05**

ANNEXURE – I.13: Restated Standalone Statement of Inventories

(Rs. In Lakhs)

Particulars	31stDecember	As at 31st March				
	2017	2017	2016	2015	2014	2013
(at cost or net realizable value, whichever is lower)						
Raw Material	2,625.04	1,710.10	1,004.98	519.25	557.16	734.19
Work in Progress	1,539.88	1,852.67	1,044.28	1,144.54	1,373.95	312.14
Finished / Traded Goods	58.96	61.11	437.45	43.28	50.81	58.54
Grand Total	**4,223.88**	**3,623.88**	**2,486.71**	**1,707.07**	**1,981.92**	**1,104.87**

ANNEXURE – I.14: Restated Standalone Statement ofTrade Receivables

(Rs. In Lakhs)

Particulars	31st December 2017	As at 31st March 2017	2016	2015	2014	2013
Trade Receivables :						
Outstandingfor a period exceeding six months from the date they are due for payment						
Unsecured, Considered Good	18.86	29.30	29.30	-	-	-
Outstandingfor a period less than six months from the date they are due for payment						
Unsecured, Considered Goods	518.35	800.55	11.66	240.29	379.11	279.15
Grand Total	**537.21**	**829.85**	**40.96**	**240.29**	**379.11**	**279.15**

ANNEXURE – I.15: Restated Standalone Statement ofCash and Bank Balances

(Rs. In Lakhs)

Particulars	As at 31st Dec 2017	As at 31st March 2017	2016	2015	2014	2013
Cash & Cash Equivalents						
Cash in hand	25.87	10.25	2.83	19.39	14.93	8.47
Balances with Banks:						
-in current accounts	5.53	24.67	295.02	21.96	3.05	1.20
-in EEFC Bank Account	-	-	-	-	0.14	-
Other Bank Balances:						
in Deposits Accounts*	1,255.64	1,203.32	323.16	160.71	148.29	66.09
Grand Total	**1,287.04**	**1,238.24**	**621.01**	**202.06**	**166.41**	**75.76**

* Term deposits are marked as lien and / or pledged against short term credit facilities with banks.

ANNEXURE – I.16: Restated Standalone Statement of Short Term Loans and Advances

(Rs. In Lakhs)

Particulars	31stDec 2017	As at 31st March 2017	2016	2015	2014	2013
Advances recoverable in cash or kind for the value to be considered good						
Unsecured & Considered good:						
Prepaid Expenses	77.09	38.76	26.33	27.55	26.99	18.02

Advance to Suppliers						
-To Related parties	-	-	-	-	-	-
-To others	83.88	87.64	21.36	4.87	4.01	21.99
Balances with Revenue Authorities :						
- Reccivable from Govt. Auth	711.61	320.89	246.33	184.92	168.07	142.53
-Vat/ Sale Tax Departments	20.14	19.47	115.97	88.56	83.70	84.58
-Duty Draw Back/Focus & DEPB Recoverable	315.28	325.03	249.21	421.38	334.75	219.10
Advances to others						
-To Related parties	-	-	-	-	-	-
-To others	9.37	6.28	15.88	64.63	36.40	27.61
Grand Total	**1,217.37**	**798.07**	**675.08**	**791.91**	**653.92**	**513.83**

Out of the above amounts outstanding from promoters/promoter group/group directors/relative of directors are as follows:

(Rs. In Lakhs)

Particulars	31st Dec	As at 31st March				
	2017	2017	2016	2015	2014	2013
From Promoters/Directors/Relatives	-	-	-	-	-	-
From Group Companies	-	-	-	-	-	-
TOTAL	**-**	**-**	**-**	**-**	**-**	**-**

ANNEXURE – II.1: Restated Standalone Statement of Revenue from Operations

(Rs. In Lakhs)

Particulars	31st Dec	For The Year Ended March 31,				
	2017	2017	2016	2015	2014	2013
Income From Operations						
Domestic Sale	1,030.16	342.96	140.95	83.19	71.98	8.00
Export Sale	11,639.53	14,301.67	10,436.05	9,935.66	9,878.34	7,558.16
Trading Sale	2,088.18	1,811.92	1,234.60	330.91	340.04	175.92
Other Operating Income						
Income From FOCUS/ DEPB	294.18	415.16	371.45	864.84	843.04	667.80
Foreign Exchange Fluctuation	125.96	91.95	71.25	100.42	33.13	143.90
Royalty Fee	7.00	-	-	-	-	-
Revenue from operations	**15,185.01**	**16,963.66**	**12,254.30**	**11,315.02**	**11,166.53**	**8,553.78**

ANNEXURE – II.2: Restated Standalone Statement of Other Income

(Rs. In Lakhs)

Particulars	31st Dec	For The Year Ended March 31,				
	2017	2017	2016	2015	2014	2013
Interest Income						
-From Bank	57.72	50.17	24.37	6.06	6.45	3.80
-From Others	-	30.70	-	-	-	-
Job Work	8.85	13.19	12.22	11.49	0.39	-
Focus Incentive Utilization	-	-	-	13.06	6.08	-
Rental Income	0.54	0.72	0.72	-	0.60	0.60
Others	4.87	3.31	2.58	3.68	-	0.16
Grand Total	**71.98**	**98.09**	**39.89**	**34.29**	**13.52**	**4.56**

ANNEXURE – II.3 : Restated Standalone Statement of Cost of Direct Expenses

(Rs. In Lakhs)

Particulars	31st Dec	For The Year Ended March 31,				
	2017	2017	2016	2015	2014	2013
Material Consumed	9,266.14	13,581.25	8,829.42	9,252.13	10,567.42	7,335.40
Grand Total	**9,266.14**	**13,581.25**	**8,829.42**	**9,252.13**	**10,567.42**	**7,335.40**

ANNEXURE – II.4: Restated Standalone Statement of Changes in Inventories

(Rs. In Lakhs)

Particulars	31st Dec	For The Year Ended March 31,				
	2017	2017	2016	2015	2014	2013
Opening Stock						
Finished / Traded Goods	61.11	437.45	43.28	50.81	58.54	169.79
Semi Finished Goods	1,852.67	1,044.28	1,144.54	1,373.95	312.14	396.76
Total (a)	1,913.78	1,481.73	1,187.82	1,424.76	370.68	566.55
Closing Stock						
Finished / Traded Goods	58.96	61.11	437.45	43.28	50.81	58.54
Semi Finished Goods	1,539.88	1,852.67	1,044.28	1,144.54	1,373.95	312.14
Total (b)	1,598.84	1,913.78	1,481.73	1,187.82	1,424.76	370.68
Grand Total	**314.94**	**(432.05)**	**(293.91)**	**236.94**	**(1,054.08)**	**195.87**

ANNEXURE – II.5 : Restated Standalone Statement of Employee Benefit Expense

(Rs. In Lakhs)

Particulars	31st Dec	For The Year Ended March 31,				
	2017	2017	2016	2015	2014	2013
Salaries, Wages and Other Benefits	617.25	697.75	534.16	451.97	371.40	208.25
Director's Remuneration	13.25	12.00	12.00	12.00	12.00	18.60
Contribution to Provident and other Funds	16.79	17.80	13.20	11.56	6.51	2.14
Staff Welfare Expenses	25.86	22.04	13.70	15.21	12.35	10.23

Grand Total	**673.15**	**749.59**	**573.06**	**490.74**	**402.26**	**239.22**

ANNEXURE – II.6: Restated Standalone Statement of Finance Costs

(Rs. In Lakhs)

Particulars	31st Dec	For The Year Ended March 31,				
	2017	2017	2016	2015	2014	2013
Interest on						
- Working Capital Loans	107.09	90.71	55.03	54.32	45.87	38.89
- Foreign Bills Discounted / Purchased	113.52	176.38	113.19	73.33	61.27	42.56
- Vehicle Loans	11.13	13.68	8.16	5.66	4.48	2.47
- Income Tax	-	4.76	2.08	1.10	1.63	1.48
- Others	27.52	35.28	13.32	25.71	13.71	2.78
Other Borrowing cost and Bank Charges	28.90	49.37	40.89	17.95	19.61	10.47
Grand Total	**288.16**	**370.18**	**232.67**	**178.07**	**146.57**	**98.65**

ANNEXURE – II.7: Restated Standalone Statement of Depreciation & Amortisation

(Rs. In Lakhs)

Particulars	31st Dec	For The Year Ended March 31,				
	2017	2017	2016	2015	2014	2013
Depreciation	113.23	112.35	81.03	84.95	44.65	36.19
Preliminary Exp Written Off	-	-	-	-	-	0.22
Grand Total	**113.23**	**112.35**	**81.03**	**84.95**	**44.65**	**36.41**

ANNEXURE – II.8: Restated Standalone Statement of Other Expenses

(Rs. In Lakhs)

Particulars	31st Dec	For The Year Ended March 31,				
	2017	2017	2016	2015	2014	2013
A) Selling & Distribution Expenses						
Advertisement & Publicity	52.13	61.65	31.97	11.67	8.83	6.72
Business Promotion Expenses	48.01	49.73	21.74	17.18	16.36	11.48
Export Handling Charges	31.60	42.15	44.51	61.40	115.32	118.07
Entertainment Expenses	8.71	8.48	6.23	12.33	11.22	6.20
B) Operating, Administrative & Other Expenses						
Remuneration To Auditors :						
- Statutory Audit Fees	1.00	1.25	1.25	1.25	1.25	1.25
- Tax Audit	-	0.25	0.25	0.25	0.25	0.25
- Others	-	-	0.22	0.19	0.19	0.09
Conveyance	18.16	16.08	14.80	12.80	12.78	13.40
Donation	0.79	0.63	0.53	0.31	0.34	-
Factory Expenses & Consumables	120.22	125.03	109.68	105.85	64.05	42.58

Factory Power & Fuel	20.09	20.57	20.43	25.06	20.36	18.76
Insurance Charges	32.46	54.25	13.62	11.06	10.96	7.18
Legal & Professional Fee	4.26	16.16	9.67	3.87	2.76	2.68
Membership Fee &Subcription	3.90	3.57	5.13	2.34	1.48	0.87
Miscellanies Expenses	23.82	11.83	0.59	2.68	1.97	2.73
Office & General Expenses	33.69	40.98	28.10	13.91	9.60	8.22
Packing Expenses	24.76	19.40	18.50	31.07	24.74	37.79
Postage, Telegram and Courier	14.13	16.16	10.73	7.56	6.47	4.79
Printing & Stationary	10.21	14.16	12.01	10.80	8.69	9.63
Rent	4.80	3.42	3.42	3.42	3.42	3.06
Rates & Taxes	5.02	1.68	2.31	1.50	4.14	1.50
Repairs & Maintenance	73.40	61.84	46.93	44.40	26.94	28.83
Research and Development Expenses	7.72	6.99	6.68	8.67	5.50	5.14
Software Expense	0.04	13.64	4.06	5.83	9.97	2.54
Telephone & Internet Charges	25.13	41.58	30.88	25.70	17.78	12.54
Tour & Travelling Exp.	53.29	49.86	42.47	38.66	35.06	42.27
Commission Charges	17.22	13.68	2.74	-	-	-
VAT/ Excise/ CST Demand Paid	-	0.11	4.90	9.67	4.31	8.11
Vehicle Running & Maintenance	25.47	27.86	16.05	13.06	6.39	4.44
Grand Total	**660.03**	**722.99**	**510.40**	**482.49**	**431.13**	**401.12**

ANNEXURE – II.9: Restated Standalone Statement of Exceptional Items

(Rs. In Lakhs)

Particulars	31st Dec	For The Year Ended March 31,				
	2017	2017	2016	2015	2014	2013
(Profit) / Loss on sale of Fixed Assets	-	-	(2.85)	-	0.39	-
DEPB Write Off /Addl. Custom duty	-	-	5.07	11.84	-	-
Grand Total	**-**	**-**	**2.22**	**11.84**	**0.39**	**-**

ANNEXURE – II.10: Restated Standalone Statement of Expenditure in Foreign currency

(Rs. In Lakhs)

Particulars	31st Dec	For The Year Ended March 31,				
	2017	2017	2016	2015	2014	2013
Foreign Travel Expense	1.25	3.24	8.89	24.52	13.71	27.01
Import of Material	889.31	950.23	532.11	366.18	684.01	653.31
Grand Total	**890.56**	**953.47**	**541.00**	**390.70**	**697.72**	**680.32**

ANNEXURE – II.11: Restated Standalone Statement of Earnings in Foreign currency

(Rs. In Lakhs)

Particulars	31st Dec	For The Year Ended March 31,				
	2017	2017	2016	2015	2014	2013
Sale of Goods	10,230.22	13,957.64	9,793.98	9,935.66	9,864.16	6,947.11
Grand Total	**10,230.22**	**13,957.64**	**9,793.98**	**9,935.66**	**9,864.16**	**6,947.11**

Annexure VI: Notes to the Restated Standalone Financial Statements

1. The figures of the previous year have been regrouped / recast wherever necessary so as to make them comparable with current year's figures. Figures have been rounded off to the nearest lakhs.

2. In the absence of necessary information in relation to the suppliers registered as Micro or Small enterprises under Micro, Small and Medium Enterprises (Development) Act, 2006, the company has not been able to identify such suppliers and the information required under the said Act could not be complied and disclosed.
3. In the opinion of the Board of Directors, the Current Assets, Loans & Advances are approximately of the value stated if realized in ordinary course of business. Provisions for known liabilities are made & not in excess of the amount reasonably necessary. Moreover Balances of Unsecured Loans, Receivables, Loans & Advances and Current Liabilities are subject to confirmation, reconciliation and adjustments, if any.

4. In the absence of necessary information in relation to Employee Benefits upto FY 2015-16 due to Company has not provided for the Gratuity and other defined benefit costs in the financial statements as per requirement of mandatory Accounting Standard - 15 on Employee Benefits as notified by the Companies (Accounting Standards) Rules, 2006, could not be complied and disclosed.

ANNEXURE –VII : RESTATED STANDALONE STATEMENT OF CONTINGENT LIABILITIES

(Rs. In Lakhs)

Particulars	31st Dec	As at 31st March				
	2017	2017	2016	2015	2014	2013
1.Bank Guarantee/ Foreign Bills Discounted for which FDR margin money has been given to the bank as Security	4,567.34	4,297.38	3,197.11	2,180.85	1,873.52	1,557.63
2.Income Tax Demand	1.09	1.09	1.09	-	-	-
3.TDS Demands	0.19	0.18	0.11	0.11	0.11	0.11
Total	**4,568.62**	**4,298.65**	**3,198.31**	**2,180.85**	**1,873.52**	**1,557.63**

ANNEXURE-VIII : RESTATED STANDALONE STATEMENT OF RELATED PARTY DISCLOSURES AS RESTATED

As required under Accounting Standard 18 "Related Party Disclosures" as notified pursuant to Company (Accounting Standard) Rules 2006, following are details of transactions during the year with related parties of the company as defined in AS 18.

A. List of Related Parties and Nature of Relationship :

Particulars	Name of Related Parties					
	Dec 2017	2017	2016	2015	2014	2013
1.Subsidiaries						
a) Companies	Ems & Exports Pvt Ltd (67% Holding, form dt.28.02.2017)					
	Kaneer Industries Pvt Ltd (67% Holding, from dt.23.02.2017)					
	South Asia Exim PTE Limited (100% Holding, from dt.24.10.2016)					
	5 Core Acoustics Private Limited (100% Holding, from dt.15.04.2017earlier Enterprises where control exist)					
	Pan Arabian Venture Fze (100%Holding from dt.14.06.2017)					
2.Other Related Parties:						
a) Key Management Personnel's	Mr. Amarjit Singh Kalra (Director)					
	Mrs.SurinderKaurKalra (Director)					
	Mrs.JagjitKaurKalra (Director)					
	Mr. Raj Kumar Prajapati (Independent Director)					
	Mr. Amitabh Singh (CFO) (w.e.f. 01.01.2018)					
b) Relatives of Key Management Personnel's	Mr. Surinder Singh Kalra -Father of Mr. Amarjit Singh Kalra (Director)					
	Ms. MadhuGulati – Sister of Mr. Amarjit Singh Kalra (Director)					

3. Enterprises where control exist:	
a) Companies	Digi Export Venture Private Limited
	Happy Acoustics Private Limited
	Indian Acoustics Private Limited
b) Others	EMS & Exports
	Happy Electronics
	Himalayan Traders
	J K Enterprises
	Neha Exports
	Visual & Acoustics Corporation LLP

B. Transactions carried out with related parties referred to in (1) above, in ordinary course of business:

(Rs. In Lakhs)

Nature of Transactions	Name of Related Parties	31st Dec	As at March 31				
		2017	2017	2016	2015	2014	2013
1.Directors Remuneration	Mr. Amarjit Singh Kalra	13.25	12.00	12.00	12.00	12.00	12.00
	Mrs. SurinderKaurkalra	-	-	-	-	-	6.60
Total		**13.25**	**12.00**	**12.00**	**12.00**	**12.00**	**18.60**
2. Rent Expenses	Mr. Amarjit Singh Kalra	0.72	0.96	0.96	0.96	0.96	0.96
	Mrs. SurinderKaurkalra	1.85	2.46	2.46	2.46	2.46	2.10
Total		**2.57**	**3.42**	**3.42**	**3.42**	**3.42**	**3.06**
3. Purchases	Happy Acoustics Private Limited	-	-	-	-	3.03	-
	Neha Exports	-	-	-	7.27	0.27	-
	Jagjit Traders	-	-	-	26.24	-	-
Total		**-**	**-**	**-**	**33.51**	**3.30**	**-**
4. Job Work/ other Charges	Ems & Exports	88.89	1.80	2.51	1.94	-	-

	Happy Acoustics Pvt Ltd	13.82	3.80	1.44	2.98	-	-
	Neha Exports	4.96	0.82	0.96	0.66	-	-
	Visual & Acoustics Corporation LLP	43.33	14.96	0.76	2.85	-	-
	Digi Export Venture Pvt Ltd	16.47	3.15	0.51	1.96	-	-
	Indian Acoustics Pvt Ltd	19.93	1.67	0.38	1.61	-	-
	5 Core Acoustics Pvt Ltd	0.73	8.45	-	-	-	-
Total		**188.13**	**34.65**	**6.56**	**12.00**	**-**	**-**
5. Sales	5 Core Acoustics Pvt Ltd	-	-	11.06	-	-	-
	Indian Acoustics Private Limited	-	-	-	-	1.09	-
	Neha Exports	-	-	-	-	-	611.05
Total		**-**	**-**	**11.06**	**-**	**1.09**	**611.05**
6. Job Work Receipts/ Others	Ems & Exports	88.89	2.12	2.64	3.54	-	-
	Happy Acoustics Pvt Ltd	13.72	3.55	1.50	3.02	-	-
	Neha Exports	4.96	2.24	2.01	1.35	-	-
	Visual & Acoustics Corporation LLP	43.33	15.13	1.03	7.55	-	-
	Digi Export Venture Pvt Ltd	16.47	4.25	2.35	2.15	-	-
	Indian Acoustics Pvt Ltd	19.93	3.61	1.95	5.26	-	-
	5 Core Acoustics Pvt Ltd	0.73	8.63	-	-	-	-
Total		**188.03**	**39.53**	**11.48**	**22.87**	**-**	**-**
7. Unsecured Loan repaid during the Year	SurinderKaurKalra	867.33	229.35	5.35	2.00	2.04	47.39
	Amarjit Singh Kalra	605.01	276.59	18.59	26.03	64.25	110.31
	JagjitKaurKalra	346.89	60.50	-	0.55	-	16.30
	Visual & Acoustics corporation LLP	-	-	-	-	-	12.39
	EMS and Exports	-	-	-	-	-	0.30
	Neha Exports	-	-	-	-	-	0.30
	Indian Accoustics Private Limited	-	-	-	-	-	16.24
		1,819.23	**566.44**	**23.94**	**28.58**	**66.29**	**203.23**

8. Unsecured Loan Received during the Year	SurinderKaurKalra	601.08	351.95	226.36	0.19	1.93	50.36
	Amarjit Singh Kalra	253.36	491.51	236.87	4.87	41.59	145.58
	JagjitKaurKalra	200.81	336.45	60.50	-	0.25	5.00
	Visual & Acoustics corporation LLP	-	-	-	-	-	12.39
	EMS and Exports	-	-	-	-	-	0.30
	Neha Exports	-	-	-	-	-	0.30
	Indian Accoustics Private Limited	-	-	-	-	-	16.24
		1,055.25	**1179.91**	**523.73**	**5.06**	**43.77**	**230.17**
9. Contribution towards equity capital in subsidiary	Ems & Exports Pvt Ltd	-	0.67	-	-	-	-
	Kaneer Industries Pvt Ltd	-	0.67	-	-	-	-
	South Asia Exim PTE Ltd	-	4.64	-	-	-	-
	Pan Arabian Venture Fze	17.55	-	-	-	-	-
	5 core Acoustics Pvt Ltd	1415.18	-	-	-	-	-
Total		**1432.73**	**5.98**	**-**	**-**	**-**	**-**
10. Rental Income	Himalayan Traders	0.54	0.72	0.72	-	0.60	0.60
Total		**0.54**	**0.72**	**0.72**	**-**	**0.60**	**0.60**

C. Outstanding Balance as at the end of the year

(Rs. In Lakhs)

Nature of Transactions	Name of Related Parties	31st Dec	As at March 31				
		2017	2017	2016	2015	2014	2013
1.Payables	Mr.Amarjit Singh Kalra	89.97	441.62	226.70	8.43	29.59	52.25
	Mrs. Surinder Kaur Kalra	80.85	347.10	224.50	3.49	5.30	5.41
	Mrs. Jagjit Kaur Kalra	190.37	336.45	60.50	-	0.55	0.30
Total		**361.19**	**1,125.17**	**511.70**	**11.92**	**35.44**	**57.96**
2.Receivables							
Total							

ANNEXURE- IX : RESTATED STANDALONE STATEMENT OF ACCOUNTING RATIOS

Particulars	31st Dec	As at 31st March				
	2017	2017	2016	2015	2014	2013
Restated PAT as per P& L Account (Rs. in Lakhs)	413.87	148.69	95.26	66.28	85.11	74.44
Weighted Average Number of Equity Shares at the end of the Year	9,161,770	5,502,712	5,502,712	5,039,356	4,906,271	4,638,672
Net Worth	5395.34	2332.03	2188.73	2093.47	1698.19	1328.48
Earnings Per Share						
Basic (In Rupees)	4.52	2.70	1.73	1.32	1.73	1.60
Diluted (In Rupees)	4.52	2.70	1.73	1.32	1.73	1.60
Return on Net Worth (%)	7.67%	6.38%	4.35%	3.17%	5.01%	5.60%
Net Asset Value Per Share (Rs)	58.89	42.38	39.78	41.54	34.61	28.64
Nominal Value per Equity share after Share Split (Rs.)	10.00	10.00	10.00	10.00	10.00	10.00

* The Company does not have any diluted potential Equity Shares. Consequently, the basic and diluted profit/earnings per share of the company remain the same.

Notes:

1) The ratios have been calculated as below:
   a. Basic Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Equity Shares outstanding during the six months/year.
   b. Diluted Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Diluted Potential Equity Shares outstanding during the six months/year.
   c. Return on Net Worth (%) = Restated PAT attributable to Equity Shareholders/ Net Worth X 100
   d. Restated Net Asset Value per equity share (Rs.) = Restated Net Worth as at the end of the six months/year/ Total Number of Equity Shares outstanding during the six months/year.

2) Weighted Average Number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor.

3) Earnings Per Share calculation are in accordance with Accounting Standard 20- Earnings Per Share, notified under the Companies (Accounting Standards) Rules 2006, as amended.

4) Net Worth = Equity Share Capital + Reserve and Surplus (including surplus in the Statement of Profit & Loss)
5) The figures disclosedabove are based on the Restated Standalone Financial Statements of the Company.

ANNEXURE -X : RESTATED STANDALONE STATEMENT OF CAPITALISATION

(Rs. In Lakhs)

Sr. No	Particulars	Pre issue	Post issue
	Debts		
A	Long Term Debt *	713.42	713.42
B	Short Term Debt*	2,308.28	2,308.28
C	**Total Debt**	**3,021.70**	**3,021.70**
	Equity Shareholders Funds		
	Equity Share Capital**	928.76	1,262.06
	Reserves and Surplus^	4,466.58	8,799.48
D	**Total Equity**	**5,395.34**	**10,061.54**
E	**Total Capitalization**	**8,417.04**	**13,083.24**
	Long Term Debt/ Equity Ratio (A/D)	0.13	0.07
	Total Debt/ Equity Ratio (C/D)	0.56	0.30

Notes:

Long Term Debt are borrowings other than short-term borrowings and also includes current maturities of long-term debt included in other current liabilities

* The amounts are consider as outstanding as on December 31, 2017.

**Equity capital is considered as represented on Signed Report.

^ The amounts are consider as outstanding as on December 31, 2017.

ANNEXURE - XI : RESTATED STANDALONE STATEMENT OF TAX SHELTERS

(Rs. In Lakhs)

Sr. No	Particulars	31st Dec	As at 31st March				
		2017	2017	2016	2015	2014	2013
A	**Restated Profit Before Tax**	618.56	216.08	145.77	103.72	127.09	110.13
	Short Term Capital Gain at special rate						
	NormalCorporate Tax Rates (%)	33.06%	33.06%	33.06%	32.45%	32.45%	32.45%
	Short Term Capital Gain at special rate		-	-	-	-	-
	MAT Tax Rates (%)	20.39%	20.39%	20.39%	20.01%	20.01%	20.01%
B	**Tax thereon (including surcharge and education cess)**						
	Tax on normal profits	204.51	71.44	48.20	33.66	41.24	35.74
	Short Term Capital Gain at special rate		-	-	-	-	-
	Total	**204.51**	**71.44**	**48.20**	**33.66**	**41.24**	**35.74**
	Adjustments:						
C	**Permanent Differences**						
	Deduction allowed under Income Tax Act	-	-	-	-	-	-
	Exempt Income	-	-	-	-	-	-
	Allowance of Expenses under the Income Tax Act	-	-	-	-	-	-
	Disallowance of Income under the Income Tax Act	-	-	(2.85)	-	0.39	-

	Disallowance of Expenses under the Income Tax Act	0.34	4.97	4.74	2.85	2.68	4.53
	Total Permanent Differences	**0.34**	**4.97**	**1.89**	**2.85**	**3.07**	**4.53**
D	**Timing Differences**						
	Difference between tax depreciation and book depreciation	(3.26)	26.07	23.46	31.07	(2.88)	(3.89)
	Expense Disallowed u/s 43B	9.52	7.41	-	-	-	-
	Total Timing Differences	**6.26**	**33.48**	**23.46**	**31.07**	**(2.88)**	**(3.89)**
E	**Net Adjustments E= (C+D)**	**6.60**	**38.45**	**25.35**	**33.92**	**0.19**	**0.64**
F	**Tax expense/(saving) thereon**	2.18	12.71	8.38	11.01	.06	0.21
G	**Total Income/(loss) (A+E)**	**625.16**	**254.53**	**171.12**	**137.64**	**127.28**	**110.77**
	Taxable Income/ (Loss) as per MAT	618.56	216.08	147.77	103.72	127.09	110.13
I	**Income Tax as per normal provision**	206.70	84.16	56.58	44.66	41.30	35.95
J	**Income Tax under Minimum Alternative Taxunder Section 115 JB of the Income Tax Act**	126.12	44.06	29.72	20.75	25.43	22.04
	Net Tax Expenses (Higher of I,J)	**206.70**	**84.16**	**56.58**	**44.66**	**41.30**	**35.95**
K	Relief u/s 90/91						
	Total Current Tax Expenses	**206.70**	**84.16**	**56.58**	**44.66**	**41.30**	**35.95**
L	Adjustment for Interest on income tax/ others		4.76	2.12	1.10	1.61	1.44
	Total Current Tax Expenses	**206.70**	**88.92**	**58.70**	**45.76**	**42.91**	**37.39**

Note: The figures for the period ended December 31, 2017 are based on the provisional computation of Total Income prepared by the company.

ANNEXURE - XII : RESTATED STANDALONE STATEMENT OF FINANCIAL INDEBTEDNESS

(Rs. In Lakhs)

Sr. No	Bank Name	Facility Key term			Outstanding as on Dec 31, 2017	Security
		Loan Amount	Rate of Interest (%)	Total Term (Months)		
1	AndhraBank*	4200.00^	13.00%	Cash Credit	407.99	First charge by way of hypothecation of stocks of all kinds & book debts/receivables and paripassu charge on fixed assets.
				LC/ BG	4567.34	
2	AndhraBank*	1900.00^	As per HO Guidelines	Packing Credit	1660.29	
3	AndhraBank	23.00	10.25%	36 Months	6.26	Secured against Hypothecation of respective vehicle
4	Kotak Mahindra Bank	82.00	11.00%	60 Months	63.47	
5	Axis Bank Limited	27.87	8.65%	60 Months	23.89	
6	RelianceCapitalLimited	12.90	15.50%	36 Months	9.89	Secured against Hypothecation Machinery
7	RelianceCapitalLimited	17.00	15.50%	48 Months	14.28	

8	Indian Infoline Finance	50.00	19.00%	36 Months	35.10	Unsecured
9	HDFCBankLimited	50.00	16.50%	36 Months	33.41	
10	Aditya Birla finance Ltd	40.00	18.00%	36 Months	26.93	
11	CapitalFloatLimited	40.00	19.50%	36 Months	19.51	
12	Neo Growth Credit Pvt Ltd	45.00	19.00%	36 Months	1.51	
13	Kotak Mahindra Bank	42.50	17.00%	36 Months	11.46	
14	ICICI Bank Limited	30.00	17.00%	24 Months	4.33	
15	Indusind Bank Limited	44.00	18.50%	36 Months	42.14	
16	Capital Float Limited	30.04	18.50%	36 Months	30.04	
17	Capital First Limited	30.00	10.35%	36 Months	30.00	
18	AndhraBank	240.00	11.30%	Short Term	240.00	GST Credit

^There is One Way Interchangeability from PC to FBP/FBD Limit up to full extent.

*Collateral Security:

1. F-622, Phase-1, RIICO IND AREA, BHIWADI, DISTT-ALWAR, RAJASTHAN owned by Five core electronics Ltd.
2. C-116, Basement, Ground Floor, First Floor, Khasra NO.568/2,Village Tihar Colony, Fateh Nagar, Jail Road owned by Amarjit Singh Kalra & Mrs. Surender Kaur Kalra.
3. C-130, Mansarover Garden, New Delhi-110015 owned by Mr. Surinder Singh Kalra.
4. WZ-15, Khasra NO. 328 & 329,Uggarsain Market, Ashok Nagar, Tilak Nagar, New Delhi-110018 owned by Five Core Electronics Ltd
5. WZ-15, 3rd Floor, Uggarsain Market, Ashok Nagar, New Delhi owned by Five Core Electronics Ltd
6. Plot No.F-24 to F-27, F-38 to F-41, E-47(B) to E-50 at Industrial Area Sare Khurd, Bhiwadi, Rajasthan owned by Five Core Electronics Ltd

Personal Guarantee:

1. Amarjit Singh Kalra
2. Mrs. Surinder Kaur Kalra
3. Mr. Jagjit Kaur Kalra
4. Mr. Surinder Singh Kalra

ANNEXURE - XIII : RESTATED STANDALONE STATEMENT OF DIVIDEND

(Rs. In Lakhs)

Particulars	31st Dec.	As at March 31,				
	2017	2017	2016	2015	2014	2013
Share Capital						
Equity Share Capital	928.76	550.27	550.27	550.27	502.84	471.22
Dividend on equity shares declared during the year	Nil	Nil	Nil	Nil	Nil	Nil
Dividend in %	NA	NA	NA	NA	NA	NA

INDEPENDENT AUDITOR'S REPORT ON EXAMINATION OF RESTATED CONSOLIDATED FINANCIAL INFORMATION

To,
The Board of Directors,
Five Core Electronics Ltd.
WZ-15B Ground Floor, Uggarsain Market
Ashok Nagar, Delhi-110 018.

Dear Sirs,

1. We have examined the attached Restated Consolidated Financial Information of **Five Core Electronics Ltd.** (hereinafter referred to as "the Company"), its subsidiaries (hereinafter together with Company referred to as 'the Group'), as approved by the Board of Directors of the Company in their meeting on April 12, 2018, prepared by the management of the company in terms of requirement of Section 26 of the Companies Act, 2013 read with the Companies (Draft Prospectus and Allotment of Securities) Rule 2014, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time (the 'SEBI Regulations'), the Guidance Note on 'Reports in Company's Draft Prospectus (Revised)' issued by the Institute of Chartered Accountants of India ('ICAI') to the extent applicable ('Guidance Note'), and in terms of our engagement agreed upon with you in accordance with our engagement letter dated January 01, 2018, in connection with the proposed Initial Public Offer (IPO) of the Company.

2. These Restated Consolidated Financial Information (included in Annexure I to XIV) have been extracted by the Management of the Company from:

   (a) The Group's Consolidated Audited Financial Statements for the period ended on December 31, 2017 (9 months) and year ended March 31, 2017 and standalone figures for year ended March 31 2016, 2015, 2014 and 2013, which have been approved by the Board of Directors at their meeting held on January 31, 2018, June 26, 2017, May 02, 2016, August 27, 2015, August 29, 2014 and August 14, 2013 and books of accounts underlying those financial statements and other records of the Company, to the extent considered necessary for the preparation of the Restated Consolidated Financial Information, are the responsibility of the Company's Management. The Consolidated Financial Statements of the Group for the period ended December 31, 2017 have been Audited by GSK & Associates LLP and that for financial year ended March 31, 2017 and Standalone Financial Statements for the years ended March 31, 2016, 2015, 2014 and 2013 have been audited by Praveen Aggarwal & Co. as Sole Auditors of the Company who have issued unqualified reports for these years/period.

3. In accordance with the requirement of Section 26 of the Companies Act, 2013 read with Companies (Draft Prospectus and Allotment of Securities) Rules 2014, the SEBI Regulations, the Guidance Note, as amended from time to time and in terms of our engagement agreed with you, we further report that:

   (iv) The Restated Consolidated Statement of Assets and Liabilities as at December 31, 2017 and March 31, 2017, 2016, 2015, 2014 and 2013, examined by us, as set out in Annexure-I (along with Annexure I.1 to I.17) to this report, read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements' appearing in Annexure-IV and ' Notes to the Restated Consolidated Financial Statements' appearing in Annexure-VI are after making such adjustments and regrouping/re-classification as in our opinion were appropriate and are more fully described in the statement of Material Adjustments to the

Consolidated Financial Statements appearing in Annexure-V. As a result of these adjustments, the amounts reporting in the above-mentioned statements are not necessarily the same as those appearing in the audited financial statements of the Company and its subsidiary for the relevant financial years.

(v) The Restated Consolidated Statement of Profit and Loss for the period ended December 31, 2017 (9 months) and years ended March 31, 2017, 2016, 2015, 2014 and 2013, examined by us, as set out in Annexure-II (along with Annexure-II.1 to II.9) to this report, read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements' appearing in Annexure-IV and ' Notes to the Restated Consolidated Financial Statements' appearing in Annexure-VI are after making such adjustments and regrouping/re-classification as in our opinion were appropriate and are more fully described in the statement of Material Adjustments to the Consolidated Financial Statements appearing in Annexure-V. As a result of these adjustments, the amounts reporting in the above mentioned statements are not necessarily the same as those appearing in the audited financial statements of the Company and its subsidiaries for the financial years.

(vi) The Restated Consolidated Statement of Cash flows for the period ended December 31, 2017and years ended March 31, 2017, 2016, 2015, 2014 and 2013, examined by us, as set out in Annexure-III (to this report, read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements' appearing in Annexure-IV and ' Notes to the Restated Consolidated Financial Statements' appearing in Annexure-VI are after making such adjustments and regrouping/re-classification as in our opinion were appropriate and are more fully described in the statement of Material Adjustments to the Consolidated Financial Statements appearing in Annexure-V.As a result of these adjustments, the amounts reporting in the above mentioned statements are not necessarily the same as those appearing in the audited financial statements of the Company and its subsidiary for the financial years.

(vii) The financial statements of Five subsidiaries included in the Restated Consolidated Financial Statements of the Group for the period ended December 31, 2017and years ended March 31, 2017, 2016, 2015, 2014 and 2013 were audited by their respective auditors as set out in Annexure-XIV to this examination report, whose reports have been furnished to us and accordingly relied upon by us for our examination of the Restated Consolidated Financial Information.

4. Based on the above, and to the best of our information and according to the explanation given to us, we are of the opinion that Restated Consolidated Financial Information:

(d) have been made after incorporating adjustments for prior period and other material amounts in the Nine months period / respective financial years to which they relate to; and;

(e) do not contain any extra ordinary items that need to be disclosed separately other than those presented in the Restated Consolidated Financial Information and do not contain any qualification requiring adjustments.

5. We have also examined the following Restated Consolidated Financial Information as set out in the Annexure to this report and forming part of the Restated Consolidated Financial Information, prepared by the management of the Company and approved by the Board of Directors on April 12, 2018, relating to the Company for the period ended December 31, 2017 and years ended March 31, 2017, 2016, 2015, 2014 and 2013:

i) Restated Consolidated Statement of Share Capital included in Annexure-I.1;

ii) Restated Consolidated Statement of Reserve & Surplus included in Annexure-I.2;
iii) Restated Consolidated Statement of Long Term Borrowings included in Annexure-I.3;
iv) Restated Consolidated Statement of Long Term Provisions included in Annexure-I.4;
v) Restated Consolidated Statement of Short Term Borrowings included in Annexure-I.5;
vi) Restated Consolidated Statement of Trade Payable included in Annexure-I.6;
vii) Restated Consolidated Statement of Other Current Liabilities included in Annexure-I.7;
viii) Restated Consolidated Statement of Short Term Provisions included in Annexure-I.8;
ix) Restated Consolidated Statement of Fixed Assets included in Annexure-I.9;
x) Restated Consolidated Statement of Non – Current Investments included in Annexure-I.10;
xi) Restated Consolidated Statement of Other Non-current Assets included in Annexure-I.11;
xii) Restated Consolidated Statement of Deferred Tax liability/Assets (net)included in Annexure-I.12;
xiii) Restated Consolidated Statement of Inventories included in Annexure-I.13;
xiv) Restated Consolidated Statement of Trade Receivables included in Annexure-I.14;
xv) Restated Consolidated Statement of Cash and Bank Balances included in Annexure-I.15;
xvi) Restated Consolidated Statement of Short Term Loans and Advances included in Annexure-I.16;
xvii) Restated Consolidated Statement of Other Current Assets included in Annexure-I.17;
xviii) Restated Consolidated Statement of Revenue from operations included in Annexure-II.1;
xix) Restated Consolidated Statement of Other Income included in Annexure-II.2;
xx) Restated Consolidated Statement of Direct Expenses included in Annexure-II.3;
xxi) Restated Consolidated Statement of Changes in Inventories included in Annexure-II.4;
xxii) Restated Consolidated Statement of Employees Benefit Expenses included in Annexure-II.5;
xxiii) Restated Consolidated Statement of Finance Cost included in Annexure-II.6;
xxiv) Restated Consolidated Statement of Depreciation and Amortization included in Annexure-II.7.
xxv) Restated Consolidated Statement of Other Expenses included in Annexure-II.8;
xxvi) Restated Consolidated Statement of Exceptional Items included in Annexure-II.9;
xxvii) Restated Consolidated Statement of Expenditure in Foreign currency included in Annexure-II.10;
xxviii) Restated Consolidated Statement of Earnings in Foreign currency included in Annexure-II.11
xxix) Restated Consolidated Statement of Cash Flows included in Annexure-III;
xxx) Restated Consolidated Statement of Accounting Policies included in Annexure-IV;
xxxi) Restated Consolidated Statement of Material Adjustment included in Annexure-V;
xxxii) Restated Consolidated Statement of Notes to Financial Statements included in Annexure-VI;
xxxiii) Restated Consolidated Statement of Contingent Liabilities included in Annexure-VII;
xxxiv) Restated Consolidated Statement of Related Party Transaction included in Annexure-VIII;
xxxv) Restated Consolidated Statement of Accounting Ratios included in Annexure-IX;
xxxvi) Restated Consolidated Statement of Capitalization included in Annexure-X;
xxxvii) Restated Consolidated Statement of Tax Shelters included in Annexure-XI;
xxxviii) Restated Consolidated Statement of Financial Indebtedness included in Annexure-XII.
xxxix) Restated Consolidated Statement of Dividend included in Annexure-XIII.
xl) Additional Information as required under Schedule III to the Companies Act, 2013 included in Annexure-XIV.

6. This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by the respective auditor of the Company, nor should this report be construed as an opinion on any of the financial statements referred to herein.

7. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

In our opinion, the above Restated Consolidated Financial Information contained in Annexure I to XIV to this report read along with the Basis of Preparation and Significant Accounting policies (Refer Annexure – IV) and Notes to Restated Consolidated Financial Information (Refer Annexure – VI) after making adjustments and regrouping/re-classification as considered appropriate and have been prepared in accordance with the provisions of Section 26 of the Companies Act, 2013 read with the Companies (Draft Prospectus and Allotment of Securities) Rules 2014, to the extent applicable, the SEBI Regulations, the Guidance Note issued in this regard by the ICAI, as amended from time to time, and in terms of our engagement agreed with you.

8. Our report is intended solely for use of the Management and for inclusion in the offer documents or in connection with the proposed issue of equity shares of the Company and is not to be used, referred to or distributed for any other purpose except with our prior written consent.

For SNMG &Co.
Chartered Accountants,
Firm Regn. No. 004921N

Rakesh Kumar
Partner
M.No.083911

Place: Delhi
Date: April 12, 2018

ANNEXURE – I :RESTATED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Lakhs)

Sr. No.	Particulars	Note No.	31st Dec	As at 31st March				
			2017	2017	2016	2015	2014	2013
A.	**Equity and Liabilities**							
1	**Shareholders' Funds**							
	Share Capital	**I.1**	928.76	550.27	550.27	550.27	502.84	471.22
	Reserves & Surplus	**I.2**	5,060.37	1,768.50	1,638.46	1,543.20	1,195.35	857.26
	Minority Interest		0.67	0.67				
	Share Application Money Pending Allotment		-	1,234.25	-	-	-	220.90
2	**Non-Current Liabilities**							
	Long-Term Borrowings	**I.3**	1,780.84	1,350.66	679.65	58.33	130.49	86.68
	Long Term Provisions	**I.4**	20.83	12.16	-	-	-	-
	Deferred Tax Liabilities (Net)	**I.12**	-	-	-	-	0.77	-
3	**Current Liabilities**							
	Short Term Borrowings	**I.5**	3,488.52	2,246.79	1,522.77	881.01	1,376.43	290.80
	Trade Payables	**I.6**	4,475.14	162.50	109.80	131.46	275.39	374.52
	Other Current Liabilities	**I.7**	430.09	326.08	331.73	146.11	110.91	36.86
	Short Term Provisions	**I.8**	291.37	43.92	19.45	10.52	11.91	12.46
	Total		**16,476.59**	**7,695.80**	**4,852.13**	**3,320.90**	**3,604.09**	**2,350.70**
B.	**Assets**							
1	**Non-Current Assets**							
	Fixed Assets							
	Tangible Assets	**I.9**	1,693.47	1,165.08	407.25	362.35	411.55	365.06
	Intangible Assets		428.25	-	-	-	-	-
	Capital Work In Progress		-	-	-	-	-	-
	Non-Current Investments	**I.10**	-	-	-	-	-	-
	Long Term Loans and Advances	**I.11**	8.81	0.86	603.82	6.93	11.18	11.98
	Deferred Tax Assets (Net)	**I.12**	32.11	30.11	17.30	10.29	-	0.05
2	**Current Assets**							
	Inventories	**I.13**	6,776.42	3,623.88	2,486.71	1,707.07	1,981.92	1,104.87
	Trade Receivables	**I.14**	3,119.14	829.85	40.96	240.29	379.11	279.15
	Cash and Cash Equivalents	**I.15**	2,315.70	1,247.97	621.01	202.06	166.41	75.76
	Short-Term Loans and Advances	**I.16**	2,102.69	798.05	675.08	791.91	653.92	513.83
	Other Current Assets	**I.17**	-	-	-	-	-	-
	Total		**16,476.59**	**7,695.80**	**4,852.13**	**3,320.90**	**3,604.09**	**2,350.70**

ANNEXURE – II :RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(Rs. in Lakhs)

Sr. No	Particulars	Note No.	31st Dec 2017	For The Year Ended March 31,				
				2017	2016	2015	2014	2013
A.	**Revenue:**							
	Revenue from Operations	**II.1**	24,387.05	16,967.17	12,254.30	11,315.02	11,166.53	8,553.78
	Other Income	**II.2**	173.68	98.09	39.89	34.29	13.52	4.56
	Total Revenue		**24,560.73**	**17,065.26**	**12,294.19**	**11,349.31**	**11,180.05**	**8,558.34**
B.	**Expenses:**							
	Direct Expenses	**II.3**	15,337.43	13,581.25	8,829.42	9,252.13	10,567.42	7,335.40
	Purchase of Stock in Trade		7,448.27	1,741.72	2,213.53	508.43	514.62	141.54
	Changes in Inventories	**II.4**	(1,893.94)	(432.05)	(293.91)	236.94	(1,054.08)	195.87
	Employee Benefit Expenses	**II.5**	807.09	751.29	573.06	490.74	402.26	239.22
	Finance Costs	**II.6**	525.75	370.21	232.67	178.07	146.57	98.65
	Depreciation and Amortization	**II.7**	177.57	122.23	81.03	84.95	44.65	36.41
	Other Expenses	**II.8**	829.39	727.80	510.40	482.49	431.13	401.12
	Total Expenses		**23,231.56**	**16,862.45**	**12,146.20**	**11,233.75**	**11,052.57**	**8,448.21**
	Profit/(Loss) before exceptional items and tax		**1,329.17**	**202.81**	**147.99**	**115.56**	**127.48**	**110.13**
	Less/(Add) : Exceptional Items	**II.9**	-	-	2.22	11.84	0.39	-
	Profit before tax		**1,329.17**	**202.81**	**145.77**	**103.72**	**127.09**	**110.13**
	Tax expense :							
	Current Tax		310.08	80.19	57.52	48.50	41.16	35.90
	Deferred Tax		(2.01)	(12.80)	(7.01)	(11.06)	0.82	(0.21)
	Profit/(Loss) for the period/ year		**1,021.10**	**135.42**	**95.26**	**66.28**	**85.11**	**74.44**
	Less: Minority Interest		0.01	0.01				
	Profit/(Loss) for the period/ year		**1,021.09**	**135.41**	**95.26**	**66.28**	**85.11**	**74.44**
	Earning per equity share in Rs.:							
	(1) Basic		11.15	2.46	1.73	1.32	1.73	1.60
	(2) Diluted		11.15	2.46	1.73	1.32	1.73	1.60

ANNEXURE – III : RESTATED CONSOLIDATED STATEMENT OF CASH FLOWS

(Rs. in Lakhs)

Particulars	31st Dec 2017	For The Year Ended March 31, 2017	2016	2015	2014	2013
A. CASH FLOW FROM OPERATING ACTIVITIES						
Profit/ (Loss) before tax	**1,329.17**	**202.81**	**145.77**	**103.72**	**127.09**	**110.13**
Adjustments for:						
Depreciation and Amortisation	177.57	122.23	81.03	84.95	44.65	36.41
Interest Expense	496.44	320.81	191.78	160.12	126.96	88.18
Interest/ Other Income Received	(155.90)	(80.87)	(24.37)	(6.06)	(6.45)	(3.80)
Profit/(Loss) on Sale of Fixed Assets	-	-	(2.85)	-	0.39	-
Others	9.52	(2.60)				
Operating profit before working capital changes	**1,856.80**	**562.38**	**391.36**	**342.73**	**292.64**	**230.92**
Movements in working capital :						
(Increase)/ Decrease in Inventories	(3,152.54)	(1,137.17)	(779.64)	274.85	(877.05)	131.43
(Increase)/Decrease in Trade Receivables	(2,289.29)	(788.89)	199.33	138.82	(99.96)	17.56
(Increase)/Decrease in Loans and Advances	(7.95)	602.96	(596.89)	4.25	0.80	(1.00)
(Increase)/Decrease in Short Term Loans & Advances	(1,304.64)	(122.97)	116.83	(137.99)	(140.09)	(160.81)
Increase/(Decrease) in Trade Payables	4,312.64	52.70	(21.66)	(143.93)	(99.13)	277.86
Increase/(Decrease) in Other Current Liabilities	104.01	(5.65)	185.62	35.20	74.05	12.54
Cash generated from operations	**(480.97)**	**(836.64)**	**(505.05)**	**513.93**	**(848.74)**	**508.50**
Income tax paid during the year	(63.51)	(56.22)	(48.60)	(49.88)	(41.72)	(25.71)
Net cash from operating activities (A)	**(544.48)**	**(892.86)**	**(553.65)**	**464.05**	**(890.46)**	**482.79**
B. CASH FLOW FROM INVESTING ACTIVITIES						
Purchase/ (Sale) of Fixed Assets	(503.50)	(870.21)	(141.07)	(38.76)	(91.81)	(123.88)
Sale of Fixed Assets	-	-	18.00	-	0.29	-
Purchase/ (Sale) of Long Term Investments	-	-	-	-	-	-
Increase in Fixed Assets on account of new Subsidiary	(630.68)					
Interest Received / Other Income	155.90	80.87	24.37	6.06	6.45	3.80
Net cash from investing activities (B)	**(978.28)**	**(789.34)**	**(98.70)**	**(32.70)**	**(85.07)**	**(120.08)**
C. CASH FLOW FROM FINANCING ACTIVITIES						
Share Capital Issued (including Security Premium)	2,649.44	-	-	332.00	284.60	185.81
Share Application Money Received	(1,234.25)	1,234.25	-	-	(220.90)	35.08

(Net)						
Proceeds/(Repayment) of Borrowings	1,671.91	1,395.03	1,263.08	(567.58)	1,129.44	(457.43)
Interest paid on borrowings	(496.44)	(320.81)	(191.78)	(160.12)	(126.96)	(88.18)
Minority Interest	-	0.67				
Foreign Currency Translation Reserve	(0.17)	0.02				
Net cash from financing activities (C)	**2,590.49**	**2,306.16**	**1,071.30**	**(395.70)**	**1,066.18**	**(324.72)**
Net increase in cash and cash equivalents (A+B+C)	**1,067.73**	**626.96**	**418.95**	**35.65**	**90.65**	**37.99**
Cash and cash equivalents at the beginning of the year	1,247.97	621.01	202.06	166.41	75.76	37.77
Cash and cash equivalents at the end of the year	**2,315.70**	**1,247.97**	**621.01**	**202.06**	**166.41**	**75.76**

ANNUXURE – IV

Basis of Preparation and Significant Accounting Policies and Practices of the Restated Consolidated Financial Statements for the period ended December 31, 2017 and for the years ended March 31, 2017, 2016, 2015, 2014 and 2013.

1) Company Overview

Five Core Electronics Limited was incorporated on April 11, 2002 under the provisions of Companies Act, 1956 with Registrar of Companies, West Bengal, Kolkata. Subsequently, the Company was transferred from the State of West Bengal to State of NCT of Delhi by an order of the Company Law Board dated April 26, 2006 and certificate of registration for the said order issued by Deputy Registrar of Companies, West Bengal, Kolkata dated May 29, 2006.

The Company was founded to enter the audio era with innovative products driven by the needs of professional customers reflecting its commitment to the industry with the use of advanced technology and techniques in the field of Audio Systems. The Company is dealing in the manufacturing as well as exporting of Public Address Systems, Woofers, Amplifiers, Computer Speakers, Personal Speaker System, Headphones and Earphones.

2) Details of Subsidiaries

The accompanying Restated Consolidated Financial Information include the audited financial statements of 'Five Core Electronics Ltd.' ("the Holding Company") and its following subsidiaries, collectively referred to as 'the Group'.

Name of the Company	Country of origin	Type	% of Holding					
			31st Dec 2017	March 31,				
				2017	2016	2015	2014	2013
Ems & Exports Pvt Ltd.	India	Subsidiary	67%	67%	-	-	-	-
Kaneer Industries Pvt Ltd	India	Subsidiary	67%	67%	-	-	-	-
South Asia Exim PTE Ltd.	Singapore	Subsidiary	100%	100%	-	-	-	-
5 Core Acoustics Private Ltd.*	India	Subsidiary	100%	-	-	-	-	-
Pan Arabian Venture Fze	UAE	Subsidiary	100%	-	-	-	-	-

*100% shares of the Subsidiary Company 5 Core Acoustics Private Ltd. are owned by M/s. Five Core Electronics Ltd., 6 persons holding 1 share each are representing the holding company interest in order to comply with minimum shareholders requirement stipulated by law, and since 100% shares are being held by the parent Company, no minority interest is recognized and consolidation is done as wholly owned subsidiary.

3) Basis of Preparation of Restated Consolidated Financial Statement

1. The Restated Consolidated Financial Information has been prepared by applying necessary adjustments to the Consolidated Financial Statements ('financial Statement') of the Company for the period ended December 31, 2017and that for financial year ended March 31, 2017 and Standalone Financial Statements for the years ended March 31, 2016, 2015, 2014 and 2013, prepared and presented under the historical cost convention, except for certain financial instruments which are measured at fair value, using the accrual

system of accounting in accordance with the generally accepted accounting principles in India ('Indian GAAP'), the provisions of the Companies Act, 1956 (up to 31st March 2014), and notified sections, schedules and rules of the Comp[anise Act, 2013 (with the effect from 1st April 2014), including the Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006 as per the Section 211(3C) of the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013, ("the Act") read with Rule 7 of Companies (Accounts) Rules, 2014), to the extent applicable and in the manner so required.

2. The classification of assets and liabilities of the Company is done into current and non-current based on the operating cycle of the business of the Company. The operating cycle of the business of the Company is less than twelve months and therefore, all current and non-current classifications are done based on the status of realisability and expected settlement of the respective asset and liability within a period of twelve months from the reporting date as required by Schedule III to the Companies Act, 2013.

3. The accounting policies adopted in the preparation of restated consolidated financial statements are consistent with those used in the previous year.

4. With effect from April 1, 2014, Schedule III notified under the Act, has become applicable to the Company for the preparation and presentation of its financial statements. Accordingly, previous year's figures have been regrouped/reclassified wherever applicable. Appropriate re-classification/re-grouping have been made in the Restated Consolidated Financial information wherever required, to corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the presentation and recognition as per the audited financial statements of the Company and the requirement of SEBI Regulations. The financial statements are prepared in Indian rupees rounded off to the nearest Lakhs.

4) Use of Estimates

The preparation of the financial statements is in conformity with Generally Accepted Accounting principles which require management to make estimates/ assumptions that affect the reported amount of Assets and Liabilities, the disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period reported. Examples of such estimates are useful lives of fixed assets, income taxes and provision for doubtful debts. Actual results could differ from those estimates. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialized.

5) Fixed Assets, Depreciation and Amortisation

a) Fixed assets are stated at cost of acquisition or construction inclusive of freight, duties, taxes, other incidental expenses and net of CENVAT. Assets acquired on lease are not reflected in the accounts and the lease rent is charged to Statement of Profit & Loss, as accrued.
b) Depreciation on fixed assets other than Land is provided on the written down value of fixed assets at the rates calculated in accordance with the life prescribed by Schedule II to the Companies Act, 2013.

6) Impairment of assets

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss.

7) Borrowing Cost

Borrowing Cost directly attributable to acquisition/ construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those

assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are recognised in Statement of Profit and loss in the period in which they are incurred.

8) Investment

Long-term investments, are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Costs of investments include acquisition charges such as brokerage, fees and duties.

9) Revenue Recognition

a) Revenue in respect of Sale of Products is recognized on dispatch of goods to the Customers, which coincides with the transfer of Property to the buyer.
b) Service Income is recognized as and when the services are performed in accordance with the terms of the Contract.
c) Insurance claims are recognized for on their acceptance & receipts.
d) Purchase are recognized on the date of their dispatch by supplier at the price inclusive of demurrage, wharfage and are shown at their gross value net of returns.
e) Duty Draw back are accounted on accrual basis. Difference if any at the time duty drawback is cleared by the Government authorities is duly accounted on actual basis.
f) DEPB / Focus are accounted for as Income at the time of export on accrual basis. Interest and other Income is recognized on time proportion basis.

10) Foreign currency Transaction

a) Initial Recognition

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that are closely approximate the rate at the date of the transaction.

b) Conversion

Foreign currency monetary items of the Company outstanding at the Balance Sheet date are restated at the year-end rates.

c) Exchange Differences

Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

11) Employee Benefits

Company‘s contribution paid/payable during the year to Provident Fund and Labour welfare fund are recognized on accrual basis in the Profit & Loss Account. Company liability towards Gratuity , Leave Encashment are being accounted for on accrual basis.

12) Taxation

a) Current Tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as

an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

b) Deferred Tax

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realize such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their reliability.

13) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

14) Earnings Per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

15) Cash and cash equivalents

Cash comprises cash on hand, Cheques in hand and fixed deposits with banks. Cash equivalents are short-term balances, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

16) Inventories

Inventories are valued out basis as under:

Raw Material	At cost or net realizable value, whichever is less
Work in progress	At cost
Stores & Spares	At cost
Finished Goods	At cost or net realizable value whichever is lower

Appropriate share of overheads are allocated over the work in progress, manufactured/ Processed finished goods.

Appropriate provisions are made for slow and non moving inventories to write down the carrying value.

17) Micro, Small & Medium Enterprises Development Act, 2006

The Company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as Micro, Small and Medium Enterprises. Consequently the amount paid/ payable to these parties during the year is not ascertainable. Consequently, as of now, it is neither possible for the Company to ascertain whether payment to such enterprises has been made within 45 days from the date of acceptance of supply of goods or services rendered by a supplier nor to give the relevant disclosures as required under the Act. This has been relied upon by the auditors.

18) Custom, Excise Duty & Value Added Tax

The custom duty payable on imported material lying at the end of the year in custom bonded warehouses and excise duty in respect of goods manufactured but not cleared for the factory premises at the end of the year are neither included in expenses nor considered in valuation of such material/goods. Such duties are accounted for on actual payment on clearance of such material/goods.

19) 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

20) Segment Reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The Company has only one business, disclosure of segment-wise information is not applicable under accounting Standard 17 - 'Segmental Information' (AS-17) notified by the Companies (Accounting Standards) Rules, 2006. There is no geographical segment to be reported since all the operations are undertaken in India, but, Five Core Electronics Ltd. have two Subsidiaries which are located outside India i.e. South Asia Exim PTE Limited (Singapore) and Pan Arabian Venture FZE (UAE).

21) Miscellaneous Expenditure

Preliminary expenses included under the above heads is being amortized over the period of 5 years i.e. 1/5th expenses is charged every year to the Profit & Loss A/c.

ANNEXURE – V: MATERIAL ADJUSTMENT TO THERESTATED CONSOLIDATED FINANCIAL STATEMENT

1. **Material Regrouping**

   Appropriate adjustments have been made in the Restated Consolidated Financial Statements of Assets and Liabilities, Profit and Losses and Cash Flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities in order to bring them in line with the regroupings as per the audited financial statements of the company and the requirements of SEBI Regulations.

2. **Material Adjustments :**

The Summary of results of restatement made in the Audited Consolidated Financial Statements for the respective years and its impact on the profit/(loss) of the Company is as follows:

(Rs. In Lakhs)

Particulars	31st Dec	For The Year Ended March 31,				
	2017	2017	2016	2015	2014	2013
(A)Net Profits as per audited financial statements (A)	1,020.06	124.02	95.60	76.13	85.30	74.05
Add/(Less) : Adjustments on account of -						
1) Prior Period Taxes charged to P/L	4.76	2.08	1.10	1.63	1.48	0.42
2) Interest on Income Tax added to Finance Cost	-	(4.76)	(2.08)	(1.10)	(1.63)	(1.48)
3) Deferred Tax	(5.72)	4.75	0.64	1.46	(0.04)	1.45
4) Employee Benefit Implementation effect (Prior Period Expenses)	-	5.39	-	-	-	-
5) Advance (DEPB)/Custom duty Write Off	-	11.84	-	(11.84)	-	-
6) Preliminary Expenses	1.98	(7.90)				
Total Adjustments (B)	**1.02**	**11.40**	**(0.34)**	**(9.85)**	**(0.19)**	**0.39**
Restated Profit/ (Loss) (A+B)	**1,021.08**	**135.42**	**95.26**	**66.28**	**85.11**	**74.44**

3. **Notes on Material Adjustments pertaining to prior years**

1) **Prior Period Taxes Charged to Profit & Loss**

The prior period taxes have been routed through Statement of Profit & Loss as it represents interest expenses for those respective years.

2) **Employee Benefit Expenses**

The Company adopt the accounting policy to recognized the Provision of gratuity and Leave encashment, hence earlier year provision outstanding charged to retain earnings and nullified the same from prior period expenses. The Subsidiary company 5 Core Acoustics Private Limited not followed the same policy.

3) **Deferred Tax**

Deferred tax recalculated and resultant effect is provided in profit in loss. But in subsidiary company 5 Core Accoustics Pvt. Ltd. not recognized it for period ending December 31, 2017 i.e amounting Rs.3.36 Lakhs.

4) **Other Expenses and Financial Expenses**

Theses reflect the net effect of actual expense incurred but recognized in later financial years and expense pertains of earlier years recognized in current year. The Other Expenses and Loans accounts are also affected for the same.

5) **Additional Depreciation due to change in Companies Act w.e.f 2014-15**
During the FY 2014-15 schedule-II of the Companies Act came into force. It required that the additional depreciation on account of change in estimate should be w/off from retained earnings. However the company adopted the Schedule from FY 2015-16 but effect of additional depreciation not recognized. The same is being w/off from retained earnings.

6) Company Created Revaluation Reserves has been nullified and corresponding effect taken to respective assets.

7) **Reconciliation of the Opening Balance of Balance in Profit & Loss Account for the FY 2012-13**

(Rs. In Lakhs)

Particulars	For The Year Ended March 31, 2013
(A) Opening Balance of Balance in Profit & Loss Account as per audited financial statements (A)	**283.25**
Add/(Less) : Adjustments on account of -	
1. Provision for Income Taxes for Prior Period	(0.42)
Total Adjustments (B)	**(0.42)**
Restated opening Balance of balance in Profit & Loss Account(A+B)	**282.83**

ANNEXURE- I.1: RESTATED CONSOLIDATED STATEMENT OF SHARECAPITAL

(Rs. In Lakhs)

Particulars	31st Dec	As at 31st March				
	2017	2017	2016	2015	2014	2013
Authorized						
10000000 Equity Shares of Rs. 10 each	1,000.00	700.00	700.00	700.00	700.00	500.00
Issued						
9287622 Equity Shares of Rs. 10 each	928.76	550.27	550.27	550.27	502.84	471.22
Subscribed & Fully Paid Up						
9287622 Equity Shares of Rs. 10 each (Fully Paid up)	928.76	550.27	550.27	550.27	502.84	471.22
Total	**928.76**	**550.27**	**550.27**	**550.27**	**502.84**	**471.22**

Notes:

I.1.1 Right, Preferences and Restrictions attached to Shares:

The Company has one class of equity shares having a par value of Rs. 10/- per share. Each Shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion of their shareholding.

I.1.2Reconciliation of No. of Shares Outstanding at the end of the year

Particulars	31st Dec	As at 31st March				
	2017	2017	2016	2015	2014	2013
Shares outstanding at the beginning of the year	5,502,712	5,502,712	5,502,712	5,028,428	4,712,206	4,505,745
Shares issued during the year	3,784,910		-	474,284	316,222	206,461
Bonus Shares issued during the year			-	-	-	
Shares bought back during the year		-	-	-	-	-
Any other movement (please specify)	-	-	-	-	-	-
Share outstanding at the end of the year	**9,287,622**	**5,502,712**	**5,502,712**	**5,502,712**	**5,028,428**	**4,712,206**

I.1.3 During the FY 2013-14, The Company has increased the Authorised Share Capital of Rs. 5,00,00,000 (divided into 50,00,000 Equity Shares of Rs. 10/- each) to Rs. 7,00,00,000 (divided into 70,00,000 Equity Shares of Rs. 10/- each).

I.1.4 During the FY 2017-18, The Company has increased the Authorised Share Capital of Rs. 7,00,00,000 (divided into 70,00,000 Equity Shares of Rs. 10/- each) to Rs. 10,00,00,000 (divided into 1,00,00,000 Equity Shares of Rs. 10/- each).

I.1.5 During the FY 2012-13, The Company has increased, it's paid up share capital by allotment of 2,06,461 Equity Shares of Rs.10/- each.

I.1.6 During the FY 2013-14, The Company has increased, it's paid up share capital by allotment of 3,16,222 Equity Shares of Rs.10/- each.

I.1.7 During the FY 2014-15, The Company has increased, it's paid up share capital by allotment of 4,74,284 Equity Shares ofRs.10/- each.

I.1.8 During the FY 2017-18, The Company has increased, it's paid up share capital by allotment of 37,84,910 Equity Shares of Rs.10/- each. 1763217 Equity Shares allotted on right issue basis and 2021693 Equity Shares allotted for consideration other than cash on swap of shares for 100% buy out of Five Core Acoustics Pvt. Ltd.

I.1.5 Details of Shareholding more than 5% of the aggregate shares in the company

Name of Shareholder	31-May-2017		31-Mar-17		31-Mar-16		31-Mar-15		31-Mar-14		31-Mar-13	
	No.	% of Holding	No.	% of Holding	No.	% of Holding	No.	% of Holding	No.	% of Holding	No.	% of Holding
Amarjit Singh Kalra	3839595	41.34%	1,995,013	36.26%	1,995,013	36.26%	1,995,013	36.26%	1,634,871	32.51%	1,454,871	30.87%
Amarjit Singh Kalra-HUF	431703	4.65%	267,374	4.86%	267,374	4.86%	267,374	4.86%	267,374	5.32%	267,374	5.67%
Jagjit Kaur Kalra	974310	10.49%	581,784	10.57%	581,784	10.57%	581,784	10.57%	524,784	10.44%	524,784	11.14%
Surinder Kaur Kalra	2441783	26.29%	1,308,338	23.78%	1,308,338	23.78%	1,308,338	23.78%	1,251,196	24.88%	1,116,530	23.69%
Surinder Singh Kalra	1468103	15.81%	1,349,903	24.53%	1,349,903	24.53%	1,349,903	24.53%	1,349,903	26.85%	1,348,347	28.61%

ANNEXURE – I.2: RESTATED CONSOLIDATED STATEMENT OF RESERVES AND SURPLUS

(Rs. In Lakhs)

Particulars	31st Dec	As at 31st March				
	2017	2017	2016	2015	2014	2013
Securities Premium Reserve						
Balance as at the beginning of the year	1,037.54	1,037.54	1,037.54	752.97	499.99	334.82
Add: Addition during the year	2,270.95	-	-	284.57	252.98	165.17
Balance as at the end of the year	**3,308.49**	**1,037.54**	**1,037.54**	**1,037.54**	**752.97**	**499.99**
Balance in Statement of Profit & Loss						
Balance as at the beginning of the year	730.94	600.92	505.66	442.38	357.27	282.83
Add: Profit for the year	1,021.09	135.41	95.26	66.28	85.11	74.44
(Less): Employee Benefit Implementation	-	(5.39)	-	-	-	-
(Less): Addl Dep pursuant to change in law	-	-	-	(3.00)	-	-
Balance as at the end of the year	**1,752.03**	**730.94**	**600.92**	**505.66**	**442.38**	**357.27**
Foreign Currency Translation Reserve						
Balance as at the beginning of the year	0.02	-	-	-	-	-
Add: Addition during the year	(0.17)	0.02	-	-	-	-
Balance as at the end of the year	**(0.15)**	**0.02**	**-**	**-**	**-**	**-**
Grand Total	**5,060.37**	**1,768.50**	**1,638.46**	**1,543.20**	**1,195.35**	**857.26**

ANNEXURE – I.3 : RESTATED CONSOLIDATED STATEMENT OF LONG TERM BORROWINGS

(Rs. in Lakhs)

Particulars	31st Dec-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Secured:						
Term Loan:						
From NBFC:						
Reliance Capital Limited.	46.89	29.40	-	-	-	-
Vehicle Loans:						
From Banks						
ICICI Bank	-	-	-	14.29	20.50	-
Kotak Mahindra Bank	64.46	79.08	76.64	-	-	-
Andhra Bank	6.26	13.33	20.55	-	-	-

Axis Bank	23.89	27.87	-	-	-	-
HDFC Bank Ltd.	20.48	-	-	-	-	-
From NBFC:						
BMW India Finance Services Pvt. Ltd	-	-	-	-	11.10	18.15
Unsecured Loans:						
From Banks:						
HDFC Bank Ltd	33.41	44.44	35.00	10.67	16.84	-
ICICI Bank Ltd	4.33	16.26	30.00	15.19	24.55	-
Kotak Mahindra Bank	11.46	22.26	40.74	30.58	-	-
Indusind Bank	42.14	-	2.13	9.65	-	-
Barclays Bank Ltd	-	-	-	-	0.61	7.25
From NBFC:						
Capital First Ltd	30.00	-	6.10	18.96	29.63	-
Capital Float Ltd	49.55	40.59	40.00	-	-	-
Tata Capital Financial Services Ltd	15.32	-	-	6.07	22.27	-
Magma Fincorp Ltd	-	-	8.45	26.46	41.58	-
India Infoline Finance Ltd.	35.10	45.74	-	-	-	-
Aditya Birla Finanice Ltd.	43.34	35.64	-	-	-	-
Neo Growth Credit Pvt Ltd	17.83	23.63	-	-	-	-
Money Wise Finance Ltd.	22.88	-	-	-	-	-
From Directors						
Amarjit Singh Kalra	473.21	445.66	226.70	8.43	29.59	52.25
Surinder kaur kalra	552.79	347.10	224.50	3.49	5.30	5.41
Jagjit Kaur kalra	507.20	336.45	60.50	-	0.55	0.30
Others						
Sarabjeet Singh Kharbanda	-	-	-	-	-	17.00
Khushi Overseas	-	6.45				
Total	**2,000.54**	**1,513.90**	**771.31**	**143.79**	**202.52**	**100.36**
Less : Amount disclosed under the head "Other current liabilities" (Refer Note I.7)	219.70	163.24	91.66	85.46	72.03	13.68
Total	**1,780.84**	**1,350.66**	**679.65**	**58.33**	**130.49**	**86.68**

Note I.3.1: The company provide a declaration for Rs.10,000/- from EMS & Exports and Rs.5,94,480/- from Neha Exports, which received for the process of conversion of proprietorship firm and partnership firm into Pvt Ltd. companies as incorporation expenses, however later process withdrawn and Separate Companies incorporates i.e. (EMS & Exports Pvt. Ltd. and Kaneer Industries Pvt. Ltd.) and such amounts becomes liability of company, therefore it is other Liabilities that is not a loan which is payable with in the year. We consider the same as declaration.

Note I.3.2: Loan from Khushi Overseas is taken by South Asia PTE LTD, a company incorporated in Singapore and on which India Laws are not applicable.

ANNEXURE – I.4 : Restated Consolidated Statement of Long Term Provisions

(Rs. In Lakhs)

Particulars	31st Dec	As at 31st March				
	2017	2017	2016	2015	2014	2013
Provision for Employee Benefit	20.83	12.16	-	-	-	-
Total	**20.83**	**12.16**	**-**	**-**	**-**	**-**

ANNEXURE – I.5: RESTATED CONSOLIDATED STATEMENT OF SHORT TERM BORROWINGS

(Rs. In Lakhs)

Particulars	31st Dec	As at 31st March				
	2017	2017	2016	2015	2014	2013
Secured Loan Repayable on Demand :						
Packing Credit from Andhra Bank	1,660.29	1,864.13	1,427.43	-	-	-
Packing Credit from Bank of Baroda	-	-	-	997.97	1,310.46	211.98
Packing Credit from Karnatka Bank	173.96	-	-	-	-	-
Cash Credit from Andhra Bank	407.99	382.66	95.34	-	-	-
Cash Credit from Bank of Baroda	-	-	-	(116.96)	65.97	78.82
Cash Credit from Karnatka Bank	1,006.28	-	-	-	-	-
Unsecured Loan						
Andhara Bank (Loan Against GST Credit)	240.00	-	-	-	-	-
Grand Total	**3,488.52**	**2,246.79**	**1,522.77**	**881.01**	**1,376.43**	**290.80**

ANNEXURE – I.6: RESTATED CONSOLIDATED STATEMENT OF TRADE PAYABLES

(Rs. In Lakhs)

Particulars	31st Dec	As at 31st March				
	2017	2017	2016	2015	2014	2013
Trade Payables due to						
- Micro and Small Enterprises	-	-	-	-	-	-
- Others	4,475.14	162.50	109.80	131.46	275.39	374.52
Grand Total	**4,475.14**	**162.50**	**109.80**	**131.46**	**275.39**	**374.52**

ANNEXURE – I.7: RESTATED CONSOLIDATED STATEMENT OF OTHER CURRENT LIABILITIES

(Rs. In Lakhs)

Particulars	31st Dec	As at 31st March				
	2017	2017	2016	2015	2014	2013

Current Maturities of Long Term Borrowings	219.70	163.24	91.66	85.46	72.03	13.68
Statutory Dues	5.33	4.73	3.60	3.70	1.83	1.61
Other Outstanding Liabilities	132.13	62.67	50.67	43.95	37.05	21.57
Advances from Customers	72.93	95.44	185.80	13.00	-	-
Directors Remuneration Payable	-	-	-	-	-	-
Grand Total	**430.09**	**326.08**	**331.73**	**146.11**	**110.91**	**36.86**

ANNEXURE – I.8: RESTATED CONSOLIDATED STATEMENT OF SHORT TERM PROVISIONS

(Rs. In Lakhs)

Particulars	31st Dec	As at 31st March				
	2017	2017	2016	2015	2014	2013
Provision for Income Tax (net of income tax paid)	290.02	43.41	19.45	10.52	11.91	12.46
Provision for Employee benefit	1.35	0.51	-	-	-	-
Grand Total	**291.37**	**43.92**	**19.45**	**10.52**	**11.91**	**12.46**

ANNEXURE – I.9: RESTATED CONSOLIDATED STATEMENT OF FIXED ASSETS

(Rs. In Lakhs)

Particulars	31st Dec	As at 31st March				
	2017	2017	2016	2015	2014	2013
Tangible Assets						
Land						
Gross Block	700.35	674.97	74.37	74.37	74.37	56.35
Less: Accumulated Depreciation	-	-	-	-	-	-
Net Block	700.35	674.97	74.37	74.37	74.37	56.35
Building						
Gross Block	262.23	164.98	95.73	95.73	95.73	95.73
Less: Accumulated Depreciation	104.56	24.03	18.41	14.17	9.71	5.30
Net Block	157.67	140.95	77.32	81.56	86.02	90.43
Office Equipments						
Gross Block	167.35	70.16	49.94	39.89	32.21	40.19
Less: Accumulated Depreciation	86.69	47.72	34.20	25.09	9.59	12.92
Net Block	80.66	22.44	15.74	14.80	22.62	27.27
Plant & Machinery						
Gross Block	722.31	327.80	229.11	226.67	215.73	191.99
Less: Accumulated Depreciation	256.56	148.47	117.12	91.41	61.57	38.43
Net Block	465.75	179.33	111.99	135.26	154.16	153.56
Electric Equipments and Installations						
Gross Block	63.76	33.81	17.05	17.05	16.36	1.94
Less: Accumulated Depreciation	27.15	19.21	13.11	11.13	8.09	1.13
Net Block	36.61	14.60	3.94	5.92	8.27	0.81

Computers						
Gross Block	132.24	95.77	75.67	59.34	41.26	26.44
Less: Accumulated Depreciation	101.24	78.26	58.97	43.55	24.61	18.72
Net Block	31.00	17.51	16.70	15.79	16.65	7.72
Furniture & Fixtures						
Gross Block	128.56	30.87	17.22	17.10	15.73	14.66
Less: Accumulated Depreciation	33.35	16.06	12.46	10.52	7.91	6.31
Net Block	95.21	14.81	4.76	6.58	7.82	8.35
Vehicles						
Gross Block	242.06	185.50	154.58	69.23	69.23	42.44
Less: Accumulated Depreciation	115.84	85.03	52.15	41.16	27.59	21.87
Net Block	126.22	100.47	102.43	28.07	41.64	20.57
Total Tangible Assets	**1,693.47**	**1,165.08**	**407.25**	**362.35**	**411.55**	**365.06**
Intangible Assets						
Goodwill						
On Account of Investment in Subsidiary	428.25	-	-	-	-	-
Total Intangible Assets	**428.25**	**-**	**-**	**-**	**-**	**-**
Capital Work in Progress	**-**	**-**	**-**	**-**	**-**	**-**

I.9.1 Revaluation Reserves created by the Company in the audited Financial Statements has been nullified and corresponding effects have been restated at their actual cost.

I.9.2 During the year 2014-15, some assets were reclassified and, therefore, these effects have been considered in this restated financial statements for the earier years for which information were made available by the management.

I.9.3 Goodwill arise during calculation of cost of control on Account of Investment in Subsidiary, the company has not consider deferred tax asset amounting 1.94 lakhs during calculation of such goodwill, therefore we add such amount in goodwill and subtract from Deferred Tax Assets.

ANNEXURE – I.10: RESTATED CONSOLIDATED STATEMENT OF NON-CURRENT INVESTMENTS

(Rs. In Lakhs)

Particulars	31st Dec	As at 31st March				
	2017	2017	2016	2015	2014	2013
	-	-	-	-	-	-

ANNEXURE – I.11: RESTATED CONSOLIDATED STATEMENT OF LONG TERM LOANS AND ADVANCES

(Rs. In Lakhs)

Particulars	31st Dec	As at 31st March				
	2017	2017	2016	2015	2014	2013
(Unsecured considered good)						
Security Deposits	8.81	0.86	7.63	6.93	1.61	2.41
Excise / Import Duty Recoverable	-	-	-	-	9.57	9.57
Capital Advances for Property	-	-	596.19	-	-	-
Grand Total	**8.81**	**0.86**	**603.82**	**6.93**	**11.18**	**11.98**

ANNEXURE – I.10: RESTATED CONSOLIDATED STATEMENT OF DEFERRED TAX ASSETS/(LIABILITIES) (NET)

(Rs. In Lakhs)

Particulars	31st Dec	As at 31st March				
	2017	2017	2016	2015	2014	2013
Deferred Tax Assets						
Related to Fixed Assets	24.78	25.92	17.3	10.29		0.05
Related to Employee Benefit Expenses	7.33	4.19				
Total (a)	**32.11**	**30.11**	**17.3**	**10.29**	**-**	**0.05**
Deferred Tax Liability						
Related to Fixed Assets					0.77	
Total (b)					**0.77**	
Net deferred tax asset/ (liability){(a)-(b)}	**32.11**	**30.11**	**17.30**	**10.29**	**(0.77)**	**0.05**

ANNEXURE – I.12: RESTATED CONSOLIDATED STATEMENT OF INVENTORIES

(Rs. In Lakhs)

Particulars	31st Dec	As at 31st March				
	2017	2017	2016	2015	2014	2013
(Valued at lower of cost or net realizable value, as certified by the management)						
Raw Materials (At Cost)	2,970.12	1,710.10	1,004.98	519.25	557.16	734.19
Work in Progress (At Estimated Cost)	2,810.40	1,852.67	1,044.28	1,144.54	1,373.95	312.14
Finished Goods(at cost or net realizable value, whichever is lower)	995.90	61.11	437.45	43.28	50.81	58.54
Grand Total	**6,776.42**	**3,623.88**	**2,486.71**	**1,707.07**	**1,981.92**	**1,104.87**

ANNEXURE – I.13: RESTATED CONSOLIDATED STATEMENT OF TRADE RECEIVABLES

(Rs. In Lakhs)

Particulars	31st Dec	As at 31st March				
	2017	2017	2016	2015	2014	2013
Trade Receivables:						
Outstanding for a period exceeding six months from the date they are due for payment						
Unsecured, Considered Good	3,100.28	800.55	11.66	240.29	379.11	279.15
Outstanding for a period less than six months from the date they are due for payment						
Unsecured, Considered Good	18.86	29.30	29.30	-	-	-
Unsecured, Considered Doubtful						
Grand Total	**3,119.14**	**829.85**	**40.96**	**240.29**	**379.11**	**279.15**

ANNEXURE – I.14: RESTATED CONSOLIDATED STATEMENT OF CASH AND BANK BALANCES

(Rs. In Lakhs)

Particulars	31st Dec	As at 31st March				
	2017	2017	2016	2015	2014	2013
Cash & Cash Equivalents						
Cash in hand	64.18	14.25	2.83	19.39	14.93	8.47
Balances with Banks:						
-in current accounts	30.93	30.40	295.02	21.96	3.05	1.20
-in EEFC Bank Account	-	-	-	-	0.14	-
Other Bank Balances:						
in Deposits Accounts*	2,220.59	1,203.32	323.16	160.71	148.29	66.09
Grand Total	**2,315.70**	**1,247.97**	**621.01**	**202.06**	**166.41**	**75.76**

* Term deposits are marked as lien and / or pledged against short term credit facilities with banks.

ANNEXURE – I.15: RESTATED CONSOLIDATED STATEMENT OF SHORT TERM LOANS AND ADVANCES

(Rs. In Lakhs)

Particulars	31st Dec	As at 31st March				
	2017	2017	2016	2015	2014	2013
Advances recoverable in cash or kind for the value to be considered good						
Prepaid expenses	189.73	38.76	26.33	27.55	26.99	18.02
Advance to Suppliers						
-To Related parties	-	-	-	-	-	-
-To others	456.64	87.64	21.36	4.87	4.01	21.99
Balances with Revenue Authorities :						
- Receivable from Govt. Auth	943.20	320.89	246.33	184.92	168.07	142.53

- Vat/ Sale Tax Departments	20.14	19.47	115.97	88.56	83.70	84.58
- Duty Draw Back/Focus & DEPB Recoverable	483.61	325.03	249.21	421.38	334.75	219.10
Advances to others						
-To Related parties	-	-	-	-	-	-
-To others	9.37	6.26	15.88	64.63	36.40	27.61
Grand Total	**2,102.69**	**798.05**	**675.08**	**791.91**	**653.92**	**513.83**

Out of the above amounts outstanding from promoters/promoter group/group directors/relative of directors are as follows:

(Rs. In Lakhs)

Particulars	31st Dec	As at 31st March				
	2017	2017	2016	2015	2014	2013
From Promoters/Directors/Relatives	-	-	-	-	-	-
From Joint Venture	-	-	-	-	-	-
TOTAL	**-**	**-**	**-**	**-**	**-**	**-**

ANNEXURE – I.16: RESTATED CONSOLIDATED STATEMENT OF OTHER CURRENT ASSETS

(Rs. In Lakhs)

Particulars	31st Dec	As at 31st March				
	2017	2017	2016	2015	2014	2013
Preliminary Expenses						
(to the extant not w/off)						
Opening	-	-	-	-	-	-
Add: Incurred During Year	-	-	-	-	-	-
Total	-	-	-	-	-	-
Less: w/ off during the year	-	-	-	-	-	-
Balance	-	-	-	-	-	-

ANNEXURE – II.1: RESTATED CONSOLIDATED STATEMENT OF REVENUE FROM OPERATIONS

(Rs. In Lakhs)

Particulars	31st Dec	For The Year Ended March 31,				
	2017	2017	2016	2015	2014	2013
Income From Operations						
-Domestic Sale	1,733.64	342.96	140.95	83.19	71.98	8.00
-Export Sale (Includes Deemed Exports)	16,747.80	14,301.67	10,436.05	9,935.66	9,878.34	7,558.16
-Trading Sale	5,326.98	1,811.92	1,234.60	330.91	340.04	175.92
Other Operating Income						
-Income From FOCUS/ DEPB	442.42	415.16	371.45	864.84	843.04	667.80
-Foreign Exchange Fluctuation	125.96	91.95	71.25	100.42	33.13	143.90
-Sale of Service	3.25	3.51	-	-	-	-
-Royalty	7.00	-	-	-	-	-
Revenue from operations	**24,387.05**	**16,967.17**	**12,254.30**	**11,315.02**	**11,166.53**	**8,553.78**

ANNEXURE – II.2: RESTATED CONSOLIDATED STATEMENT OF OTHER INCOME

(Rs. In Lakhs)

Particulars	31st Dec	For The Year Ended March 31,				
	2017	2017	2016	2015	2014	2013
Interest Income						
-From Bank	155.90	50.17	24.37	6.06	6.45	3.80
-From Others	-	30.70	-	-	-	-
Job Work	11.15	13.19	12.22	11.49	0.39	-
Focus Incentive Utilization	-	-	-	13.06	6.08	-
Rental Income	0.54	0.72	0.72	-	0.60	0.60
Others	6.09	3.31	2.58	3.68	-	0.16
Grand Total	**173.68**	**98.09**	**39.89**	**34.29**	**13.52**	**4.56**

ANNEXURE – II.3: RESTATED CONSOLIDATED STATEMENT OF COST OF DIRECT EXPENSES

(Rs. In Lakhs)

Particulars	31st Dec	For The Year Ended March 31,				
	2017	2017	2016	2015	2014	2013
Material Consumed	14056.56	13,581.25	8,829.42	9,252.13	10,567.42	7,335.40
Material held by subsidiary company on the date of acquisition	1280.87					
Grand Total	**15,337.43**	**13,581.25**	**8,829.42**	**9,252.13**	**10,567.42**	**7,335.40**

ANNEXURE – II.4: RESTATED CONSOLIDATED STATEMENT OF CHANGES IN INVENTORIES OF FINISHED GOODS, WIP AND OTHERS

(Rs. In Lakhs)

Particulars	31st Dec	For The Year Ended March 31,				
	2017	2017	2016	2015	2014	2013
Opening Stock						
Finished / Traded Goods	61.11	437.45	43.28	50.81	58.54	169.79
Work In Progress	1,852.67	1,044.28	1,144.54	1,373.95	312.14	396.76
Total (a)	1,913.78	1,481.73	1,187.82	1,424.76	370.68	566.55
Closing Stock						
Finished / Traded Goods	997.32	61.11	437.45	43.28	50.81	58.54
Work In Progress	2,810.40	1,852.67	1,044.28	1,144.54	1,373.95	312.14
Total (b)	3,807.72	1,913.78	1,481.73	1,187.82	1,424.76	370.68
Grand Total	**(1,893.94)**	**(432.05)**	**(293.91)**	**236.94**	**(1,054.08)**	**195.87**

ANNEXURE – II.5: RESTATED CONSOLIDATED STATEMENT OF EMPLOYEE BENEFIT EXPENSE

(Rs. In Lakhs)

Particulars	31st Dec	For The Year Ended March 31,				
	2017	2017	2016	2015	2014	2013
Salaries, Wages, Allowances & Other Benefits	737.10	699.43	534.16	451.97	371.40	208.25
Director's Remuneration	18.13	12.00	12.00	12.00	12.00	18.60
Contribution to Provident and other Funds	22.16	17.80	13.20	11.56	6.51	2.14
Staff Welfare Expenses	29.70	22.06	13.70	15.21	12.35	10.23
Grand Total	**807.09**	**751.29**	**573.06**	**490.74**	**402.26**	**239.22**

ANNEXURE – II.6: RESTATED CONSOLIDATED STATEMENT OF FINANCE COSTS

(Rs. In Lakhs)

Particulars	31st Dec	For The Year Ended March 31,				
	2017	2017	2016	2015	2014	2013
Interest on:						
- Working Capital Loans	315.83	90.71	55.03	54.32	45.87	38.89
- Foreign Bills Discounted / Purchased	113.52	176.38	113.19	73.33	61.27	42.56
- Vehicle Loans	11.13	13.68	8.16	5.66	4.48	2.47
- Income Tax	-	4.76	2.08	1.10	1.63	1.48
- Others	55.96	35.28	13.32	25.71	13.71	2.78
Other Borrowing cost and Bank Charges	29.31	49.40	40.89	17.95	19.61	10.47
Grand Total	**525.75**	**370.21**	**232.67**	**178.07**	**146.57**	**98.65**

ANNEXURE – II.7: Restated Consolidated Statement of Depreciation & Amortization

(Rs. In Lakhs)

Particulars	31st Dec	For The Year Ended March 31,				
	2017	2017	2016	2015	2014	2013
Depreciation	177.57	112.35	81.03	84.95	44.65	36.19
Preliminary Exp Written Off	-	9.88	-	-	-	0.22
Grand Total	**177.57**	**122.23**	**81.03**	**84.95**	**44.65**	**36.41**

ANNEXURE – II.8: RESTATED CONSOLIDATED STATEMENT OF OTHER EXPENSES

(Rs. In Lakhs)

Particulars	31st Dec	For The Year Ended March 31,				
	2017	2017	2016	2015	2014	2013
A) Selling & Distribution Expenses						
Advertisement & Publicity	94.41	61.65	31.97	11.67	8.83	6.72
Business Promotion Expenses	61.73	49.74	21.74	17.18	16.36	11.48
Export Handling Charges	46.06	42.15	44.51	61.40	115.32	118.07
Entertainment Expenses	10.51	8.48	6.23	12.33	11.22	6.20
B) Operating, Administrative & Other Expenses						
Remuneration To Auditors :						
- Statutory Audit Fees	1.00	1.32	1.25	1.25	1.25	1.25
- Tax Audit	-	0.25	0.25	0.25	0.25	0.25
- Others	-	-	0.22	0.19	0.19	0.09
Conveyance	20.00	16.18	14.80	12.80	12.78	13.40
Donation	0.79	0.63	0.53	0.31	0.34	-
Factory Expenses & Consumables	123.90	125.03	109.68	105.85	64.05	42.58
Factory Power & Fuel	30.62	20.60	20.43	25.06	20.36	18.76
Insurance Charges	38.33	54.25	13.62	11.06	10.96	7.18
Legal & Professional Fee	10.85	16.75	9.67	3.87	2.76	2.68
Membership Fee & Subcription	3.90	3.57	5.13	2.34	1.48	0.87
Miscellanies Expenses	32.54	11.90	0.59	2.68	1.97	2.73
Office & General Expenses	36.05	40.98	28.10	13.91	9.60	8.22
Packing Expenses	24.76	19.40	18.50	31.07	24.74	37.79
Postage, Telegram and Courier	14.90	16.16	10.73	7.56	6.47	4.79
Printing & Stationary	11.20	14.16	12.01	10.80	8.69	9.63
Rent	35.62	7.21	3.42	3.42	3.42	3.06
Rates & Taxes	6.06	1.68	2.31	1.50	4.14	1.50
Repairs & Maintenance	78.66	61.84	46.93	44.40	26.94	28.83
Research and Development Expenses	7.72	6.99	6.68	8.67	5.50	5.14
Software Expense	0.04	13.64	4.06	5.83	9.97	2.54
Telephone & Internet Charges	27.36	41.70	30.88	25.70	17.78	12.54
Tour & Travelling Exp.	66.16	49.86	42.47	38.66	35.06	42.27
Commission Charges	17.22	13.68	2.74	-	-	-
VAT/ Excise/ CST Demand Paid	-	0.11	4.90	9.67	4.31	8.11
Vehicle Running & Maintenance	29.00	27.89	16.05	13.06	6.39	4.44
Grand Total	**829.39**	**727.80**	**510.40**	**482.49**	**431.13**	**401.12**

ANNEXURE – II.9: Restated Consolidated Statement of Exceptional Items

(Rs. In Lakhs)

Particulars	31st Dec	For The Year Ended March 31,				
	2017	2017	2016	2015	2014	2013
(Profit) / Loss on sale of Fixed Assets	-	-	(2.85)	-	0.39	-
DEPB Write Off /Addl. Custom duty	-	-	5.07	11.84	-	-
Grand Total	**-**	**-**	**2.22**	**11.84**	**0.39**	**-**

ANNEXURE – II.10: Restated Consolidated Statement of Expenditure in Foreign currency

(Rs. In Lakhs)

Particulars	31st Dec	For The Year Ended March 31,				
	2017	2017	2016	2015	2014	2013
Foreign Travel Expense	1.25	3.24	8.89	24.52	13.71	27.01
Import of Material	1766.18	950.23	532.11	366.18	684.01	653.31
Grand Total	**1767.43**	**953.47**	**541.00**	**390.70**	**697.72**	**680.32**

ANNEXURE – II.11: Restated Consolidated Statement of Earnings in Foreign currency

(Rs. In Lakhs)

Particulars	31st Dec	For The Year Ended March 31,				
	2017	2017	2016	2015	2014	2013
Sale of Goods	18,577.29	13,957.64	9,793.98	9,935.66	9,864.16	6,947.11
Grand Total	**18,577.29**	**13,957.64**	**9,793.98**	**9,935.66**	**9,864.16**	**6,947.11**

Annexure VI: Notes to the Restated Consolidated Financial Statements

1. The figures of the previous year have been regrouped / recast wherever necessary so as to make them comparable with current year's figures. Figures have been rounded off to the nearest lakhs.

2. In the absence of necessary information in relation to the suppliers registered as Micro or Small enterprises under Micro, Small and Medium Enterprises (Development) Act, 2006, the company has not been able to identify such suppliers and the information required under the said Act could not be complied and disclosed.

3. In the opinion of the Board of Directors, the Current Assets, Loans & Advances are approximately of the value stated if realized in ordinary course of business. Provisions for known liabilities are made & not in excess of the amount reasonably necessary. Moreover Balances of Unsecured Loans, Receivables, Loans & Advances and Current Liabilities are subject to confirmation, reconciliation and adjustments, if any.

4. In the absence of necessary information in relation to Employee Benefits upto FY 2015-16 due to Company has not provided for the Gratuity and other defined benefit costs in the financial statements as per requirement of mandatory Accounting Standard - 15 on Employee Benefits as notified by the Companies (Accounting Standards) Rules, 2006, could not be complied and disclosed.

5. Foreign Subsidiaries Financials are converted in Indian Currency from Foreign Currency, rates applied by the company are as follows:

Subsidiary Company	31St Dec 2017 (9 Months)	FY 2016-17
South Asia Exim PTE Ltd.	1 Singapore Dollar = 47.06 as average rate for Profit and Loss Transactions 1 Singapore Dollar = 47.74 as Closing rate for Balance Sheet Items.	1 Singapore Dollar = 46.58 as average rate for Profit and Loss Transactions 1 Singapore Dollar = 46.43 as Closing rate for Balance Sheet Items.
PAN Arabian Venture FZE	1 United Arab Emirates Dirham = 17.41 as average rate for Profit and Loss Transactions 1 United Arab Emirates Dirham = 17.38 as Closing rate for Balance Sheet Items.	N.A.

ANNEXURE –VII : RESTATED CONSOLIDATED STATEMENT OF CONTINGENT LIABILITIES

(Rs. In Lakhs)

Particulars	31st Dec	As at 31st March				
	2017	2017	2016	2015	2014	2013
1. Bank Guarantee/ Foreign Bills Discounted for which FDR margin money has been given to the bank as Security	7,304.88	4,297.38	3,197.11	2,180.85	1,873.52	1,557.63
2.Income Tax Demand	1.71	1.71	1.71	0.62	0.62	0.62
3.TDS Demand	0.38	0.18	0.11	0.11	0.11	0.11
Total	**7,306.97**	**4,299.47**	**3,198.93**	**2,181.58**	**1,874.25**	**1,558.36**

ANNEXURE-VIII : RESTATED CONSOLIDATED STATEMENT OF RELATED PARTY DISCLOSURES AS RESTATED

As required under Accounting Standard 18 "Related Party Disclosures" as notified pursuant to Company (Accounting Standard) Rules 2006, following are details of transactions during the year with related parties of the company as defined in AS 18.

A. List of Related Parties and Nature of Relationship :

Particulars	Name of Related Parties					
	Dec 2017	2017	2016	2015	2014	2013
1.Subsidiaries						
b) Companies	Ems & Exports Pvt Ltd (67% Holding, form dt.28.02.2017)					
	Kaneer Industries Pvt Ltd (67% Holding, from dt.23.02.2017)					
	South Asia Exim PTE Limited (100% Holding, from dt.24.10.2016)					
	5 Core Acoustics Private Limited (100% Holding, from dt.15.04.2017earlier Enterprises where control exist)					
	Pan Arabian Venture Fze (100%Holding from dt.14.06.2017)					
2.Other Related Parties:						
a) Key Management Personnel's	Mr. Amarjit Singh Kalra (Director)					
	Mrs.SurinderKaurKalra (Director)					
	Mrs.JagjitKaurKalra (Director)					
	Mr. Raj Kumar Prajapati (Independent Director)					
	Mr. Amitabh Singh (CFO) (w.e.f. 01.01.2018)					
b) Relatives of Key Management Personnel's	Mr. Surinder Singh Kalra -Father of Mr. Amarjit Singh Kalra (Director)					
	Mr. Ineet Singh Kalra					
	Ms. Madhu Gulati – Sister of Mr. Amarjit Singh Kalra (Director)					

3. Enterprises where control exist:	
c) Companies	Digi Export Venture Private Limited
	Happy Acoustics Private Limited
	Indian Acoustics Private Limited
d) Others	EMS & Exports
	Happy Electronics
	Himalayan Traders
	J K Enterprises
	Neha Exports
	Visual & Acoustics Corporation LLP

B. Transactions carried out with related parties referred to in (1) above, in ordinary course of business:

(Rs. In Lakhs)

Nature of Transactions	Name of Related Parties	31st Dec	As at March 31				
		2017	2017	2016	2015	2014	2013
1.Directors Remuneration	Mr. Amarjit Singh Kalra	13.25	12.00	12.00	12.00	12.00	12.00
	Mrs. SurinderKaurkalra	-	-	-	-	-	6.60
Total		**13.25**	**12.00**	**12.00**	**12.00**	**12.00**	**18.60**
2. Rent Expenses	Mr. Amarjit Singh Kalra	0.72	0.96	0.96	0.96	0.96	0.96
	Mrs. SurinderKaurkalra	1.85	2.46	2.46	2.46	2.46	2.10
Total		**2.57**	**2.57**	**3.42**	**3.42**	**3.42**	**3.06**
3. Purchases	Happy Acoustics Private Limited	-	-	-	-	3.03	-
	Neha Exports	-	-	-	7.27	0.27	-
	Jagjit Traders	-	-	-	26.24	-	-
Total		**-**	**-**	**-**	**33.51**	**3.30**	**-**
4. Job Work/ other Charges	Ems & Exports	88.89	1.80	2.51	1.94	-	-

	Happy Acoustics Pvt Ltd	13.82	3.80	1.44	2.98	-	-
	Neha Exports	4.96	0.82	0.96	0.66	-	-
	Visual & Acoustics Corporation LLP	43.33	14.96	0.76	2.85	-	-
	Digi Export Venture Pvt Ltd	16.47	3.15	0.51	1.96	-	-
	Indian Acoustics Pvt Ltd	19.93	1.67	0.38	1.61	-	-
	5 Core Acoustics Pvt Ltd		8.45	-	-	-	-
Total		**187.40**	**34.65**	**6.56**	**12.00**	**-**	**-**
5. Sales	5 Core Acoustics Pvt Ltd	-	-	11.06	-	-	-
	Indian Acoustics Private Limited	-	-	-	-	1.09	-
	Neha Exports	-	-	-	-	-	611.05
Total		**-**	**-**	**11.06**	**-**	**1.09**	**611.05**
6. Job Work Receipts/ Others	Ems & Exports	88.89	2.12	2.64	3.54	-	-
	Happy Acoustics Pvt Ltd	13.72	3.55	1.50	3.02	-	-
	Neha Exports	4.96	2.24	2.01	1.35	-	-
	Visual & Acoustics Corporation LLP	43.33	15.13	1.03	7.55	-	-
	Digi Export Venture Pvt Ltd	16.47	4.25	2.35	2.15	-	-
	Indian Acoustics Pvt Ltd	19.93	3.61	1.95	5.26	-	-
	5 Core Acoustics Pvt Ltd		8.63	-	-	-	-
Total		**187.40**	**39.53**	**11.48**	**22.87**	**-**	**-**
7. Unsecured Loan repaid during the Year	SurinderKaurKalra	897.48	229.35	5.35	2.00	2.04	47.39
	Amarjit Singh Kalra	709.35	276.59	18.59	26.03	64.25	110.31
	JagjitKaurKalra	346.89	60.50	-	0.55	-	16.30
	Visual & Acoustics corporation LLP	-	-	-	-	-	12.39
	EMS and Exports	-	-	-	-	-	0.30
	Neha Exports	-	-	-	-	-	0.30
	Indian Accoustics Private Limited	-	-	-	-	-	16.24
		1,819.23	**1,179.91**	**523.73**	**28.58**	**66.29**	**203.23**

8. Unsecured Loan Received during the Year	SurinderKaurKalra	828.52	351.95	226.36	0.19	1.93	50.36
	Amarjit Singh Kalra	347.66	495.54	236.87	4.87	41.59	145.58
	JagjitKaurKalra	286.26	336.45	60.50	-	0.25	5.00
	Visual & Acoustics corporation LLP	-	-	-	-	-	12.39
	EMS and Exports	-	-	-	-	-	0.30
	Neha Exports	-	-	-	-	-	0.30
	Indian Accoustics Private Limited	-	-	-	-	-	16.24
		1462.44	**1183.94**	**523.73**	**5.06**	**43.77**	**230.17**
9. Rental Income	Himalayan Traders	0.54	0.72	0.72	-	0.60	0.60
Total		**0.54**	**0.72**	**0.72**	**-**	**0.60**	**0.60**

C. Outstanding Balance as at the end of the year

(Rs. In Lakhs)

Nature of Transactions	Name of Related Parties	31st Dec	As at March 31				
		2017	2017	2016	2015	2014	2013
1.Payables	Mr.Amarjit Singh Kalra	473.21	445.66	226.70	8.43	29.59	52.25
	Mrs. SurinderKaurKalra	552.79	347.10	224.50	3.49	5.30	5.41
	Mrs. JagjitKaurKalra	507.20	336.45	60.50	-	0.55	0.30
	Neha Exports	5.94	5.84	-	-	-	-
	EMS Exports	0.10	-	-	-	-	-
Total		**361.19**	**1,125.17**	**511.70**	**11.92**	**35.44**	**57.96**
2.Receivables							
Total							

ANNEXURE- IX: RESTATED CONSOLIDATED STATEMENT OF ACCOUNTING RATIOS

Particulars	31st Dec	As at 31st March				
	2017	2017	2016	2015	2014	2013
Restated PAT as per P& L Account (Rs. in Lakhs)	1,021.09	135.41	95.26	66.28	85.11	74.44
Weighted Average Number of Equity Shares at the end of the Year	9,161,770	5,502,712	5,502,712	5,039,356	4,906,271	4,638,672
Net Worth	5560.88	2318.77	2188.73	2093.47	1698.19	1328.48
Earnings Per Share						
Basic (In Rupees) (Note 1.a)	11.15	2.46	1.73	1.32	1.73	1.60
Diluted (In Rupees)*(Note 1.b)	11.15	2.46	1.73	1.32	1.73	1.60
Return on Net Worth (%)	18.36%	5.84%	4.35%	3.17%	5.01%	5.60%
Net Asset Value Per Share (Rs)	60.70	42.14	39.78	41.54	34.61	28.64
Nominal Value per Equity share after split (Rs.)	10	10	10	10	10	10

* The Company does not have any diluted potential Equity Shares. Consequently the basic and diluted profit/earning per share of the company remain the same.

Notes:

1) The ratios have been calculated as below:
   a. Basic Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Equity Shares outstanding during the six months/year.
   b. Diluted Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Diluted Potential Equity Shares outstanding during the six months/year.
   c. Return on Net Worth (%) = Restated PAT attributable to Equity Shareholders/ Net Worth X 100
   d. Restated Net Asset Value per equity share (Rs.) = Restated Net Worth as at the end of the six months/year/ Total Number of Equity Shares outstanding during the six months/year.

2) Weighted Average Number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor.

3) Earnings Per Share calculation are in accordance with Accounting Standard 20- Earnings Per Share, notified under the Companies (Accounting Standards) Rules 2006, as amended.

4) Net Worth = Equity Share Capital + Reserve and Surplus (including surplus in the Statement of Profit & Loss)

5) The figures disclosed above are based on the Restated Consolidated Financial Statements of the Company.

ANNEXURE -X : RESTATED CONSOLIDATED STATEMENT OF CAPITALISATION

(Rs. In Lakhs)

Sr. No	Particulars	Pre issue	Post issue
	Debts		
A	Long Term Debt *	2000.54	2000.54
B	Short Term Debt*	3488.52	3488.52
C	**Total Debt**	**5489.06**	**5489.06**
	Equity Shareholders Funds		
	Equity Share Capital	928.76**	1262.06
	Reserves and Surplus	5,060.37^	9393.27
D	**Total Equity**	**5,989.13**	**10655.33**
E	**Total Capitalization**	**11,478.19**	**16144.40**
	Long Term Debt/ Equity Ratio (A/D)	0.33	0.19
	Total Debt/ Equity Ratio (C/D)	0.92	0.52

Notes:

Long Term Debt are borrowings other than short-term borrowings and also includes current maturities of long-term debt included in other current liabilities.
*The amounts are considered as outstanding as on 31.12.2017.
**Equity capital is considered as represented on 31.12.2017.
^ The amounts are considered as outstanding as on 31.12.2017.

ANNEXURE - XI: RESTATED CONSOLIDATED STATEMENT OF TAX SHELTERS

Sr. No	Particulars	31st Dec	As at 31st March				
		2017	2017	2016	2015	2014	2013
A	**Restated Profit before tax**	1,329.17	202.81	145.77	103.72	127.09	110.13
	Short Term Capital Gain at special rate	-	-	-	-	-	-
	Normal Corporate Tax Rates (%)	33.06%	33.06%	33.06%	32.45%	32.45%	32.45%
	Short Term Capital Gain at special rate	-	-	-	-	-	-
	MAT Tax Rates (%)	20.39%	20.39%	20.39%	20.01%	20.01%	20.01%
B	**Tax thereon (including surcharge and education cess)**						
	Tax on normal profits	439.46	67.06	48.20	33.66	41.24	35.74
	Short Term Capital Gain at special rate	-	-	-	-	-	-
	Total	**439.46**	**67.06**	**48.20**	**33.66**	**41.24**	**35.74**
	Adjustments:						
C	**Permanent Differences**						
	Deduction allowed under Income Tax Act	-	-	-	-	-	-
	Exempt Income	-	-	-	-	-	-
	Allowance of Expenses under the Income Tax Act	-	-	-	-	-	-
	Disallowance of Income under the Income	-	-	(2.85)	-	0.39	-

	Tax Act						
	Adjustments on Account of Consolidation	(407.95)	5.37	-	-	-	-
	Disallowance of Expenses under the Income Tax Act	0.34	4.97	4.74	2.85	2.67	4.53
	Total Permanent Differences	**(407.61)**	**10.34**	**1.89**	**2.85**	**3.06**	**4.53**
D	**Timing Differences**						
	Difference between tax depreciation and book depreciation	8.74	26.07	23.46	31.07	(2.88)	(3.89)
	Expense disallowed u/s 43B	9.52	12.66	-	-	-	-
	Total Timing Differences	**18.26**	**38.73**	**23.46**	**31.07**	**(2.88)**	**(3.89)**
E	**Net Adjustments E= (C+D)**	**(389.34)**	**49.07**	**25.36**	**33.92**	**0.18**	**0.64**
F	**Tax expense/(saving) thereon**	(128.73)	16.22	8.38	11.01	0.06	0.21
G	**Total Income/(loss) (A+E)**	**939.83**	**251.88**	**171.13**	**137.64**	**127.27**	**110.77**
	Taxable Income/ (Loss) as per MAT	1,329.17	202.81	145.77	103.72	127.09	110.13
I	**Income Tax as per normal provision**	310.73	83.28	56.58	44.66	41.30	35.95
J	**Income Tax under Minimum Alternative Tax under Section 115 JB of the Income Tax Act**	271	41.35	29.72	20.75	25.43	22.04
	Net Tax Expenses (Higher of I,J)	310.73	83.28	56.58	44.66	41.30	35.95
K	Relief u/s 90/91	-	-	-	-	-	-
	Total Current Tax Expenses	**310.73**	**83.28**	**56.58**	**44.66**	**41.30**	**35.95**
L	Adjustment for Interest on income tax		4.76	2.12	1.10	1.61	1.44
	Total Current Tax Expenses	**310.73**	**88.04**	**58.70**	**45.76**	**42.91**	**37.39**

Note:1 The figures for the period ended Dec 31, 2017 are based on the provisional computation of Total Income prepared by the company.

ANNEXURE - XII : RESTATED STANDALONE STATEMENT OF FINANCIAL INDEBTEDNESS

(Rs. In Lakhs)

Sr. No	Bank Name	Facility Key term			Outstanding as on Dec 31, 2017	Security
		Loan Amount	Rate of Interest (%)	Total Term (Months)		
1	AndhraBank*	4200.00^	13.00%	Cash Credit	407.99	First charge by way of hypothecation of stocks of all kinds & book debts/receivables and paripassu charge on fixed assets.
				LC/ BG	4567.34	
2	AndhraBank*	1900.00^	As per HO Guidelines	Packing Credit	1660.29	
3	Karnatka Bank	200.00	12.40%	Cash Credit	173.96	
4	Karnatka Bank	1000.00	As per HO Guidelines	Packing Credit	1006.27	
5	AndhraBank	23.00	10.25%	36 Months	6.26	Secured against Hypothecation of respective vehicle
6	Kotak Mahindra Bank	82.00	11.00%	60 Months	63.47	

7	Axis Bank Limited	27.87	8.65%	60 Months	23.89	
8	RelianceCapitalLimited	12.90	15.50%	36 Months	9.89	Secured against Hypothecation Machinery
9	RelianceCapitalLimited	17.00	15.50%	48 Months	14.28	
10	RelianceCapitalLimited	26.00	15.75%	48 Months	22.71	
11	RelianceCapitalLimited	27.00	15.50%	12 Months	20.48	
12	Indian Infoline Finance	50.00	19.00%	36 Months	35.10	Unsecured
13	HDFCBankLimited	50.00	16.50%	36 Months	33.41	
14	Aditya Birla finance Ltd	40.00	18.00%	36 Months	26.93	
15	CapitalFloatLimited	40.00	19.50%	36 Months	19.51	
16	Neo Growth Credit Pvt Ltd	45.00	19.00%	36 Months	1.51	
17	Kotak Mahindra Bank	42.50	17.00%	36 Months	11.46	
18	ICICI Bank Limited	30.00	17.00%	24 Months	4.33	
19	Indusind Bank Limited	44.00	18.50%	36 Months	42.14	
20	Capital Float Limited	30.04	18.50%	36 Months	30.04	
21	Capital First Limited	30.00	10.35%	36 Months	30.00	
22	Aditya Birla Finance Ltd	20.00	18.50%	24 Months	16.42	
23	Moneywise Finance Ltd.	25.00	18.50%	36 Months	22.85	
24	Tata Capital Financial Ltd.	16.00	18.00%	36 Months	15.32	
25	Neo Growth Credit Pvt. Ltd.	22.00	18%	36 Months	16.32	
26	AndhraBank	240.00	11.30%	Short Term	240.00	ag.GST Credit

^There is One Way Interchangeability from PC to FBP/FBD Limit up to full extent.

*Collateral Security:

1. F-622, Phase-1, RIICO IND AREA, BHIWADI, DISTT-ALWAR, RAJASTHAN owned by Five core electronics Ltd.
2. C-116, Basement, Ground Floor, First Floor, Khasra NO.568/2,Village Tihar Colony, Fateh Nagar, Jail Road owned by Amarjit Singh Kalra & Mrs. Surender Kaur Kalra.
3. C-130, Mansarover Garden, New Delhi-110015 owned by Mr. Surinder Singh Kalra.
4. WZ-15, Khasra NO. 328 & 329,Uggarsain Market, Ashok Nagar, Tilak Nagar, New Delhi-110018 owned by Five Core Electronics Ltd

5.WZ-15, 3rd Floor, Uggarsain Market, Ashok Nagar, New Delhi owned by Five Core Electronics Ltd

6.Plot No.F-24 to F-27, F-38 to F-41, E-47(B) to E-50 at Industrial Area Sare Khurd, Bhiwadi, Rajasthan owned by Five Core Electronics Ltd

Personal Guarantee:

1. Amarjit Singh Kalra
2. Mrs. Surinder Kaur Kalra
3. Mr. Jagjit Kaur Kalra
4. Mr. Surinder Singh Kalra

ANNEXURE - XIII : RESTATED CONSOLIDATED STATEMENT OF DIVIDEND

(Rs. In Lakhs)

Particulars	31st Dec	As at March 31,				
	2017	2017	2016	2015	2014	2013
Share Capital						
Equity Share Capital	928.76	550.27	550.27	550.27	502.84	471.22
Dividend on equity shares	Nil	Nil	Nil	Nil	Nil	Nil
Dividend in %	NA	NA	NA	NA	NA	NA
Dividend Declared During the Year	Nil	Nil	Nil	Nil	Nil	Nil

ANNEXURE - XIV : ADDITIONAL INFORMATION, AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013, OF ENTERPRISES CONSOLIDATED AS SUBSIDIARIES

(Rs. In Lakhs)

Name of Entity in the	31-Dec-17		31-Mar-17		31-Mar-16		31-Mar-15		31-Mar-14		31-Mar-13	
	Net Assets - total assets minus total liabilities											
	As % of Consolidated net assets	Amount	As % of Consolidated net assets	Amount	As % of Consolidated net assets	Amount	As % of Consolidated net assets	Amount	As % of Consolidated net assets	Amount	As % of Consolidated net assets	Amount
Parent												
Five Core Electronics Ltd.	40.53%	413.88	109.81%	148.69	100.00%	95.26	100.00%	66.28%	100.00%	85.11	100.00%	74.44
Subsidiaries												
Indian												
Ems & Exports Pvt Ltd	0.08%	0.81	-2.39%	-3.23	0.00%		0.00%		0.00%		0.00%	
Kaneer Industries Pvt Ltd	0.11%	1.17	-3.46%	-4.68	0.00%		0.00%		0.00%		0.00%	
5 Core Acoustics Pvt. Ltd.	19.32%	197.27	-3.97%	-5.38	0.00%		0.00%		0.00%		0.00%	
Foreign												
South Asia Exim PTE Limited	4.19%	42.79	0.00%		0.00%		0.00%		0.00%		0.00%	
Pan Arabian Venture Fze	35.76%	365.16	0.00%		0.00%		0.00%		0.00%		0.00%	
Minority Interests in all Subsidiaries	0.00%	0.01	0.01%	0.01	0.00%		0.00%		0.00%		0.00%	
Intercompany Elimination & Consolidation Adjustments	0.00%		0.00%		0.00%		0.00%		0.00%		0.00%	
Total	**100.00%**	**1021.09**	**100.00%**	**135.41**	**100.00%**	**95.26**	**100.00%**	**66.28%**	**100.00%**	**85.11**	**100.00%**	**74.44**

Name of Entity in the	Share in profit or loss											
	As % of Consolidated profit or loss	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated profit or loss	Amount
Parent												
Five Core Electronics Ltd.	40.61%	413.87	103.75%	148.69	100.00%	95.26	100.00%	66.28	100.00%	85.11	100.00%	74.44
Subsidiaries												
Indian												
Ems & Exports Pvt Ltd	0.00%	0.00	0.00%	0.00	0.00%		0.00%		0.00%		0.00%	
Kaneer Industries Pvt Ltd	0.00%	0.00	0.00%	0.00	0.00%		0.00%		0.00%		0.00%	
5 Core Acoustics Pvt. Ltd.	19.36%	197.27	-3.75%	-5.38	0.00%		0.00%		0.00%		0.00%	
Foreign												
South Asia Exim PTE Limited	4.20%	42.79	0.00%		0.00%		0.00%		0.00%		0.00%	
Pan Arabian Venture Fze	35.83%	365.16	0.00%		0.00%		0.00%		0.00%		0.00%	
Minority Interests in all Subsidiaries	0.00%	0.01	0.01%	0.01	0.00%		0.00%		0.00%		0.00%	
Intercompany Elimination & Consolidation Adjustments	0.00%		0.00%		0.00%		0.00%		0.00%		0.00%	
Total	**100.00%**	**1019.1**	**100.00%**	**143.32**	**100.00%**	**95.26**	**100.00%**	**66.28**	**100.00%**	**85.11**	**100.00%**	**74.44**

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

The following discussion of our financial condition and results of operations should be read in conjunction with our restated financial statements as of and for the years ended March 31, 2017, 2016, 2015, 2014 and 2013 prepared in accordance with the Companies Act, 2013 and Companies Act, 1956 to the extent applicable and Indian GAAP and restated in accordance with the SEBI ICDR Regulations, including the schedules, annexure and notes thereto and the reports thereon, included in "Financial Statements" beginning on page 216 of this Draft Prospectus.

Indian GAAP differs in certain material respects from U.S. GAAP and IFRS. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Draft Prospectus, nor do we provide a reconciliation of our financial statements to those under U.S. GAAP or IFRS. Accordingly, the degree to which the Indian GAAP financial statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with the Companies Act, Indian GAAP and the SEBI ICDR Regulations.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in "Risk Factors" and "Forward-Looking Statements" beginning on pages 20 and 19 respectively, of this Draft Prospectus.

COMPANY OVERVIEW

Mr. Surinder Singh Kalra, father of one of our promoters, Mr. Amarjit Singh Kalra, ventured in the field of electronics as a small-time goods dealer in the year of 1984 in Kolkata. The integration of hard work and knowledge, his lineage, Mr. Amarjit Singh Kalra, successfully established the business, as a manufacturer and exporter to many parts of the world in the overall span of 33 years. The brand "5 CORE" – established in 1988 – became the first to introduce multi-core soldering wire of Japanese Technology in India. As the business expanded, Five Core Electronics Limited was incorporated in 2002 to manufacture as well as export of Public Address Systems, Woofers, Amplifiers, Computer Speakers, Personal Speaker System, Headphones and Earphones under the provisions of Companies Act, 1956 with Registrar of Companies, West Bengal, Kolkata. Our Company was founded to enter the audio era with innovative products driven by the needs of professional customers reflecting its commitment to the industry with the use of advanced technology and techniques in the field of Audio Systems.

Subsequently, our company was transferred from the State of West Bengal to State of NCT of Delhi by an order of the Company Law Board dated April 26, 2006 and certificate of registration for the said order issued by Deputy Registrar of Companies, West Bengal, Kolkata dated May 29, 2006.

BUSINESS OVERVIEW

Our Company was founded to enter the audio era with innovative products driven by the needs of professional customers reflecting its commitment to the industry with the use of advanced technology and techniques in the field of Audio Systems. Our Company is dealing in the manufacturing as well as exporting of Public Address Systems, Woofers, Amplifiers, Computer Speakers, Personal Speaker System, Headphones and Earphones.

Our Company is committed to develop creative, reliable and value-oriented audio solutions and distributing it worldwide with an uncompromising level of service and support. On September 04, 2015 our Company was accorded a "Two Star" Export House status by the Office of the Additional Director General of Foreign Trade, Ministry of Commerce & Industry which is valid till August 27, 2020. Our Company was the fifth largest exporter of India in consumer electronics in the year 2014-15, 2015-16 and fourth largest exporter in the year 2016-17 by Export Promotion Council.

In the year 2016, our Company was registered with National Small Industries Corporation in Government Purchase Enlistment which made our Company eligible to sell products like PA Amplifiers, PA Speakers, etc to the Government with a limit allowance of Rs. 5527.00 Lakhs till May 01, 2018 which may be renewed post expiry. Further, in the same year Horn Speaker (with Driver Unit) and PA System tested by Standardisation, Testing & Quality Certification Directorate, Department of Electronics and Information Technology, Ministry of Communication & Information Technology reported that the said products meet the requirements of IEC 60065:2014 (8th Edition).

Our products are being used in government organizations, religious places, malls, concerts, auditoriums, school & colleges, railway station & metro station, bus terminals & airports and offices, stores & factories. Some of our installations are at Nairobi Airport (Kenya), Golden Temple (Amritsar), Mosques in Mecca/Madina (Saudi Arabia), SAARC Conference Centre (Nepal), Myanmar Buddha Temples, Colombia Discotheques & Clubs, Electronics and Computer Software Export Promotion Council, Harley Davidson, Bank of Baroda, High Court of Delhi, All India Institute of Medical Sciences, etc.

On November 27, 2017, CRISIL has reaffirmed its ratings on the bank loan facilities of Rs. 6100.00 Lakhs of our Company at "CRISIL BBB-/Stable/CRISIL A3". The ratings continue to reflect our Company's above-average business risk profile because of an established market position in exports, a healthy relationship with customers and suppliers, and a wide product portfolio. The ratings also factor in a moderate financial risk profile and funding support from the promoters.

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR

In the opinion of the Board of Directors of our Company, there have not arisen, since the date of the last financial statements disclosed in this Draft Prospectus i.e. March 31, 2017, any significant developments or any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months except as follows:

1. Our Company has taken unsecured Business Loan of Rs. 44.00 Lakh from Indusind Bank, Rs. 30.04 Lakh from Capital Float Limited, Rs. 30.00 Lakh from Capital First Limited and unsecured loan of Rs. 240.00 Lakhs from Andhra Bank towards GST funding.
2. The Authorized Share Capital of Rs. 7,00,00,000 (Rupees Seven Crores only) consisting of 70,00,000 Equity shares of face value of Rs. 10/- each was increased to Rs. 9,00,00,000 (Rupees Nine Crores only) consisting of 90,00,000 Equity Shares of face value of Rs.10/- each pursuant to a resolution of the shareholders dated April 04, 2017.
3. The Authorized Share Capital of Rs. 9,00,00,000 (Rupees Nine Crores only) consisting of 90,00,000 Equity shares of face value of Rs. 10/- each was increased to Rs. 10,00,00,000 (Rupees Ten Crores only) consisting of 1,00,00,000 Equity Shares of face value of Rs.10/- each pursuant to a resolution of the shareholders dated April 13, 2017.
4. The Authorized Share Capital of Rs. 10,00,00,000 (Rupees Ten Crores only) consisting of 1,00,00,000 Equity shares of face value of Rs. 10/- each was increased to Rs. 13,00,00,000 (Rupees Thirteen Crores only) consisting of 1,30,00,000 Equity Shares of face value of Rs.10/- each pursuant to a resolution of the shareholders dated January 30, 2018.
5. Change in designation of Mr. Amarjit Singh Kalra as Managing Director on January 01, 2018.
6. Appointment of Ms. Jagjit Kaur Kalra as Non-Executive Director on January 30, 2018.
7. Appointment of Mr. Aditya Agarwal and Mr. Neeraj Sharma as Non-Executive & Independent Director on January 30, 2018.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled "Risk Factor" beginning on page 20 of this Draft Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Increase in cost of material consumed;
- Technology upgradation;
- Recovery of receivables;
- Maintenance of distributors network both domestic and international;
- Inventory management;
- Interest outgo on loans;
- Changes, if any, in the regulations/regulatory framework/ economic policies in India and/or in foreign countries, which affect national & international finance;
- Company's results of operations and financial performance;
- Our ability to meet our working capital requirements;
- Performance of Company's competitors;
- Significant developments in India's economic and fiscal policies;
- Volatility in the Indian and global capital market;

DISCUSSION ON RESULT OF OPERATION

The following discussion on results of operations should be read in conjunction with the restated standalone financial results of our Company for years ended March 31, 2017, 2016, 2015, 2014 and 2013.

OVERVIEW OF REVENUE & EXPENDITURE

Revenues

Our Company's revenue is primarily generated from Sale of products and other income: -

(Rs. In Lakhs)

Particulars	As at March 31				
	2017	2016	2015	2014	2013
Income					
Revenue from Operations	16,963.66	12,254.30	11,315.02	11,166.53	8,553.78
Increase/Decrease in %	38.43	8.30	1.33	30.54	NA
Other Income	98.09	39.89	34.29	13.52	4.56
Increase/Decrease in %	145.90	16.33	153.62	196.49	NA
Total Revenue	**17,061.75**	**12,294.19**	**11,349.31**	**11,180.05**	**8,558.34**

The following is the Income mix in terms of value of total income of our Company from sale of products and other operating income.

(Rs. In Lakhs)

Particulars	As at March 31				
	2017	2016	2015	2014	2013
Revenue from Operation					
Sale of Products	16,456.55	11,811.60	10,349.76	10,290.36	7,742.08
Other Operating Income	507.11	442.70	965.26	876.17	811.70
Less: Duties/taxes	-	-	-	-	-
Total Revenue from Operation	**16,963.66**	**12,254.30**	**11,315.02**	**11,166.53**	**8,553.78**

The following is the Income mix in terms of percentage of total income of our Company from sale of products and other operating income.

Particulars	As at March 31				
	2017	2016	2015	2014	2013
Revenue from Operation					
Sale of Products	97.01%	96.39%	91.47%	92.15%	90.51%
Other Operating Income	2.99%	3.61%	8.53%	7.85%	9.49%
Less: Duties/taxes	-	-	-	-	-
Total Revenue from Operation	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**

Other Income

Other operating revenue consists of Interest Income, job work receipts, focus incentive, rental income and others.

(Rs. In Lakhs)

Particulars	As at March 31				
	2017	2016	2015	2014	2013
Interest Income					
-from Banks against FDR's	50.17	24.37	6.06	6.45	3.80
-from Others	30.70	-	-	-	-
Job Work	13.19	12.22	11.49	0.39	-
Focus Incentive Utilization	-	-	13.06	6.08	-
Rental Income	0.72	0.72	-	0.60	0.60
Others	3.31	2.58	3.68	-	0.16
Total Other Income	**98.09**	**39.89**	**34.29**	**13.52**	**4.56**

The following is the other income mix in terms of percentage of other income of our Company for other incomes:

Particulars	As at March 31				
	2017	2016	2015	2014	2013
Interest Income					
-from Banks	51.15%	61.09%	17.67%	47.71%	83.33%
-from Others	31.30%	-	-	-	-
Job Work	13.45%	30.63%	33.51%	2.88%	-
Focus Incentive Utilization	-	-	38.09%	44.97%	-
Rental Income	0.73%	1.80%	-	4.44%	13.16%
Others	3.37%	6.47%	10.73%	-	3.51%
Total Other Income	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**

Main Components of our Revenues

Income

Our total income comprises of revenue from operations and other income.

Revenue from Operations

Revenue from Operations includes sale of our products and other operating income. Our revenue from operations as a percentage of total income was 99.43%, 99.68% and 99.70% in fiscals 2017, 2016 and 2015 respectively.

Other Income

Our other income includes Interest Income, job work receipts, export incentive, rental income and others. Other income, as a percentage of total income was 0.57%, 0.32% and 0.30% in fiscals 2017, 2016 and 2015 respectively.

Expenditure

Our total expenditure primarily consists of (i) Cost of material consumed and change in inventories (ii) Purchase of Stock-in-Trade (ii) Employee Benefit Expenses (iii) Finance Costs (iv) Depreciation and (v) Other Expenses.

The following table sets forth our expenditure in Rupees and as a percentage of our total revenue for the periods indicated:

(Rs. in Lakhs)

Particulars	For the Year Ended March 31,				
	2017	2016	2015	2014	2013
EXPENDITURE					
Cost of Material Consumed and Change in Inventories	13,149.20	8,535.51	9,489.07	9,513.34	7,531.27
As a % of Total Revenue	77.07%	69.43%	83.61%	85.09%	88.00%
Purchase of Stock-in-Trade	1,741.36	2,213.53	508.43	514.62	141.54
As a % of Total Revenue	10.21%	18.00%	4.48%	4.60%	1.65%
Employee benefit expenses	749.59	573.06	490.74	402.26	239.22
As a % of Total Revenue	4.39%	4.66%	4.32%	3.60%	2.80%
Finance costs	370.18	232.67	178.07	146.57	98.65

As a % of Total Revenue	2.17%	1.89%	1.57%	1.31%	1.15%
Depreciation	112.35	81.03	84.95	44.65	36.41
As a % of Total Revenue	0.66%	0.66%	0.75%	0.40%	0.43%
Other expenses	722.99	510.40	482.49	431.13	401.12
As a % of Total Revenue	4.24%	4.15%	4.25%	3.86%	4.69%
Total Expenditure	**16,840.91**	**12,144.12**	**11,232.65**	**11,050.94**	**8,446.73**

Main Components of our Expenditure

Cost of Material Consumed and Change in Inventories

Cost of material consumed is in relation to various materials consumed in the process of production. Cost of material consumed accounted for 79.60%, 71.82% and 81.52% of our total revenue for the financial year ended on March 31, 2017, 2016 and 2015 respectively.

Purchase of Stock-in-Trade

Purchase of Stock-in-Trade is primarily in relation to purchases of material for resale. Purchase of Stock-in-Trade accounted for 7.67%, 15.61% and 6.57% of our total revenue for the financial year ended on March 31, 2017, 2016 and 2015 respectively.

Employee Benefit Expenses

Expenses in relation to employees' remuneration and benefits include salary and wages, Gratuity, contribution to provident and other funds, staff welfare expenses, Director's remuneration etc. Employee benefit expenses accounted for 4.39%, 4.66% and 4.32% of our total revenue for the financial year ended as on March 31, 2017, 2016 and 2015 respectively.

Finance Cost

Finance Cost primarily consists of Interest to bank on working capital loans, Interest paid on foreign bills discounted & vehicle loans and Bank Charges. Our finance costs accounted for 2.17%, 1.89% and 1.57% of our total revenue for the financial year ended as on March 31, 2017, 2016 and 2015 respectively.

Depreciation

Depreciation primarily consist of depreciation on the fixed assets of our Company which primarily includes Building, Plant & Machinery, Vehicles, Furniture and fixtures, Computers, Electric Equipments and Installations and Office Equipments. It is provided using the written down value method as per the useful lives of assets estimated by the management or at the rates as per the useful life prescribed under Schedule II of the Companies Act, 2013. Our depreciation accounted for 0.66%, 0.66% and 0.75% of our total revenue for the financial year ended as on March 31, 2017, 2016 and 2015 respectively.

Other Expenses

Other expenses primarily include (a) selling & distribution expenses which consists of advertisement & publicity, business promotion expenses, export handling charges & entertainment expenses (b) Operating, administrative & other expenses which consists of factory expenses & consumables, power & fuel, insurance expenses, legal & professional fee, office & general expenses, packing expenses, printing & stationery, rent, postage & courier, repair & maintenance, tour & travelling expenses, conveyance expenses, vehicle running & maintenance, telephone & internet charges, commission charges and miscellaneous expenses etc. Other expenses accounted for 4.24%, 4.15%, and 4.25% of our total revenue for the financial year ended as on March 31, 2017, 2016 and 2015 respectively.

Provision for Tax

Income taxes are accounted for in accordance with Accounting Standard – 22 on "Accounting for Taxes on Income" ("AS-22"), prescribed under the Companies (Accounting Standards) Rules, 2006. Our Company provides for current tax as well as deferred tax, as applicable.

Provision for current taxes is made at the current tax rates after taking into consideration the benefits available to our Company under the provisions of the IT Act.

Deferred tax arises from the timing differences between book profits and taxable profits that originate in one period and are capable of reversal in one or more subsequent periods and is measured using the tax rates and laws applicable as of the date of the financial statements. Our Company provides for deferred tax asset / liability on such timing differences subject to prudent considerations in respect of deferred tax assets.

Statement of profits and losses

The following table sets forth, for the fiscal years indicated, certain items derived from our Company's audited restated standalone financial statements, in each case stated in absolute terms and as a percentage of total sales and/or total revenue.

(Rs. in Lakhs)

Particulars	For the Year Ended March 31,				
	2017	2016	2015	2014	2013
Income					
Revenue from Operations	16,963.66	12,254.30	11,315.02	11,166.53	8,553.78
Increase/Decrease in %	38.43	8.30	1.33	30.54	NA
Other Income	98.09	39.89	34.29	13.52	4.56
Increase/Decrease in %	145.90	16.33	153.62	196.49	NA
Total Revenue	**17,061.75**	**12,294.19**	**11,349.31**	**11,180.05**	**8,558.34**
EXPENDITURE					
Cost of Material Consumed and Change in Inventories	13,149.20	8,535.51	9,489.07	9,513.34	7,531.27
As a % of Total Revenue	77.07%	69.43%	83.61%	85.09%	88.00%
Purchase of Stock-in-Trade	1,741.36	2,213.53	508.43	514.62	141.54
As a % of Total Revenue	10.21%	18.00%	4.48%	4.60%	1.65%
Employee benefit expenses	749.59	573.06	490.74	402.26	239.22
As a % of Total Revenue	4.39%	4.66%	4.32%	3.60%	2.80%
Finance costs	370.18	232.67	178.07	146.57	98.65
As a % of Total Revenue	2.17%	1.89%	1.57%	1.31%	1.15%
Depreciation	112.35	81.03	84.95	44.65	36.41
As a % of Total Revenue	0.66%	0.66%	0.75%	0.40%	0.43%
Other expenses	722.99	510.40	482.49	431.13	401.12
As a % of Total Revenue	4.24%	4.15%	4.25%	3.86%	4.69%
Total Expenditure	**16,845.67**	**12,146.20**	**11,233.75**	**11,052.57**	**8,448.21**
As a % of Total Revenue	98.73%	98.80%	98.98%	98.86%	98.71%
Profit Before Exceptional & Extraordinary items and tax	**216.08**	**147.99**	**115.56**	**127.48**	**110.13**

As a % of Total Revenue	1.27%	1.20%	1.02%	1.14%	1.29%
Exceptional Items	-	2.22	11.84	0.39	-
As a % of Total Revenue	-	0.02%	0.10%	-	-
Extraordinary Items	-	-	-	-	-
As a % of Total Revenue	-	-	-	-	-
Profit before tax	**216.08**	**145.77**	**103.72**	**127.09**	**110.13**
PBT Margin	**1.27%**	**1.19%**	**0.91%**	**1.14%**	**1.29%**
Tax expense:					
(i) Current tax	80.19	57.52	48.50	41.16	35.90
(ii) Prior Period Taxes	-	-	-	-	-
(iii) Deferred Tax Liability/(Assets)	-12.80	-7.01	-11.06	0.82	-0.21
Total	**67.39**	**50.51**	**37.44**	**41.98**	**35.69**
As a % of Total Revenue	0.39%	0.41%	0.33%	0.38%	0.42%
Profit for the year	**148.69**	**95.26**	**66.28**	**85.11**	**74.44**
PAT Margin	**0.87%**	**0.77%**	**0.58%**	**0.76%**	**0.87%**
Cash Profit	261.04	176.29	151.23	129.76	110.85
Cash Profit Margin	**1.53%**	**1.43%**	**1.33%**	**1.16%**	**1.30%**

The following table presents the details of our Company's trade receivables:

(Rs. in Lakhs)

Particulars	As at March 31				
	2017	2016	2015	2014	2013
Unsecured and Considered Good					
Outstanding for a period not exceeding six months	800.55	11.66	240.29	379.11	2W79.15
As a % of total Trade receivables	96.47%	28.47%	100.00%	100.00%	100.00%
Outstanding for a period exceeding six months	29.30	29.30	-	-	-
As a % of total Trade receivables	3.53%	71.53%	-	-	-
Less: Provision for doubtful debts	-	-	-	-	-
Total Trade receivables	**829.85**	**40.96**	**240.29**	**379.11**	**279.15**
Avg. Trade receivables	435.41	140.63	309.70	329.13	NA
Trade receivables Turnover Ratio	20.44	299.18	47.09	29.45	30.64
Average Collection Period (in days)	17.86	1.22	7.75	12.39	11.91

The debtors are low since we have discounted our foreign debtors through Bank. For more information, please refer to Annexure VII of the Restated Standalone Financial Statements on Page 216 of this Draft Prospectus.

FISCAL YEAR ENDED MARCH 31, 2017 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2016

Income

Total revenue increased by Rs. 4,767.56 Lakhs and 38.78% from Rs. 12,294.19 Lakhs in the fiscal year ended March 31, 2016 to Rs. 17,061.75 Lakhs in the fiscal year ended March 31, 2017, reflecting growth in our business operations. The revenue has increased due to increase in sale of our products both in terms of quantity & value.

Expenditure

Total Expenditure increased by Rs. 4,699.47 Lakhs and 38.69%, from Rs. 12,146.20 Lakhs in the fiscal year ended March 31, 2016 to Rs. 16,845.67 Lakhs in the fiscal year ended March 31, 2017. Overall expenditure has increased mainly due to increase in cost of material consumed, traded purchases, Employee Benefit expenses, Finance cost, Depreciation and other expenses in line with increase in operations.

Cost of Material Consumed and Change in Inventories

The Cost of material consumed and change in inventories increased by Rs. 4,613.69 Lakhs and 54.05% from Rs. 8,535.51 Lakhs in the fiscal year ended March 31, 2016 to Rs. 13,149.20 Lakhs in the fiscal year ended March 31, 2017. Cost of material consumed has increased due to increase in production in comparison to the last financial year.

Purchase of Stock in Trade

The purchase of stock in trade decreased by Rs. 472.17 Lakhs and 21.33% from Rs. 2,213.53 Lakhs in the fiscal year ended March 31, 2016 to Rs. 1,741.36 Lakhs in the fiscal year ended March 31, 2017. Purchase of stock in trade has decreased due to decrease in purchases for resale in comparison to the last financial year.

Employee Benefit Expenses

Employee Benefit Expenses in terms of value and percentage increased by Rs. 176.53 Lakhs and 30.80% from Rs. 573.06 Lakhs in the fiscal year ended March 31, 2016 to Rs. 749.59 Lakhs in the fiscal year ended March 31, 2017. Overall employee cost has increased due to increase in no. of employees, general increments in salaries and wages, gratuity, staff welfare expenses and contribution to provident fund and other funds.

Finance Costs

Finance Costs increased by Rs. 137.51 Lakhs and 59.10% from Rs. 232.67 Lakhs in the fiscal year ended March 31, 2016 to Rs. 370.18 Lakhs in the fiscal year ended March 31, 2017. Finance Costs has increased mainly due to increase in Interest on working capital loans and vehicle loans, foreign bills discounted and other borrowing cost and bank charges.

Depreciation

Depreciation in terms of value increased by Rs. 31.32 Lakhs and 38.65% from Rs. 81.03 Lakhs in the fiscal year ended March 31, 2016 to Rs. 112.35 Lakhs in the fiscal year ended March 31, 2017. Increase in Depreciation is due to additions made in fixed assets of the company for expansion of Bhiwadi unit.

Other Expenses

Other Expenses in terms of value and percentage increased by Rs. 212.59 Lakhs and 41.65% from Rs. 510.40 Lakhs in the fiscal year ended March 31, 2016 to Rs. 722.99 Lakhs in the fiscal year ended March 31, 2017. Other Expenses have increased mainly due to increase in advertisement & publicity, business promotion expenses, factory expenses & consumables, insurance charges, legal & professional fee, office & general expenses, postage and courier, repairs & maintenance, software expense, telephone & internet charges, commission charges, vehicle running & maintenance.

Profit before exceptional & extraordinary items and Tax

Profit before exceptional & extraordinary items and Tax has increased by Rs. 68.09 Lakhs and 46.01% from Rs. 147.99 Lakhs in the fiscal year ended March 31, 2016 to Rs. 216.08 Lakhs in the fiscal year ended March 31, 2017. Profit before exceptional & extraordinary items and Tax has increased due to comparative increase in revenue than expenses.

Net Profit after Tax and Extraordinary items

Net Profit has increased by Rs. 53.43 Lakhs and 56.09% from profit of Rs. 95.26 Lakhs in the fiscal year ended March 31, 2016 to profit of Rs. 148.69 Lakhs in the fiscal year ended March 31, 2017. Net Profit has increased due to comparative increase in revenue than expenses.

FISCAL YEAR ENDED MARCH 31, 2016 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2015

Income

Total revenue increased by Rs. 944.88 Lakhs and 8.33%, from Rs. 11,349.31 Lakhs in the fiscal year ended March 31, 2015 to Rs. 12,294.19 Lakhs in the fiscal year ended March 31, 2016. The revenue has increased due to increase in sales of products of the Company mainly trading sales and Interest Income.

Expenditure

Total Expenditure increased by Rs. 912.45 Lakhs, and 8.12%, from Rs. 11,233.75 Lakhs in the fiscal year ended March 31, 2015 to Rs. 12,146.20 Lakhs in the fiscal year ended March 31, 2016. Overall expenditure has increased mainly due to increase in purchase of stock in trade, Employee Benefit Expenses, Finance Cost and other expenses in line with increase in sales.

Cost of Material Consumed and Change in Inventories

The cost of material consumed and change in inventories decreased by Rs. 953.56 Lakhs and 10.05% from Rs. 9,489.07 Lakhs in the fiscal year ended March 31, 2015 to Rs. 8,535.51 Lakhs in the fiscal year ended March 31, 2016. Cost of material consumed has decreased due to decrease in production.

Purchase of Stock in Trade

The purchase of stock in trade increased by Rs. 1,705.10 Lakhs and 335.37% from Rs. 508.43 Lakhs in the fiscal year ended March 31, 2015 to Rs. 2,213.53 Lakhs in the fiscal year ended March 31, 2016. Purchase of stock in trade has increased due to increase in trading purchases commensurate to the increase in sales.

Employee Benefit Expenses

Employee benefit expenses increased by Rs. 82.32 Lakhs and 16.77% from Rs. 490.74 Lakhs in the fiscal year ended March 31, 2015 to Rs. 573.06 Lakhs in the fiscal year ended March 31, 2016. Overall employee cost has increased due to increase in no. of employees, general increment in salaries & wages and contribution towards PF & other funds.

Finance Costs

Finance Costs increased by Rs. 54.60 Lakhs and 30.66% from Rs. 178.07 Lakhs in the fiscal year ended March 31, 2015 to Rs. 232.67 Lakhs in the fiscal year ended March 31, 2016. Finance Costs has increased mainly due to increase in interest on foreign bills discounted and vehicle loans and other borrowing costs and bank charges.

Depreciation

Depreciation in terms of value decreased by 3.92 Lakhs and 4.61% from Rs. 84.95 Lakhs in the fiscal year ended March 31, 2015 to Rs. 81.03 Lakhs in the fiscal year ended March 31, 2016. Decrease in Depreciation is nominal.

Other Expenses

Other Expenses increased by Rs. 27.91 Lakhs and 5.78 % from Rs. 482.49 Lakhs in the fiscal year ended March 31, 2015 to Rs. 510.40 Lakhs in the fiscal year ended March 31, 2016. Other Expenses have increased mainly due to increase in advertisement & publicity, business promotion expenses, conveyance, factory expenses & consumables, legal & professional fee, office & general expenses, postage and courier, telephone & internet charges and tour & travelling expenses.

Profit before exceptional & extraordinary items and Tax

Profit before exceptional & extraordinary items and Tax has increased by Rs. 32.43 Lakhs and 28.06% from Rs. 115.56 Lakhs in the fiscal year ended March 31, 2015 to Rs. 147.99 Lakhs in the fiscal year ended March 31, 2016. Profit before exceptional & extraordinary items and Tax has increased due to comparative increase in revenue than expenses.

Net Profit after Tax and Extraordinary items

Net Profit has increased by Rs. 28.98 Lakhs and 43.72% from Rs. 66.28 Lakhs in the fiscal year ended March 31, 2015 to Rs. 95.26 Lakhs in the fiscal year ended March 31, 2016. Net Profit has increased due to comparative increase in revenue than expenses.

FISCAL YEAR ENDED MARCH 31, 2015 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2014

Income

Total revenue increased marginally by Rs. 169.26 Lakhs and 1.51%, from Rs. 11,180.05 Lakhs in the fiscal year ended March 31, 2014 to Rs. 11,349.31 Lakhs in the fiscal year ended March 31, 2015. The increase in revenue is marginal and is on account of foreign exchange fluctuations.

Expenditure

Total Expenditure increased marginally by Rs. 181.18 Lakhs and 1.64%, from Rs. 11,052.57 Lakhs in the fiscal year ended March 31, 2014 to Rs. 11,233.75 Lakhs in the fiscal year ended March 31, 2015. Overall expenditure has increased marginally in relation to total income.

Cost of Material Consumed and Change in Inventories

The cost of material consumed and change in inventories decreased by Rs. 24.27 Lakhs and 0.26% from Rs. 9,513.34 Lakhs in the fiscal year ended March 31, 2014 to Rs. 9,489.07 Lakhs in the fiscal year ended March 31, 2015. Decrease in Cost of material consumed and change in inventories is nominal due to reduction in consumption of materials.

Purchase of Stock in Trade

The purchase of stock in trade decreased by Rs. 6.19 Lakhs and 1.20% from Rs. 514.62 Lakhs in the fiscal year ended March 31, 2014 to Rs. 508.43 Lakhs in the fiscal year ended March 31, 2015. Purchase of stock in trade has decreased marginally.

Employee Benefit Expenses

Employee benefit expenses increased by Rs. 88.48 Lakhs and 22.00% from Rs. 402.26 Lakhs in the fiscal year ended March 31, 2014 to Rs. 490.74 Lakhs in the fiscal year ended March 31, 2015. Overall employee cost has increased mainly due to increase in no. of personnel, general increments in salaries and wages, staff welfare expenses and contribution to provident fund and other funds.

Finance Costs

Finance Costs increased by Rs. 31.50 Lakhs and 21.49% from Rs. 146.57 Lakhs in the fiscal year ended March 31, 2014 to Rs. 178.07 Lakhs in the fiscal year ended March 31, 2015. Finance Costs have increased mainly due to increase in interest outgo on borrowings from banks and foreign bills discounted.

Depreciation

Depreciation increased by 40.30 Lakhs and 90.26% from Rs. 44.65 Lakhs in the fiscal year ended March 31, 2014 to Rs. 84.95 Lakh in the fiscal year ended March 31, 2015. Increase in Depreciation is due to change in depreciation as required under Companies Act, 2013.

Other Expenses

Other Expenses increased by Rs. 51.36 Lakhs and 11.91 % from Rs. 431.13 Lakhs in the fiscal year ended March 31, 2014 to Rs. 482.49 Lakhs in the fiscal year ended March 31, 2015. Other expenses have increased mainly due to increase in advertisement & publicity, conveyance, factory expenses & consumables, factory power & fuel, office & general expenses, packing expenses, printing & stationery, repairs & maintenance, telephone & internet charges, tour & travelling expenses and vehicle running & maintenance.

Profit before Exceptional & Extraordinary items and Tax

Profit before exceptional & extraordinary items and tax has decreased by Rs. 11.92 Lakhs and 9.35% from Rs. 127.48 Lakhs in the fiscal year ended March 31, 2014 to Rs. 115.56 Lakhs in the fiscal year ended March 31, 2015. Profit before exceptional & extraordinary items and Tax has decreased due to comparative increase in expenses than revenue.

Net Profit after Tax and Extraordinary items

Net Profit has decreased by 18.83 Lakhs and 22.12% from Rs. 85.11 Lakhs in the fiscal year ended March 31, 2014 to Rs. 66.28 Lakhs in the fiscal year ended March 31, 2015. Net Profit has decreased due to exceptional items charged.

CASH FLOW

(Rs. In Lakhs)

Particulars	Year ended March 31,		
	2017	2016	2015
Net Cash from Operating Activities	(885.43)	(553.65)	464.05
Net Cash from Investing Activities	(795.32)	(98.70)	(32.70)
Net Cash from Financial Activities	2,297.98	1,071.30	(395.70)

Cash Flows from Operating Activities

Net cash generated from operating activities in fiscal 2017 was negative Rs. 885.43 lakhs as compared to the PBT of Rs. 216.08 lakhs for the same period. This difference is primarily on account of changes in inventory, trade receivables, loans & advances, trade payables and other current liabilities.

Net cash generated from operating activities in fiscal 2016 was negative Rs. 553.65 lakhs as compared to the PBT of Rs. 145.77 lakhs for the same period. This difference is primarily on account of changes in inventory, trade receivables, loans & advances, trade payables and other current liabilities.

Net cash flow from operating activities in fiscal 2015 was positive Rs. 464.05 lakhs as compared to the PBT of Rs. 103.72 lakhs for the same period. This difference is primarily on account of changes in inventory, trade receivables, loans & advances, trade payables and other current liabilities.

Cash Flows from Investment Activities

In fiscal 2017, the net cash invested in Investing Activities was negative Rs. 795.32 lakhs. This was mainly on account of interest received, sale of long term investments and purchase of fixed Assets.

In fiscal 2016, the net cash invested in Investing Activities was negative Rs. 98.70 lakhs. This was mainly on account of interest received and purchase and sale of fixed assets.

In fiscal 2015, the net cash invested in Investing Activities was negative Rs. 32.70 lakhs. This was mainly on account of interest received and purchase of fixed assets.

Cash Flows from Financing Activities

Net cash from financing activities in fiscal 2017 was Rs. 2,297.98 lakhs. This was on account of share application money received, proceeds of borrowings and interest paid on borrowings.

Net cash from financing activities in fiscal 2016 was Rs. 1,071.30 lakhs. This was on account of proceeds of borrowings and interest paid on borrowings.

Net cash from financing activities in fiscal 2016 was negative Rs. 395.70 lakhs. This was on account of repayment of borrowings, share capital issued and interest paid on borrowings.

OTHER MATTERS

1. **Unusual or infrequent events or transactions.**

   Except as described in this Draft Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

2. **Significant economic changes that materially affected or are likely to affect income from continuing operations.**

   Other than as described in the section titled *"Risk Factors"* beginning on page 20 of this Draft Prospectus respectively, to our knowledge there are no known significant economic changes that materially affected or are likely to affect income from continuing operations.

3. **Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.**

   Other than as described in the section titled *"Risk Factors* beginning on page 20 of this Draft Prospectus respectively to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

4. **Future relationship between Costs and Income.**

   Our Company's future costs and revenues will be determined by customer preferences, economic activity, government policies and worldwide demand of our products.

5. **The extent to which material increase/decreases in net revenue are due to increase/decrease in sale of our products.**

   Increase/Decrease in revenues are by and large linked to increase/decrease in volume of business activities carried out by the Company.

6. **Total turnover of each major industry segment in which the issuer company operates.**

   The Company is operating in Electronics Industry, Relevant industry data, as available, has been included in the chapter titled *"Our Industry"* beginning on page 109 of this Draft Prospectus.

7. **Status of any publicly announced new products or business segments.**

   Our Company has not announced any new products or segment, other than through this Draft Prospectus.

8. **The extent to which the business is seasonal.**

   Our Company business is not seasonal in nature.

9. **Any significant dependence on a single or few clients.**

   Our business is not significantly dependent on few clients.

10. **Competitive Conditions.**

    We face competition from existing and potential competitors which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in section titled "Our Business" on page 118 of this Draft Prospectus.

FINANCIAL INDEBTEDNESS

Our Company avails loans and bank facilities in the ordinary course of its business. As on date such loans are primarily for working capital requirements. Our Company has obtained necessary consents required under relevant loan documentations for undertaking the Issue including for change in its capital structure, shareholding pattern and amendment to its constitutional documents.

Pursuant to a resolution dated January 01, 2018 passed by our shareholders, our Board has been authorized to borrow any sum or sums of monies for and on behalf of our Company, from time to time provided that the sum or sums of monies so borrowed together with monies, if any, already borrowed by our Company (apart from the temporary loans obtained from our Company's bankers in the ordinary course of business) will or may exceed the aggregate of the paid up capital of the Company and its free reserves provided further that the total amount up to which the monies may be borrowed shall not exceed Rs. 500.00 crores at any point of time.

FINANCIAL INDEBTEDNESS OF OUR COMPANY

The Details of Indebtedness of our Company as at December 31, 2017 is provided below:

Financial Indebtedness from Andhra Bank

Date of Renewal: September 14, 2016

Charge Holder: Andhra Bank, R. K. Puram Branch, New Delhi- 110022.

FACILITY 1: Cash Credit Limit (CC)

Particulars	
Facility Name	Cash Credit Limit
Extent of Credit	Rs. 400.00 Lakhs
Purpose	Working Capital Requirements
Margin	-25% on paid stocks (RM, SIP, FG, Stores & Spares & Packing Material) - 40% on Book Debts up to 90 Days
Tenor	One year

FACILITY 2: Packing Credit (PC)

Particulars	
Facility Name	Packing Credit/ Packing Credit in Foreign Currency
Extent of Credit	Rs. 1900.00 Lakhs
Purpose	Working Capital Requirements for Exports
Margin	25% on Stocks
Tenor	One Year

FACILITY 3: Foreign Bill Purchase (FBP)/ Foreign Bill Discounting (FBD)

Particulars	
Facility Name	Foreign Bill Purchase (FBP)/ Foreign Bill Discounting (FBD)
Limit	Rs. 3800.00 Lakhs
Sub-Limit	Direct Bill Limit of 3800.00 Lakhs (@100% of FBP/FBD Limit)
Purpose	To meet post shipment Working Capital Requirements for Exports
Margin	NIL Margin for Direct Bills
Tenor	90 days

FACILITY 4: Forward Contract

Particulars	
Facility Name	Forward Contract
Limit	Rs. 5000.00 Lakhs
Purpose	To hedge forex risk-towards covering the forex business related transactions.
Margin	NIL
Tenor	One Year

Following are the personal guarantors for the above Facilities:

Sr. No.	Name of the Guarantor	Relationship with the Company
1.	Mr. Amarjit Singh Kalra	Promoter & Managing Director
2.	Ms. Surinder Kaur Kalra	Promoter & Director
3.	Ms. Jagjit Kaur Kalra	Director
4.	Mr. Surinder Singh Kalra	Father of Promoter

Primary Security for the above Facilities:

Sr. No.	Facility	Primary Security
1.	OCC	Exclusive charge by way of Hypothecation of stocks and book debts (both present & future).
2.	PC	Hypothecation of stocks and coverage under ECIB (WT-PC) of ECGC.
3.	FBP/FBD	Hypothecation of stocks and receivables, coverage under ECIB (WT-Post Shipment) of ECGC and export bills lodged against confirmed prime bank LC/confirmed orders: • However, waiver of buyer wise ECGC cover for post-shipment credit is permitted, subject to cap of 500.00 Lakh per buyer at any point of time.
4.	For entire working capital facilities	Exclusive charge on all chargeable current assets of the company both present and future.

Collateral Security for the above Facilities: Exclusive charge by way of EMD of the following properties:

Particulars	Owner
Immovable property situated at F-622, Phase-I, RIICO Ind. Area, Bhiwadi, Alwar District, Rajasthan measuring 2,000 sq. mt.	Five Core Electronics Limited
Immovable Property (Basement, Ground Floor, and first floor) situated at C-116, measuring 138 sq. yards, part of Khasra No. 568/2, situated in the area of Village Tihar colony known as Fateh Nagar, Jail Road, New Delhi.	Mr. Amarjit Singh Kalra and Mrs. Surinder Kaur Kalra
Immovable Property situated at plot No. C-130 (Third Floor with roof/terrace rights), area measuring 310 sq. yards, with common rights of the land at village: Basai Darapur Colony known as Mansarovar Garden, New Delhi-15.	Mrs. Surinder Kaur Kalra
i) Two shops bearing private no. 16-B, on GF without roof rights, area measuring 11.91 sq.mt. (approx.) and (ii) Entire upper GF, without roof rights, measuring 76 sq.yd. in the southern side portion of build up property no. WZ-15, part of Khasra No. 328 & 329, situated in the area of Tihar Village Uggarsain Market Colony, Ashok Nagar, Tolak Nagar, New Delhi-110018	Five Core Electronics Limited
Property situated at WZ-15, 3rd Floor, Uggarsain Market, Ashok Nagar, New Delhi	Five Core Electronics Limited
Plot No. F-24 to F-27, F-38 to F-41, E-47(B) to E-50, at industrial area Sare Khurd, Bhiwadi, Rajasthan	Five Core Electronics Limited

Specific Terms & Conditions:

1. The company shall get themselves external rating for entire exposure within 6 months from the date of sanction. During the period of delay in obtaining the external rating, branch to collect penal interest of 1% on the outstanding fund-based liability during the period of default.
2. Before release of the enhanced limits, bank will ensure the following:
   - Collateral security coverage to the total exposure is minimum 49.55%
   - Our enhanced pre-shipment & post shipment limits are to be notified to ECGC and release of enhanced limits is subject to acceptance of the same by ECGC.
   - There is Nil overdue in all the credit facilities.
   - Periodical inspection of collateral securities to be done.
3. Bank will verify and ensure that foreign exchange hedging policy approved by the Board of the company is satisfactory.

Note:

1. Our limits from Andhra bank have been renewed vide Sanction Letter dated Apirl 11, 2018.

2. Our Company has got sanction of fresh Packing Credit Limit, FBP/FBD, Cash Credit as sub limit of Packing credit limit and forward contract limits of Rs. 3000.00 Lakhs from Indian Bank on February 21, 2018 subject to fulfillment of certain conditions.

3. Our Company has got sanction of MPBF of Rs. 12000.00 Lakhs for financial year 2018 and Rs. 13000.00 Lakhs for financial year 2019 from Andhra Bank vide Sanction Letter dated Apirl 11, 2018.

DETAILS OF OTHER SECURED LOANS

Details of Other Secured Loans as on December 31, 2017 are as under:

(Rs in Lakhs)

Sr. No.	Name	Amount (In Rs.)	Balance as on December 31, 2017	Rate of Interest (%)	Tenure (In Months)	Nature
1.	KOTAK Mahindra Prime Ltd (Porsche Panamera)	82.00	63.47	11.00	60	Car Loan
2.	Axis Bank Limited	27.87	23.89	8.65	36	Car Loan
3.	Reliance Capital Limited	17.00	14.28	15.50	48	Machinery Loan
4.	Reliance Capital Limited	12.90	9.89	15.50	36	Machinery Loan
	Total		**111.53**			

For further details please refer chapter titled "Financial Statements" beginning on page no. 216 of this Draft Prospectus.

UNSECURED LOANS

Details of Unsecured Loans as on December 31, 2017 are as under:

(Rs in Lakhs)

Sr. No.	Name	Amount (In Rs.)	Balance as on December 31, 2017 (In Rs.)	Rate of Interest (%)	Tenure (In Months)	Nature
1.	NeoGrowth Credit Pvt. Ltd.	45.00	1.51	19.00	36	Business Loan
2.	ICICI Bank Limited	30.00	4.33	17.00	24	Business Loan
3.	HDFC Bank Limited	50.00	33.41	16.50	36	Business Loan
4.	KOTAK Mahindra Prime Ltd	42.50	11.46	17.00	36	Business Laon
5.	Capital First Limited	30.00	30.00	10.35	36	Business Loan
6.	India Infoline Housing Finance Limited	50.00	35.10	19.00	36	Business Loan
7.	Capital Float Limited	40.00	19.51	19.50	36	Business Loan
8.	Capital Float Limited	30.04	30.04	18.50	36	Business Loan
9.	Aditya Birla Finance Limited	40.00	26.93	18.00	36	Business Loan
10.	Indusind Bank Limited	44.00	42.14	18.50	36	Business Loan
	Total		**234.43**			

Note: The above loans include current maturities.

Our Company has unsecured loan outstanding from its Promoter and Directors as detailed below:

(Rs. in Lakhs)

Sr. No.	Name of Lenders	Relationship with Company	As on December 31, 2017	As on April 14, 2018
1.	Amarjit Singh Kalra	Managing Director	89.97	125.53
2.	Surinder Kaur Kalra	Director	80.85	3.92
3.	Jagjit Kaur Kalra	Director	190.37	190.37
Total			**361.19**	**319.82**

FINANCIAL INDEBTEDNESS OF OUR SUBSIDIARY COMPANY

- **5 CORE ACCOUSTICS PRIVATE LIMITED**

The Details of Indebtedness of the Company as at December 31, 2017 is provided below:

Financial Indebtedness from Karnataka Bank Limited

Date of Sanction: July 04, 2017

Charge Holder: Karnataka Bank Limited, New Delhi.

FACILITY 1: Overdraft Facility (OD)

Particulars	
Facility Name	Overdraft Facility
Extent of Credit	Rs. 200.00 Lakhs
Overdraft	MCLR + 3.50% p.a. i.e. 12.40% p.a.
Margin	25% on stock, advance paid to suppliers and domestic receivables
Tenor	September 30, 2018

FACILITY 2: Pre-Shipment Credit

Particulars	
Facility Name	Pre-Shipment Credit Facility
Extent of Credit	Rs. 1000.00 Lakhs
Interest/Commission	Up to 180 Days – 10.50 From 181-270 Days – 11.95 From 271-360 Days – 15.45 Above 360 Days – 16.95
Margin	25% on exportable stock, advance to suppliers, unfinanced export receivables.
Tenor	September 30, 2018

FACILITY 3: Post Shipment Credit

Particulars	
Facility Name	Post Shipment Credit Facility
Limit	Rs. 2500.00 Lakhs
Tenor	September 30, 2018

FACILITY 4: Credit Line for Forward Contracts

Particulars	
Facility Name	Forward Contracts
Limit	Rs. 32.00 Lakhs
Margin	NIL
Tenor	September 30, 2018

Primary Security for the above Facilities:

Sr. No.	Facility	Primary Security
1.	Overdraft	Hypothecation of domestic stock in trade/goods in transit/advance paid to suppliers/domestic receivables.
2.	Pre-shipment	Hypothecation of stocks/advance payment to suppliers/unfinanced export bills.
3.	Post-Shipment	Accepted bills of exchange/documents to title to goods

Collateral Security for the above Facilities:

Value (In Lakhs)	Particulars	Owner
928.00	EM of leasehold rights of industrial property situated at Plot No C-828, Bhiwadi Industrial Area, Alwar District, Rajasthan measuring 7900 sq. mtrs. and building comprising of ground & first floor constructed there on.	5 Core Acoustics Private Limited
65.18	Hypothecation of Plant & Machinery along with other fixed assets	-
602.05	Pledge of term deposits	-
335.95	Pledge of additional term deposits	-

Specific Terms & Conditions:

1. Borrower company shall give additional term deposits of Rs.335.95 lakhs.
2. Borrower has been rated as KB-3 based on Provisional Financial Statements as on 31.03.2017. The rate of interest is subject to reset at the discretion of the Bank, in case of deterioration in the credit risk rating.
3. Borrower to allot the share application money pending allotment of Rs.300.00 Lakhs. Further, borrower to infuse additional capital to the extent of Rs. 250.00 Lakhs during financial year 2017-18 as projected by them.

DETAILS OF OTHER SECURED LOANS

Details of Other Secured Loans as on December 31, 2017 are as under:

(Rs in Lakhs)

Sr. No.	Name	Amount	Balance as on December 31, 2017	Rate of Interest (%)	Tenure (In Months)	Nature
1.	HDFC Bank Limited	27.00	20.48	9.01%	12	Vehicle Loan
2.	Kotak Mahindra Prime Ltd	2.48	0.98	10.50	36	Vehicle Loan
3.	Reliance Capital Limited	26.00	22.71	15.75	48	Machinery Loan
	Total		**44.17**			

UNSECURED LOANS

Details of Unsecured Loans are as under:

(Rs in Lakhs)

Sr. No.	Name	Amount (In Rs.)	Balance as on December 31, 2017 (In Rs.)	Rate of Interest (%)	Tenure (In Months)	Nature
1.	NeoGrowth Credit Pvt. Ltd.	22.00	16.32	18%	18	Business Loan
2.	Moneywise Financial Services Private Limited	25.00	22.85	18.50%	36	Business Loan
3.	TATA Capital Financial Services Limited	16.00	15.32	18.00	36	Business Loan
4.	Aditya Birla Finance Limited	20.00	16.42	18.50	24	Business Loan
	Total		**70.91**			

5Core Acoustics Private Limited had Rs. 1167.03 Lakhs towards unsecured loan outstanding from its Directors as on December 31, 2017. The details of unsecured loan are as under:

Sr. No.	Name of Lenders	Relationship with Company	Amount (Rs. in Lakhs)
1.	Amarjit Singh Kalra	Director	378.26
2.	Surinder Kaur Kalra	Director	471.95
3.	Jagjit Kaur Kalra	Director	316.83
Total			**1167.03**

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as stated below there are no outstanding litigations, suits, criminal or civil prosecutions, proceedings or tax liabilities against/by the Company, its Directors, its Promoters and its Group Companies and there are no defaults, non-payment of statutory dues, over-dues to banks/financial institutions, defaults against banks/financial institutions by the Company, default in creation of full security as per terms of issue/other liabilities, no amounts owed to small scale undertakings or any other creditor exceeding Rs. 1.00 lakh, which is outstanding for more than 30 days, no proceedings initiated for economic/civil/any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under Schedule V to the Companies Act, 2013) other than unclaimed liabilities of our Company and no disciplinary action has been taken by SEBI or any stock exchange against the Company, its Promoters, its Directors and Group Companies.

Further, except as stated herein, there are no past cases in which penalties have been imposed on the Company, its Promoters, its Directors or its Group Companies, and there is no outstanding litigation against any other Company whose outcome could have a material adverse effect on the position of the Company. Further, there are no cases of litigation, defaults etc. in respect of companies/firms/ventures with which the Promoters were associated in the past but are no longer associated, in respect of which the name(s) of the Promoters continues to be associated.

Further, apart from those as stated below, there are no show-cause notices / claims served on the Company, its Promoters, its Directors or it's Group Companies from any statutory authority / revenue authority that would have a material adverse effect on our business.

1. LITIGATION RELATING TO OUR COMPANY

Cases filed by our Company

NIL

Case filed against our Company

NIL

Cases pending with Tax Authorities

Details of Notice received under Income Tax Act, 1961:

Our Company had received Notice No. ITBA/AST/S/143(2)/2017-18/1006420962(2) dated September 19, 2017 for Complete Scrutiny under Section 143(2) of Income Tax Act, 1961 for assessment year 2016-17. Our Company is yet to file reply with the income tax authority.

Details of outstanding demand in respect of Income Tax:

A.Y.	Section	Outstanding demand amount (Rs. in Lakhs)
2016-17	-	1.09

Details of outstanding demand in respect of TDS:

A total demand of Rs. 0.19 Lakhs is outstanding in respect of TDS as on April 10, 2018 for various assessment years.

2. LITIGATIONS RELATING TO THE PROMOTERS OF OUR COMPANY

Cases filed by our Promoters

Nil

Cases filed against our Promoters

Nil

Cases pending with Tax Authorities

- **Ms. Surinder Kaur Kalra**

Details of outstanding demand in respect of Income Tax:

A.Y.	Section	Outstanding demand amount (Rs. in Lakhs)
2010-11	143(1)(a)	0.07

3. LITIGATIONS RELATING TO THE DIRECTORS OTHER THAN PROMOTERS OF THE COMPANY

Cases filed against the Directors

Nil

Cases filed by the Directors

Nil

4. LITIGATIONS RELATING TO SUBSIDIARY COMPANIES

Cases Filed Against Subsidiary Companies

Nil

Cases Filed by the Subsidiary Companies

Nil

Cases pending with Tax Authorities

- **5 Core Acoustics Private Limited**

Details of Notice received under Income Tax Act, 1961:

Our Company had received Notice No. ITBA/AST/S/143(2)/2017-18/1005570746(2) dated August 10, 2017 for Complete Scrutiny under Section 143(2) of Income Tax Act, 1961 for assessment year 2016-17. Our Company is yet to file reply with the income tax authority.

Details of outstanding demand in respect of Income Tax:

A.Y	Section	Outstanding demand amount (Rs. in Lakhs)
2001-02	143(1)	0.02
2003-04	143(1)	0.07
2004-05	143(1)	0.10
2008-09	143(1)	0.09
2009-10	143(3)	0.07
2010-11	143(1)(a)	0.28

Details of outstanding demand in respect of TDS:

A total demand of Rs. 0.20 Lakhs is outstanding in respect of TDS as on April 10, 2018 for various assessment years.

5. LITIGATIONS RELATING TO THE GROUP COMPANIES

Cases Filed Against the Group Companies

Nil

Cases Filed by the Group Companies

Nil

Cases pending with Tax Authorities

- **Happy Acoustics Private Limited**

Details of outstanding demand in respect of Income Tax:

A.Y.	Section	Outstanding demand amount (Rs. in Lakhs)
2014-15	220(2)	Negligible

Details of outstanding demand in respect of TDS:

A total demand of Rs. 0.20 Lakhs is outstanding in respect of TDS as on April 10, 2018 for various assessment years.

- **Digi Export Venture Private Limited**

Details of outstanding demand in respect of Income Tax:

A.Y.	Section	Outstanding demand amount (Rs. in Lakhs)
2015-16	143(3)	Negligible
2015-16	271(1)(b)	0.10

Details of outstanding demand in respect of TDS:

A total demand of Rs. 0.01 Lakhs is outstanding in respect of TDS as on April 10, 2018 for various assessment years.

6. LITIGATIONS RELATING TO THE GROUP ENTITIES

Cases Filed Against the Group Entities

Nil

Cases Filed by the Group Entities

Nil

Cases pending with Tax Authorities

- **EMS & Exports**

Details of outstanding demand in respect of Income Tax:

A.Y.	Section	Outstanding demand amount (Rs. in Lakhs)
2012-13	220(2)	20.05
2016-17	-	0.04

Details of outstanding demand in respect of TDS:

A total demand of Rs. 0.09 Lakhs is outstanding in respect of TDS as on April 10, 2018 for various assessment years.

- **Neha Exports**

Details of outstanding demand in respect of Income Tax:

A.Y.	Section	Outstanding demand amount (Rs. in Lakhs)
2011-12	143(1)(a)	0.01

- **Visual & Acoustics Corporation Acoustics LLP**

Details of outstanding demand in respect of TDS:

A total demand of Rs. 0.07 Lakhs is outstanding in respect of TDS as on April 10, 2018 for various assessment years.

7. LITIGATIONS RELATING TO THE DIRECTORS OF GROUP COMPANIES

Cases filed against the Directors of Group Companies

Nil

Cases filed by the Directors of Group Companies

Nil

8. PAST CASES IN WHICH PENALTIES HAVE BEEN IMPOSED ON OUR COMPANY

There are no cases in the last five years in which penalties have been imposed on our Company.

9. CREDITORS OF THE COMPANY FOR THE AMOUNT EXCEEDING RS. 1 LAKHS OUTSTANDING FOR MORE THAN 30 DAYS

The Company has total of 80 trade creditors as on December 31, 2017 for the total amount of Rs. 1,159.26 Lakhs which is outstanding for more than 30 days.

MATERIAL DEVELOPMENTS

Except as stated in the chapter titled *"Management's Discussion and Analysis of Financial Conditions and Results of Operations"* beginning on page 294 of this Draft Prospectus, no material developments have taken place after March 31, 2017, the date of the latest balance sheet, that would materially adversely affect the performance of Draft Prospectus of the Company. In accordance with SEBI requirements, our Company and the Book Running Lead Managers shall ensure that investors are informed of material developments until such time as the grant of listing and trading permission by the National Stock Exchange of India Limited.

We certify that except as stated herein above:

a. There are no pending proceedings for offences for non-payment of statutory dues by the promoters of the Company.
b. There are no cases of litigation pending against our Company or against any other Company in which Directors are interested, whose outcome could have a materially adverse effect on the financial position of our Company.
c. There are no pending litigation against the Promoters/ Directors in their personal capacities and also involving violation of statutory regulations or criminal offences.
d. There are no pending proceedings initiated for economic offences against the Directors, Promoters, Companies and firms promoted by the Promoters.
e. There are no outstanding litigation, defaults etc. pertaining to matters likely to affect the operations and finances of the Company including disputed tax liability or prosecution under any enactment.
f. There are no litigations against the Promoters / Directors in their personal capacity.
g. The Company, its Promoters and other Companies with which promoters are associated have neither been suspended by SEBI nor has any disciplinary action been taken by SEBI.

h. Following are the trade creditors as on December 31, 2017 to whom Company owes sum exceeding Rs. 1,00,000 and are outstanding for more than 30 days as certified by the management of Our Company.

Sr. No.	Organization	Amount (Rs. in Lakhs)
1.	Anant Sales Corporation	177.43
2.	Nitco Traders	157.25
3.	Madaan Trading Company	136.59
4.	Tianchang Tianlida Electronic Co. Ltd	59.99
5.	Super Plastronics Pvt Ltd	31.20
6.	Nishka International LLP	30.68
7.	IFA Industry (Hk) Co., Limited	29.87
8.	Padam Enterprises	23.05
9.	M/s Vision Export	21.23
10.	Shreeji Enterprises	20.16
11.	Yash Craft Packaging	17.02
12.	Radius Industries	16.98
13.	Cine Stage Electricals	16.48
14.	Govind Electrica Pvt Ltd	16.24
15.	Subhash Automobiles	16.23
16.	Indo Accent Traders	16.00
17.	Cine Sound Supply	14.83
18.	Vandana Trade Links Pvt. Ltd.	14.80
19.	Ganesh Enterprises	14.47
20.	Ramesh Paints & Hardware Store	14.23
21.	Raj Enterprises	13.45
22.	Mansa Electricals Pvt. Ltd. (U.K.)	12.96
23.	Avantika Enterprises	12.93
24.	Nitco Technology	12.02
25.	Wizard India Private Limited	11.28
26.	Sai International	10.62
27.	A A Ton	10.58
28.	Kanika Packers	10.27
29.	Gsm Auto Spares Pvt Ltd	10.01
30.	Shiva Imports And Exports	9.55
31.	Rajshree Metals	9.05
32.	City Motor Company	8.66
33.	M/S. Juneja Radios	8.22
34.	Altech Automotive	8.18
35.	Balaji Sales Corporation	8.06
36.	Changzhou Best Dragon Imp And Exp Co Ltd	7.52
37.	Worldtech Overseas	7.13
38.	Khera Sales Corporation	6.79
39.	Khera Electric Co.	6.32
40.	Maheshwari Paint Agency	6.15
41.	Jupiter Paper Cones	5.91

42.	B. M. Industries	5.74
43.	C.H. Enterprises	5.72
44.	N.S. Enterprises	5.45
45.	A R Infotech	5.31
46.	Mahalakshmi Trading Company	5.09
47.	Royal Enterprises	4.94
48.	Kajal Enterprises	4.72
49.	Sunny Electronics	4.37
50.	Continental Brush Wares	4.12
51.	Krishna Paint House	4.00
52.	Sapra Electronics	3.87
53.	Electro Controls	3.75
54.	Vihaan Boards Private Limited	3.55
55.	Indus Engineering Projects India	3.55
56.	Mansa Electricals (P) Ltd. (U.P.)	3.47
57.	M.D Industries	3.47
58.	R. K. Engg. Works	3.36
59.	N K Plywood & Hardware	3.30
60.	Bs Global (Delhi)	3.26
61.	Bansal Steels	3.18
62.	Oji India Packaging Private Limited	3.05
63.	Shree Balaji Associates	2.74
64.	Bansal Electric Co	2.72
65.	H. S. Polymers	2.55
66.	Dr International Pvt Ltd	2.49
67.	Crystal Enterprises	2.47
68.	Mansa Electricals (P) Ltd.	2.46
69.	Link Overcies Co.	2.02
70.	Y.K. Industries	1.74
71.	Fine Moulding Works	1.71
72.	Duron Polyvinyls Pvt. Ltd	1.37
73.	Keshava Singh & Co.	1.28
74.	Bhagwati Packers & Printers	1.23
75.	Yes Circuits	1.23
76.	Mcs Fasteners (India) Ltd.	1.20
77.	Sri Sai Enterprises	1.18
78.	B.R. Printers	1.15
79.	Harpreet Moulder	1.07
80.	Metenere (India) Limited	1.03
	Total	**1,159.26**

GOVERNMENT AND OTHER STATUTORY APPROVALS

On the basis of the list of material approvals provided below, our Company can undertake the Issue and its current business activities and other than as stated below, no further approvals from any regulatory authority are required to undertake the Issue or continue such business activities. In case, if any of licenses and approvals which have expired; we have either made an application for renewal or are in process of making an application for renewal. Unless otherwise stated, these approvals are valid as of the date of this Draft Prospectus. For further details, in connection with the applicable regulatory and legal framework, kindly refer "Key Industry Regulation and Policies" on page 156 of this Draft Prospectus.

I. APPROVALS IN RELATION TO THE ISSUE

Corporate Approvals

1. Our Board has, pursuant to a resolution passed at its meeting held on January 30, 2018 authorized the Issue.
2. Our shareholders have pursuant to a resolution passed at their meeting dated January 30, 2018 under Section 62(1)(c) of the Companies Act 2013, authorized the Issue.

Approvals from Lenders

1. Our Company has obtained approval for the IPO from Andhra Bank dated February 07, 2018.

II. INCORPORATION DETAILS

1. Certificate of Incorporation dated April 11, 2002 issued by the Registrar of Companies, West Bengal vide CIN number U32109WB2002PLC094499 in the name of Five Core Electronics Limited.
2. Fresh Certificate of Incorporation was issued by the Registrar of Companies, NCT of Delhi & Haryana vide CIN number U32109DL2002PLC148250 pursuant to transfer from Kolkata to Delhi.

III. APPROVALS/ LICENSES IN RELATION TO THE BUSINESS OF OUR COMPANY

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

A. Under Direct and Indirect Laws

Sr. No.	Nature of License / Approvals	Authority	Particulars of License / Approvals	Validity Period	Special conditions, if any
1.	Registration in Income Tax Department	Income Tax Department, Govt. of India	PAN: AAACF6709Q	Perpetual	-
2.	Allotment of Tax Deduction Account Number (TAN)	Income Tax Department, Govt. of India	TAN: DELF03102B	Perpetual	-
3.	Registration under Goods and Service Tax	Central Board of Excise and Customs, Central Excise Division, Rajasthan	GSTIN: 08AAACF6709Q1Z4	Perpetual	

Sr. No.	Nature of License / Approvals	Authority	Particulars of License / Approvals	Validity Period	Special conditions, if any
4.	Registration under Goods and Service Tax	Central Board of Excise and Customs, Central Excise Division, Delhi	GSTIN: 07AAACF6709Q1Z6	Perpetual	-

B. Under Industrial and Labour Law

Sr. No.	Nature of License / Approvals	Authority	Particulars of License / Approvals	Validity Period	Special conditions, if any
1.	Registration & License to work a Factory for property situated at F-622, Phase- I, Bhiwadi, Alwar, Rajasthan-301019	State of Rajasthan	Registration No. RJ 28311 Serial No.: 39893	Expired*	-
2.	Certificate of Importer-Exporter Code (IEC)	Ministry of Commerce and Industry, Office of Jt. Director General of Foreign Trade	IEC Number: 0202016846	Perpetual	-
3.	Consent to Establish under the Water (Prevention & Control of Pollution) Act, 1974 and Air (Prevention & Control of Pollution) Act, 1981 for property situated at F-24 to F-27, F-38 to F-41 and E-47(B) to E-50 RIICO Industrial Area, Sare Khurd, Bhiwadi, Alwar, Rajasthan- 301019	Rajasthan State Pollution Control Board	File No: F(Tech)/ Alwar(Tijara)/5022(1)/2017-2018/441-442 Order No: 2017-2018/ Bhiwadi/5062	August 31, 2022	There are certain restrictions on the quantity of products to be manufactured, effulentgeneration and air emissions.

Sr. No.	Nature of License / Approvals	Authority	Particulars of License / Approvals	Validity Period	Special conditions, if any
4.	Consent to Operate under the Water (Prevention & Control of Pollution) Act, 1974 and Air (Prevention & Control of Pollution) Act, 1981 for property situated at F-24 to F-27, F-38 to F-41 and E-47(B) to E-50 RIICO Industrial Area, Sare Khurd, Bhiwadi, Alwar, Rajasthan- 301019	Rajasthan State Pollution Control Board	File No: F(Tech)/ Alwar(Tijara)/5022(1)/2017-2018/443-444 Order No: 2017-2018/ Bhiwadi/5063	August 31, 2032	There are certain restrictions on the quantity of products to be manufactured, effulent generation and air emissions.
5.	Registration under Employees Provident Funds and Miscellaneous Act, 1952 for property situated at C-116, Fateh Nagar Jail Road, Delhi- 110018	Employees Provident Fund Organization, Regional Office: Delhi (North)	EPF Code: DLCPM0036357000	Perpetual	Primary Business Activity: Trading - Commercial Establishment
6.	Registration under Employees Provident Funds and Miscellaneous Act, 1952 for property situated at F-622, Phase- I, Bhiwadi, Alwar, Rajasthan- 301019	Employees Provident Fund Organization, Regional Office: Jaipur	EPF Code: RJRAJ0016612000	Perpetual	-
7.	Registration under Employees Provident Funds and Miscellaneous Act, 1952 for property situated at F-24 to F-27, F-38 to F-41 and E-47(B) to E-50 RIICO Industrial Area, Sare Khurd, Bhiwadi, Alwar, Rajasthan- 301019	Employees Provident Fund Organization, Regional Office: Jaipur	EPF Code: RJRAJ1580733000	Perpetual	-

Sr. No.	Nature of License / Approvals	Authority	Particulars of License / Approvals	Validity Period	Special conditions, if any
8.	Registration under Employees' State Insurance Act, 1948 for property situated at C-116, Fateh Nagar Jail Road, Delhi-110018	Employees' State Insurance Corporation, Rajendra Bhawan, Rajendra Place, Delhi	ESI Code: 11001016730000604	Perpetual	-
9.	Registration under Employees' State Insurance Act, 1948 for property situated at F-622, Phase- I, Bhiwadi, Alwar, Rajasthan- 301019	Employees' State Insurance Corporation	ESI Code: 15000223150000699	Perpetual	-
10.	Registration under Employees' State Insurance Act, 1948 for property situated at F-24 to F-27, F-38 to F-41 and E-47(B) to E-50 RIICO Industrial Area, Sare Khurd, Bhiwadi, Alwar, Rajasthan-301019	Employees' State Insurance Corporation	ESI Code: 15150223150010699	Perpetual	-

*Renewal application is made on August 16, 2015

C. Other Registration and Certificates

Sr. No.	Nature of License / Approvals	Authority	Particulars of License / Approvals	Validity Period	Special conditions, if any
1.	Certificate of Registration, ISO 9001:2015, Quality Management System	Royal Impact Certification Limited	Certificate No.: 16RQ07AY	July 13, 2019	For manufacturing and supply of electronics & electrical goods
2.	Certificate of Registration for property situated at F-622, Phase- I, Bhiwadi, Alwar, Rajasthan- 301019	Bureau of Indian Standards, Ministry of Consumer Affairs, Food & Public Distribution, Government of India	Registration No.: R-84000655	August 08, 2019	• Amplifier with input power 2000 W and above • Model: CA-28, CA-18 & CA-20

Sr. No.	Nature of License / Approvals	Authority	Particulars of License / Approvals	Validity Period	Special conditions, if any
3.	Government Purchase Enlistment Certificate	National Small Industries Corporation	Registration No.: NSIC/GP/BHI/2016/0020701	May 01, 2018	Monetary Limit 5527 Lakhs
4.	Registration cum Membership Certificate	Electronics and Computer Software Export Promotion Council	Registration No.: 02:E&CSEPC:DEL:REG:5834:NEW DELHI:2011-12	March 31, 2018	Registered for Audio – Video Equipments, Music Equipments
5.	Registration cum Membership Certificate	Federation of Indian Export Organisations	Registration No.: FIEO/NR/11056/2014-2015/199	March 31, 2018	Registered as Merchant Exporter for:- 1. Fly wheel Starter Ring Gear Ball, Roller Bearing Alloy Steel Forging. 2. Lead Autimoney wire, Switch, Transformer, Channel, Loud Speaker, Cassette Player
6.	ASSOCHAM Membership	Associated Chambers of Commerce and Industry of India	Membership No. CA-3186	March 31, 2018	-

D. Under Previous Indirect Laws

Sr. No.	Nature of License / Approvals	Authority	Particulars of License / Approvals	Validity Period	Special conditions, if any
1.	Registration under Rajasthan Value Added Tax Act, 2003	Commercial Tax Department, Government of Rajasthan	TIN: 08760853783	Perpetual	Valid till the business is discontinued.
2.	Registration Under Central Sale Tax (Registration and Turnover) Rules, 1957	Commercial Tax Department, Government of Rajasthan	Registration No. 08760853783	Perpetual	Valid till the business is discontinued.

Sr. No.	Nature of License / Approvals	Authority	Particulars of License / Approvals	Validity Period	Special conditions, if any
3.	Registration under Central Excise for property situated at C-116, Fateh Nagar, Tilak Nagar, Delhi-110018	Assistant Commissioner of Central Excise, Div-V, Janak Puri, New Delhi- 110058	Registration No. AAACF6709QXM001	Perpetual	-
4.	Registration under Central Excise for property situated at F-622, Phase- I, Bhiwadi, Alwar, Rajasthan- 301019	Office of the Deputy Commissioner of Central Excise, Bhiwadi, Alwar, Rajasthan	Registration No. AAACF6709QEM003	Perpetual	-
5.	Registration under Central Excise for property situated at F-24 to F-27, F-38 to F-41 and E-47(B) to E-50 RIICO Industrial Area, Sare Khurd, Bhiwadi, Alwar, Rajasthan-301019	Office of the Deputy Commissioner of Central Excise, CEX & ST Division-Bhiwadi- II	Registration No. AAACF6709QEM004	Perpetual	-
6.	Registration for Service Tax for property situated at F-622, Bhiwadi, Alwar, Rajasthan-301019	Central Board of Excise and Customs, Central Excise Division, Rajasthan	Service Tax Registration: AAACF6709QSD001	Perpetual	-
7.	Registration for Service Tax for property situated at C-116, Fateh Nagar, Tilak Nagar, Delhi-110018	Central Board of Excise and Customs, Central Excise Division, Delhi	Service Tax Registration: AAACF6709QSD002	Perpetual	-

APPROVALS IN RELATION TO OUR SUBSIDIARY 5 CORE ACOUSTICS PRIVATE LIMITED

I. INCORPORATION DETAILS

1. Corporate Identification Number: U29100DL1995PTC072253.
2. Certificate of Incorporation dated December 19, 2014 issued by Registrar of Companies, NCT of Delhi & Haryana.

II. APPROVALS/ LICENSES IN RELATION TO THE BUSINESS OF OUR SUBSIDIARY

A. Under Direct and Indirect Laws

Sr. No.	Nature of License / Approvals	Authority	Particulars of License / Approvals	Validity Period	Special conditions, if any
1.	Registration in Income Tax Department	Income Tax Department, Govt. of India	PAN: AAACR4282J	Perpetual	-
2.	Allotment of Tax Deduction Account Number (TAN)	Income Tax Department, Govt. of India	TAN: DELR08940B	Perpetual	-
3.	Registration under Goods and Service Tax	Central Board of Excise and Customs, Central Excise Division, Rajasthan	GSTIN: 08AAACR4282J1Z6	Perpetual	

B. Under Industrial and Labour Law

Sr. No.	Nature of License / Approvals	Authority	Particulars of License / Approvals	Validity Period	Special conditions, if any
1.	Certificate of Importer-Exporter Code (IEC)	Ministry of Commerce and Industry, Office of Jt. Director General of Foreign Trade	IEC Number: 0595042767	Perpetual	-
2.	Registration under Employees Provident Funds and Miscellaneous Act, 1952 for property situated at C-828, RIICO Industrial Area, Phase-II, Bhiwadi, Alwar, Rajasthan- 301019	Employees Provident Fund Organization, Regional Office: Jaipur	EPF Code: RJRAJ0019030000	Perpetual	-

Sr. No.	Nature of License / Approvals	Authority	Particulars of License / Approvals	Validity Period	Special conditions, if any
3.	Registration under Employees' State Insurance Act, 1948 for property situated at C-828, RIICO Industrial Area, Phase-II, Bhiwadi, Alwar, Rajasthan-301019	Employees' State Insurance Corporation, Rajendra Bhawan, Rajendra Place, Delhi	ESI Code: 15000150840000299	Perpetual	-

Note: Our Subsidiary has couriered its application for grant of factory license to the concerned authority.

C. Under Previous Indirect Laws

Sr. No.	Nature of License / Approvals	Authority	Particulars of License / Approvals	Validity Period	Special conditions, if any
1.	Registration under Rajasthan Value Added Tax Act, 2003	Commercial Tax Department, Government of Rajasthan	TIN: 08090856916	Perpetual	Valid till the business is discontinued.
2.	Registration Under Central Sale Tax (Registration and Turnover) Rules, 1957	Commercial Tax Department, Government of Rajasthan	Registration No. 08090856916	Perpetual	Valid till the business is discontinued.
3.	Registration under Central Excise for property situated at C-828, RIICO Industrial Area, Phase-II, Bhiwadi, Alwar, Rajasthan-301019	Office of the Deputy Commissioner of Central Excise, Bhiwadi, Alwar, Rajasthan	Registration No. AAACR4282JEM002	Perpetual	-
4.	Registration for Service Tax for property situated at C-828, RIICO Industrial Area, Phase-II, Bhiwadi, Alwar, Rajasthan-301019	Central Board of Excise and Customs, Central Excise Division, Rajasthan	Service Tax Registration: AAACR4282JSD002	Perpetual	-

INTELLECTUAL PROPERTY

We have filed the application form for trademark registration summarized as follows: -

Sr. No.	Logo	Act Under Which Application Was Made	Country	Date of Application/ Approval date	Application No./Trademark No.	Class	Current Status	Valid Upto
1.		Trademarks Act, 1999	India	March 03, 2008	1660174	9	Registered	March 03, 2028
2.		Trademarks Act, 1999	India	August 03, 2015	3024956	9	Registered	August 03, 2025
3.		Trademarks Act, 2009	Bangladesh	March 30, 2008	113127	9	Expired	March 30, 2015
4.		-	Madrid	November 20, 2014	1240846	9	Registered	November 20 2024
5.		Myanmar Registration Act	Myanmar	July 13, 2015	IV/8945/2015	9	Registered	-
6.		Trade Marks Act	Nigeria	May 21, 2015	7338	9	Registered	May 21, 2022
7.		Trademarks Law, 2002	Saudi Arabia	1446/06/02	1436011589	9	Registered	1436/09/19

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

The Issue has been authorized by a resolution passed by our Board of Directors at its meeting held on January 30, 2018 and by the shareholders of our Company by a special resolution, pursuant to Section 62(1)(c) of the Companies Act, 2013, passed at the Extra Ordinary General Meeting of our Company held on January 30, 2018 at registered office of the Company.

PROHIBITION BY SEBI, RBI OR OTHER GOVERNMENTAL AUTHORITIES

Our Company, our Promoters, our Directors and our Promoter Group, have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.

The Companies with which our Promoters, our Directors or persons in control of our Company are/ were associated as promoters, directors or persons in control have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.

None of our Directors are in any manner associated with the securities market. There has been no action taken by SEBI against any of our Directors or any entity our Directors are associated with as directors.

PROHIBITION BY RBI

Neither our Company, nor our Promoters, or the relatives (as defined under the Companies Act) of our Promoters or Group Companies have been identified as wilful defaulters by the RBI or any other governmental authority. There are no violations of securities laws committed by them in the past or no proceedings thereof are pending against them.

ELIGIBILITY FOR THIS ISSUE

Our Company is eligible for the Issue in terms of Regulation 106M(2) of chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post issue face value capital exceeds Rs. 1,000.00 Lakhs, may issue shares to the public in accordance with the provisions of Chapter XB of the SEBI (ICDR) Regulations, 2009. Our Company also complies with the eligibility conditions laid by the NSE Emerge Platform for listing of our Equity Shares.

We confirm that:

1. In accordance with regulation 106(P) of the SEBI ICDR Regulations, this Issue is 100% underwritten and that the LMs have underwritten 100% of the total issue size. For further details pertaining to underwriting please refer to chapter titled "General Information" beginning on page 59 of this Draft Prospectus.
2. In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our company becomes liable to repay it, then our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed u/s 40 of the Companies Act, 2013.
3. In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have not filed any Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Lead Managers submits the copy of Draft Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Draft Prospectus with Stock Exchange and the Registrar of Companies.
4. In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the Lead Managers will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Issue. We have signed Market Making Agreement dated April 09, 2018 with Choice Equity

Brokers Limited. For further details of the market making arrangement see chapter titled "General Information" beginning on page 59 of this Draft Prospectus.

5. The Company has Net Tangible assets of at least Rs. 1.00 crore as per the latest audited financial results.
6. The Net worth (excluding revaluation reserves) of the Company is at least Rs. 1.00 Crore as per the latest audited financial results. Net worth of the Company as on March 31, 2017 is Rs. 23.32 Crores.
7. The Post-issue paid up capital of the Company shall be at least Rs. 1 Crore. The paid-up capital shall be Rs. 12.62 Crores after the issue.
8. The Company shall mandatorily facilitate trading in demat securities. We have entered into agreements with both the depositories.
9. The Company has not been referred to Board for Industrial and Financial Reconstruction.
10. No petition for winding up is admitted by a court of competent jurisdiction or a liquidator has been appointed against the Company.
11. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past one year in respect of the Company/promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) of the applicant company.
12. No defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the Company, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) during the past three years.
13. The Company, promoters/promoting company(ies), subsidiary companies, group companies, companies promoted by the promoters/promoting company(ies) litigation record, the nature of litigation, and status of litigation have been disclosed in the Draft Prospectus.
14. There is no track record of the directors, with respect to criminal cases filed or nature of the investigation being undertaken with regard to alleged commission of any offence by any of its directors and its effect on the business of the company, where all or any of the directors of issuer have or has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc.
15. The Company has a website: www.5core.in

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter X-B of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us in this Issue.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE OFFER DOCUMENT TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED TO MEAN 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 THIS ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MANAGERS, SARTHI CAPITAL ADVISORS PRIVATE LIMITED AND INDIAN OVERSEAS BANK HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS FOR THE TIME BEING IN FORCE. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT PROSPECTUS, THE LEAD MANAGERS, SARTHI CAPITAL ADVISORS PRIVATE LIMITED AND INDIAN OVERSEAS BANK, ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGERS, SARTHI CAPITAL ADVISORS PRIVATE LIMITED AND INDIAN OVERSEAS BANK, HAVE FURNISHED TO STOCK EXCHANGE A DUE DILIGENCE CERTIFICATE DATED APRIL 18, 2018, WHICH SHALL ALSO BE SUBMITTED TO SEBI AFTER REGISTERING THE DRAFT PROSPECTUS WITH ROC AND BEFORE OPENING OF THE ISSUE IN ACCORDANCE WITH THE SEBI (MERCHANT BANKERS) REGULATIONS, 1992.

"WE, THE UNDER NOTED LEAD MANAGERS TO THE ABOVE MENTIONED FORTHCOMING ISSUE STATE AS FOLLOWS:

1. **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, CIVIL LITIGATIONS, DISPUTES WITH COLLABORATORS, CRIMINAL LITIGATIONS ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT PROSPECTUS PERTAINING TO THE SAID ISSUE;**
2. **ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, 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 ISSUER, WE CONFIRM THAT:**

   A. **THE DRAFT PROSPECTUS FILED WITH THE EXCHANGE IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**

   B. **ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**

   C. **THE DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013/ COMPANIES ACT, 1956, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**

3. **WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**
4. **WE SHALL SATISFY OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.**
5. **WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTER's CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTER's CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF**

FILING THE DRAFT PROSPECTUS WITH THE BOARD TILL THE DATE OF COMPLETION OF LOCK-IN PERIOD AS STATED IN THE DRAFT PROSPECTUS.

6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTER's CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT PROSPECTUS.

7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER's CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER's CONTRIBUTION SHALL BE KEPT IN AN PUBLIC ISSUE ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – NOT APPLICABLE

8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.

9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT IN A SCHEDULED BANK AS PER THE PROVISIONS OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM THE STOCK EXCHANGE MENTIONED IN THE DRAFT PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION.- NOTED FOR COMPLIANCE

10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. – NOT APPLICABLE, AS IN TERMS OF THE PROVISIONS OF SECTION 29 OF THE COMPANIES ACT, 2013, THE SHARES ISSUED IN THE PUBLIC ISSUE SHALL BE IN DEMAT MODE ONLY.

11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.

12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT PROSPECTUS:

A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE

ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND

B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.

13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE– NOTED FOR COMPLIANCE.

14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE THAT 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, PROMOTER's EXPERIENCE, ETC.

15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.

16. WE ENCLOSE STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER AS PER FORMAT SPECIFIED BY THE BOARD (SEBI) THROUGH CIRCULAR – DETAILS ARE ENCLOSED IN "ANNEXURE - A"

17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTION HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS."

ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY MERCHANT BANKERS IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE

(1) "WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE DRAFT PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.

(2) WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN DRAFT PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.

(3) WE CONFIRM THAT THE ABRIDGED DRAFT PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009. – NOTED FOR COMPLIANCE.

(4) WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER.

(5) WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISO TO SUB-REGULATION OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE DRAFT PROSPECTUS.

(6) WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION [106P] AND [106V] OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE.

Note:

The filing of this Draft Prospectus does not, however, absolve our Company from any liabilities under Section 34, Section 35, Section 36 OR Section 38(1) of the Companies Act, 2013 or from the requirement of obtaining such statutory and other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the Lead Managers any irregularities or lapses in the Draft Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Draft Prospectus with the Registrar of Companies, NCT of Delhi & Haryana, in terms of Section 26, 32 and 33 of the Companies Act, 2013.

DISCLAIMER STATEMENT FROM OUR COMPANY AND THE LEAD MANAGERS

Our Company, our Directors and the Lead Managers accept no responsibility for statements made otherwise than in this Draft Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website, www.5core.in would be doing so at his or her own risk.

Caution

The Lead Managers accepts no responsibility, save to the limited extent as provided in the Agreement for Issue Management entered into among the Lead Managers and our Company dated April 14, 2018, the Underwriting Agreement dated April 14, 2018 entered into among the Underwriters and our Company and the Market Making Agreement dated April 14, 2018 entered among the Market Maker, Lead Managers and our Company.

Our Company and the Lead Managers shall make all information available to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centers, *etc.*

Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares. Our Company and the Lead Managers and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGERS

For details regarding the price information and the track record of the past Issues handled by the Lead Managers to the Issue as specified in Circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015 issued by the SEBI, please refer to 'Annexure A' to this Draft Prospectus and the website of the Lead Managers at www.sarthiwm.in.

DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakhs, pension funds with minimum corpus of Rs. 2,500 Lakhs and the National Investment Fund, and permitted non-residents including FIIs, Eligible NRIs, QFIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Draft Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Delhi only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Prospectus has been filed with NSE for its observations and NSE shall give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

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

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

DISCLAIMER CLAUSE OF THE NSE EMERGE PLATFORM

As required, a copy of this Draft Prospectus shall be submitted to National Stock Exchange of India Limited (NSE). The Disclaimer Clause as intimated by NSE to us, post scrutiny of this Draft Prospectus, shall be included in the Prospectus prior to the RoC filing.

FILING

This Draft Prospectus shall not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 106(M)(3). However, a copy of the Draft Prospectus shall be filed with SEBI at the SEBI Northern Regional Office, 5th Floor, Bank of Baroda Building, 16, Sansad Marg, New Delhi - 110001. A copy of the Draft Prospectus, along with the documents required to be filed under Section 26 of the Companies Act, 2013 will be delivered to the Registrar of Companies, 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi - 110019.

LISTING

An application was made to the NSE for obtaining permission to deal in and for an official quotation of our Equity Shares. NSE-Emerge will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The NSE has given its in-principle approval for using its name in the Draft Prospectus vide its letter dated [●].

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the NSE, our Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of the Draft Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15% per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the NSE-Emerge mentioned above are taken within Six Working Days from the Issue Closing Date.

CONSENTS

Consents in writing of: (a) the Promoters, the Directors, the Company Secretary and Compliance Officer, Chief Financial Officer, the Statutory Auditor, Peer Review Auditor, Secretarial Auditor, the Banker to the Company; and (b) Lead Managers, Underwriters, Market Maker, Registrar to the Issue, Banker(s) to the Issue, Legal Advisor to the Issue, to act in their respective capacities have been obtained and shall be filed along with a copy of the Draft Prospectus with the RoC, as required under Section 26 of Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Draft Prospectus for registration with the RoC. Our Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Draft Prospectus and such consent and report is not withdrawn up to the time of delivery of this Draft Prospectus with NSE.

EXPERT TO THE ISSUE

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

1. Report of the Statutory Auditor on Statement of Tax Benefits.

EXPENSES OF THE ISSUE

The expenses of this Issue include, among others, underwriting and management fees, selling commission, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. For details of total expenses of the Issue, see the chapter "Objects of the Issue" beginning on page 97 of this Draft Prospectus.

DETAILS OF FEES PAYABLE

Fees Payable to the Lead Managers

The total fees payable to the Lead Managers will be as per the Mandate Letter dated November 03, 2017 and [●], issued by Sarthi Capital Advisors Private Limited and Indian Overseas Bank respectively to our Company, the copy of which is available for inspection at our Registered Office.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue will be as per the Agreement signed by our Company and the Registrar dated February 02, 2018 and addendum thereof dated April 14, 2018, a copy of which is available for inspection at our Registered Office. The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided by the Company to the Registrar to the Issue to enable them to send allotment advice by registered post/ speed post/ under certificate of posting.

Fees Payable to Others

The total fees payable to the Legal Advisor, Auditor and Advertiser, *etc.* will be as per the terms of their respective engagement letters.

UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

The underwriting commission and selling commission for this Issue is as set out in the Underwriting Agreement entered into between our Company and the Lead Managers. Payment of underwriting commission, brokerage and selling commission would be in accordance with applicable laws.

PREVIOUS RIGHTS AND PUBLIC ISSUES DURING THE LAST FIVE YEARS

We have not made any previous rights and/or public issues during the last five years and are an "Unlisted Issuer" in terms of the SEBI ICDR Regulations and this Issue is an "Initial Public Offering" in terms of the SEBI ICDR Regulations.

PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH

Except as stated in the chapter titled *"Capital Structure"* beginning on page 69 of this Draft Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

COMMISSION AND BROKERAGE ON PREVIOUS ISSUES

Since this is the initial public offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares since our inception.

PARTICULARS IN REGARD TO OUR COMPANY AND OTHER LISTED COMPANIES UNDER THE SAME MANAGEMENT WITHIN THE MEANING OF SECTION 186 OF COMPANIES ACT, 2013 WHICH MADE ANY CAPITAL ISSUE DURING THE LAST THREE YEARS

None of the equity shares of our Group Companies are listed on any recognized stock exchange except Five Core Exim Limited (Formerly known as Aurum Soft Systems Limited). However, none of the above companies have raised any capital during the past 3 years.

PROMISE VERSUS PERFORMANCE FOR OUR COMPANY

Our Company is an "Unlisted Issuer" in terms of the SEBI ICDR Regulations, and this Issue is an "Initial Public Offering" in terms of the SEBI ICDR Regulations. Therefore, data regarding promise versus performance is not applicable to us.

OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY

As on the date of this Draft Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

STOCK MARKET DATA FOR OUR EQUITY SHARES

Our Company is an "Unlisted Issuer" in terms of the SEBI ICDR Regulations, and this Issue is an "Initial Public Offering" in terms of the SEBI ICDR Regulations. Thus, there is no stock market data available for the Equity Shares of our Company.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Agreement between the Registrar and our Company provides for retention of records with the Registrar for a period of at least three years from the last date of dispatch of the letters of allotment, demat credit to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Issue may be addressed to the Registrar with a copy to the Company Secretary and Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection center of the SCSB where the Application Form was submitted by the ASBA applicants.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company or the Registrar to the Issue or the SCSB in case of ASBA Applicant shall redress routine investor grievances within 15 working days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

We have constituted the Stakeholders Relationship Committee of the Board *vide* resolution passed at the Board Meeting held on January 30, 2018. For further details, please refer to the chapter titled "*Our Management*" beginning on page 167 of this Draft Prospectus.

Our Company has appointed Mr. Saurabh Kumar Jain as the Company Secretary and Compliance Officer and he may be contacted at the following address:

FIVE CORE ELECTRONICS LIMITED
WZ-15B, Ground Floor,
Uggarsain Market, Ashok Nagar,
Delhi- 110018
Tel: +91 11 28128310
Fax: +91 11 28128011
E-mail: cs@5core.in
Website: www.5core.in

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account, *etc*.

CHANGES IN AUDITORS DURING THE LAST THREE FINANCIAL YEARS

Our Company has appointed GSK & Associates LLP, Chartered Accountants in place of Praveen Aggarwal & Co., Chartered Accountants in the Annual General Meeting dated September 29, 2017.

CAPITALISATION OF RESERVES OR PROFITS

Save and except as stated in the chapter titled "*Capital Structure*" beginning on page 69 of this Draft Prospectus, our Company has not capitalized its reserves or profits at any time since inception.

REVALUATION OF ASSETS

Our Company has revalued its land and building in the previous years. However, the revaluation reserve created out of revaluation has been nullified and corresponding effect is taken to the respective assets in the restated financial statements.

PURCHASE OF PROPERTY

Other than as disclosed in this Draft Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Draft Prospectus.

Except as stated elsewhere in this Draft Prospectus, our Company has not purchased any property in which the Promoters and/or Directors have any direct or indirect interest in any payment made thereunder.

SERVICING BEHAVIOR

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

SECTION VII – ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued are subject to the provisions of the Companies Act, the Memorandum and Articles, the terms of this Draft Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note ('CAN') and other terms and conditions as may be incorporated in the Allotment advices and other documents/ certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, guidelines, notifications and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, NSE, RoC, RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Please note that, in accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process.

RANKING OF EQUITY SHARES

The Equity Shares being offered shall be subject to the provisions of the Companies Act, 2013, our Articles of Association and shall rank *pari-passu* in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please refer to the section titled, 'Main Provisions of the Articles of Association of the Company' on page 369 of this Draft Prospectus.

MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013 and recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act, 2013. For further details, please refer to the chapter titled 'Dividend Policy' on page 215 of this Draft Prospectus.

FACE VALUE AND ISSUE PRICE

The Equity Shares having a Face Value of Rs. 10/- each are being offered in terms of this Draft Prospectus at the price of Rs. 140/- per Equity Share. The Issue Price is determined by our Company in consultation with the Lead Managers and is justified under the chapter titled 'Basis for Issue Price' beginning on page 105 of this Draft Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

RIGHTS OF THE EQUITY SHAREHOLDERS

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 on a poll either in person or by proxy;
- Right to receive annual reports and notices to members;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; Right of free transferability; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act and the Memorandum and Articles of Association of the Company.

MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

As per the provisions of the Depositories Act, 1996 & regulations made thereunder and Section 29(1) of the Companies Act, 2013, the equity shares of a body corporate can be in dematerialized form i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode. The trading of the Equity Shares will happen in the minimum contract size of 1000 Equity Shares and the same may be modified by the NSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of 1000 Equity Shares subject to a minimum allotment of 1000 Equity Shares to the successful Applicants terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

MINIMUM NUMBER OF ALLOTTEES

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and all the monies blocked by SCSBs shall be unblocked within 6 working days of closure of Issue.

JOINT HOLDERS

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

NOMINATION FACILITY TO INVESTOR

In accordance with Section 72 of the Companies Act, 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the sole Applicant, or the first Applicant along with other joint Applicants, may nominate any one person in whom, in the event of the death of sole Applicant or in case of joint Applicants, death of all the Applicants, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with section 72 of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

a. to register himself or herself as the holder of the Equity Shares; or
b. to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may, at any time, give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may, thereafter, withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialised form, there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the Applicants require changing of their nomination, they are requested to inform their respective depository participant.

MINIMUM SUBSCRIPTION

In the event our Company does not receive a minimum subscription of 100% of the Issue, subject to the Issue being made for at least 25% of the post-Issue paid up Indian Equity Share capital of our Company, in accordance with Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, including devolvement to the Underwriters within 60 days from the Issue Closing Date, we shall forthwith refund the entire subscription amount received not later than 70 days from the Issue Closing Date. If there is a delay beyond eight days after the expiry of 70 days from the Issue Closing Date, the Directors of our Company who are officers in default shall jointly and severally be liable to repay the money with such interest as prescriber under section 39(3) of the Companies Act, 2013 and Companies (Draft Prospectus and Allotment of Securities) Rules, 2014. Further Section 39(5) states that in case of default under section 39(3), the Company and its officers who are in default shall be liable to a penalty of Rs. 1,000 for each day during which the default continues or Rs. 1,00,000, whichever is less.

Additionally, section 40(3) of the 2013 Act requires application money to be refunded in the event of failure to Allot Equity Shares for any other reason. If a default is made in complying with the provisions of this section the Company shall be punishable with a fine which shall not be less than Rs. 5,00,000, but which may extend to Rs. 5,000,000 and every officer of the Company who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than Rs. 50,000 but which may extend to Rs. 3,00,000 or with both.

MIGRATION TO MAIN BOARD

Our company may migrate to the main board of National Stock Exchange of India Limited at a later date subject to the following:

a) If the Paid-up Capital of our Company is likely to increase above Rs. 25 crore by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), our Company shall apply to NSE for listing of its shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

b) If the Paid-up Capital of our company is more than 10 crores but below Rs. 25 crores, our Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

MARKET MAKING

The shares offered through this issue are proposed to be listed on the NSE Emerge Platform wherein the Lead Managers to the issue shall ensure compulsory Market Making through registered Market Makers of the National Stock Exchange of India Limited for a minimum period of three years from the date of listing of shares offered though this Draft Prospectus. For further details of the Market Making arrangement see chapter titled *"General Information - Details of the Market Making Arrangements for this Issue"* beginning on page 59 of this Draft Prospectus.

RESTRICTIONS, IF ANY, ON TRANSFER AND TRANSMISSION OF SHARES OR DEBENTURES AND ON THEIR CONSOLIDATION OR SPLITTING

Except for lock-in of the pre-Issue Equity Shares and Promoter's minimum contribution as detailed in chapter titled "Capital Structure" beginning on page 69 of this Draft Prospectus, and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of Equity Shares and on their consolidation/ splitting except as provided in the Articles of Association. Please refer to the section "Main Provisions of the Articles of Association" beginning on page 369 of this Draft Prospectus.

ARRANGEMENTS FOR DISPOSAL OF ODD LOTS

The trading of the Equity Shares will happen in the minimum contract size of 1000 shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the NSE Emerge Platform.

ALLOTMENT OF EQUITY SHARES IN DEMATERIALIZED FORM

Our Company shall issue shares only in dematerialized form. Investors making application in dematerialized form may get the specified securities rematerialized subsequent to allotment.

NEW FINANCIAL INSTRUMENTS

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Delhi, India.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and 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), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

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

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106(M)(2) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post-issue face value capital exceeds ten crore rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the NSE Emerge). For further details regarding the salient features and terms of such an Issue please refer to the chapters titled 'Terms of the Issue' and 'Issue Procedure' beginning on page 342 and 348 of this Draft Prospectus.

The Issue is being made by way of Fixed Price method.

FOLLOWING IS THE ISSUE STRUCTURE:

Public Issue of 33,33,000 Equity Shares of face value of Rs. 10/- each fully paid (the 'Equity Shares') for cash at a price of Rs. 140/- per Equity Share aggregating to Rs. 4666.20 Lakhs ('the Issue') by our Company.

The Issue comprises a Net Issue to Public of 31,64,000 Equity Shares ('the Net Issue') and a reservation of 1,69,000 Equity Shares for subscription by the designated Market Maker ('the Market Maker Reservation Portion').

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
Number of Equity Shares available for allocation	31,64,000 Equity Shares	1,69,000 Equity Shares
Percentage of Issue Size available for allocation	94.93% of the Issue size (50% to Retail Individual Investors and the balance 50% to other investors).	5.07% of the Issue size
Basis of Allotment	Proportionate subject to minimum allotment of 1000 Equity Shares and further allotment in multiples of 1000 Equity Shares each. For further details, please refer to the "Basis of Allotment" on page 359 of this Draft Prospectus.	Firm Allotment
Mode of Application	All Applicants must compulsorily apply through ASBA Process (online or the physical form)	Through ASBA Process Only
Minimum Application Size	For QIB and NII: Such number of Equity Shares in multiples of 1000 Equity Shares such that the Application Value exceeds Rs. 2,00,000/- For Retail Individuals: 1000 Equity Shares	1,69,000 Equity Shares
Maximum Application Size	For QIB and NII: Such number of equity shares in multiples of 1000 Equity Shares such that the Application Size does not exceed 31,64,000 Equity Shares.	Application size shall be 1,69,000 equity shares since there is a firm allotment

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
	For Retail Individuals: Such number of Equity Shares in multiples of 1000 Equity Shares such that the Application Value does not exceed Rs. 2,00,000/-.	
Mode of Allotment	Dematerialized Form	
Trading Lot	1000 Equity Shares	1000 Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2009.
Terms of Payment	The entire Application Amount will be payable at the time of submission of the Application Form.	

This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. For further details, please refer to "Issue Structure" on page 346 of this Draft Prospectus.

*As per Regulation 43, sub regulation (4) of the SEBI (ICDR) Regulations, the allocation in the net issue to public category shall be made as follows:

a) Minimum fifty percent to retail individual investors; and

b) Remaining to:

   i. individual applicants other than retail individual investors; and

   ii. other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

For the purpose of Regulation 43(4), if the retail individual investor category is entitled to more than fifty percent, on proportionate basis, the retail individual investors shall be allocated that higher percentage.

ISSUE OPENING DATE	[●]
ISSUE CLOSING DATE	[●]

Applications and any revision to the same (except that on the Issue Closing Date) will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centers mentioned in the Application Form. On the Issue Closing date application and revision to the same will be accepted between 10.00 a.m. and 3.00 p.m. Applications will be accepted only on Working Days, i.e., all trading days of stock exchange excluding Sundays and bank holidays.

ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI ("General Information Document") and including SEBI circular bearing number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and SEBI circular bearing number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 included below under section "PART B – General Information Document", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act 2013, applicable provisions of Companies Act, 1956, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations as amended. The General Information Document has been updated to reflect the enactments and regulations, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges and the LMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, there have been certain changes in the issue procedure for initial public offerings including making ASBA Process mandatory for all investors, allowing registrar, share transfer agents, collecting depository participants and stock brokers to accept application forms. Further, SEBI, by its circular No. (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, reduced the time taken for listing after the closure of an issue to six working days. These changes are applicable for all public issues which open on or after January 01, 2016.

Please note that the information stated/ covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and the Lead Managers do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus and the Draft Prospectus.

This section applies to all the Applicants, please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form

Our Company and the LMs are not liable for any amendments, modifications or change in applicable laws or regulations, which may occur after the date of this Draft Prospectus

FIXED PRICE ISSUE PROCEDURE

This Issue is being made in terms of Regulation 106(M)(2) of Chapter XB of SEBI (ICDR) Regulations, 2009 via Fixed Price Process.

Applicants are required to submit their Applications to the SCSB or Registered Brokers of Stock Exchanges or Registered Registrar to an Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI.

In case of QIB Applicants, the Company in consultation with the Lead Managers may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing. In case of Non-Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

As per the provisions Section 29(1) of the Companies Act, 2013, the Allotment of Equity Shares in the Issue shall be only in a de-materialized form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). The Equity Shares on Allotment shall, however, be traded only in the dematerialized segment of the Stock Exchange, as mandated by SEBI.

APPLICATION FORM

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Draft Prospectus. The Application Form shall contain space for indicating number of specified securities subscribed for in demat form.

ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking funds that are available in the bank account specified in the Application Form used by ASBA applicants.

The prescribed color of the Application Form for various categories is as follows:

Category	Color of Application Form
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents and Eligible NRIs applying on a repatriation basis	Blue

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process.

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Draft Prospectus.

WHO CAN APPLY?

Persons eligible to invest under all applicable laws, rules, regulations and guidelines: -

- Indian nationals resident in India who are not incompetent to contract in single or joint names (not more than three) or in the names of minors as natural/legal guardian;
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*. Applications by HUFs would be considered at par with those from individuals;
- Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- Mutual Funds registered with SEBI;
- Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the Non-Institutional applicants category;

- Alternative Investment Funds, Venture Capital Funds, Foreign Venture Capital Investors registered with SEBI;
- Portfolio Manager registered with SEBI;
- State Industrial Development Corporations;
- Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- Provident Funds with minimum corpus of Rs. 2,500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
- Pension Funds with minimum corpus of Rs. 2,500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
- Multilateral and Bilateral Development Financial Institutions;
- National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- Insurance funds set up and managed by army, navy or air force of the Union of India

As per the existing regulations, OCBs cannot participate in this Issue.

PARTICIPATION BY ASSOCIATES OF LMs

The LMs shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the LMs may subscribe to Equity Shares in the Issue, either in the QIB Portion and Non-Institutional Portion where the allotment is on a proportionate basis. All categories of Applicants, including associates and affiliates of the LMs, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

AVAILABILITY OF DRAFT PROSPECTUS AND APPLICATION FORMS

The Memorandum Form 2A containing the salient features of the Draft Prospectus together with the Application Forms and copies of the Draft Prospectus may be obtained from the Registered Office of our Company, Lead Managers to the Issue and The Registrar to the Issue, as mentioned in the Application Form. The application forms may also be downloaded from the website of National Stock Exchange of India Limited i.e. www.nseindia.com.

OPTION TO SUBSCRIBE IN THE ISSUE

a) As per Section 29(1) of the Companies Act 2013, Investors will get the allotment of Equity Shares in dematerialization form only.

b) The Equity Shares, on allotment, shall be traded on Stock Exchange in demat segment only.

c) In a single Application Form any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRIS APPLYING ON NON-REPATRIATION

Application must be made only in the names of individuals, limited companies or Statutory Corporations/institutions and not in the names of minors, foreign nationals, non-residents (except for those applying on non-repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu undivided families, partnership firms or their nominees. In case of HUF's application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public. Eligible NRIs applying on a non-repatriation basis should authorize their SCSB to block their NRE/FCNR accounts as well as NRO accounts.

APPLICATION BY MUTUAL FUNDS

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to reject any application without assigning any reason thereof. Applications made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Applications are made. As per the current regulations, the following restrictions are applicable for investments by mutual funds:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any single Company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific funds/Schemes. No mutual fund under all its schemes should own more than 10% of any Company's paid up share capital carrying voting rights.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

APPLICATIONS BY ELIGIBLE NRIS

NRIs may obtain copies of Application Form from the offices of the Lead Managers and the Designated Intermediaries. Eligible NRI Applicants applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Applicants applying on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary ("NRO") accounts for the full Application Amount, at the time of the submission of the Application Form.

Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated May 03, 2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 (thirty) days from the date of issue of shares of allotment to NRIs on repatriation basis.

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in colour).

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents (blue in colour).

APPLICATIONS BY ELIGIBLE FIIs/FPIs

On January 07, 2014, SEBI notified the SEBI FPI Regulations pursuant to which the existing classes of portfolio investors namely "foreign institutional investors" and "qualified foreign investors" will be subsumed under a new category namely "foreign portfolio investors" or "FPIs". RBI on March 13, 2014 amended the FEMA Regulations and laid down conditions and requirements with respect to investment by FPIs in Indian companies.

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Offer, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations. Further, a qualified foreign investor who had not obtained a certificate of registration as and FPI could only continue to buy, sell or otherwise deal in securities until January 06, 2015. Hence, such qualified foreign investors who have not registered as FPIS under the SEBI FPI Regulations shall not be eligible to participate in this Offer. In case of Applications made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Application Form, failing which our Company reserves the right to reject any application without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Offer, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Applications made by SEBI-registered FIIs or subaccounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Application Form, failing which our Company reserves the right to reject any Application without assigning any reason. In terms of the SEBI FPI Regulations, the offer of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10.00% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10.00% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24.00% of the paid-up Equity Share capital of our Company. The aggregate limit of 24.00% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10.00% and 24.00% of the total paid-up Equity Share capital of our Company, respectively. As per the circular issued by SEBI on November 24, 2014, these investment restrictions shall also apply to subscribers of offshore derivative instruments ("ODIs"). Two or more subscribers of ODIs having a common beneficial owner shall be considered together as a single subscriber of the ODI. In the event an investor has investments as a FPI and as a subscriber of ODIs, these investment restrictions shall apply on the aggregate of the FPI and ODI investments held in the underlying company. FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Offer are advised to use the Application Form for Non-Residents (blue in colour). FPIs are required to apply through the ASBA process to participate in the Offer.

AS PER THE CURRENT REGULATIONS, THE FOLLOWING RESTRICTIONS ARE APPLICABLE FOR INVESTMENTS BY FPIS:

1. A foreign portfolio investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by a domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of Schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized Stock Exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian Company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted nonconvertible debentures/bonds issued by an Indian company in the infrastructure sector, where 'infrastructure' is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-Convertible debentures or bonds issued by Non – Banking Financial Companies categorized as 'Infrastructure Finance Companies' (IFC) by the Reserve Bank of India; (i) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.

2. Where a foreign institutional investor or a sub account, prior to commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014, hold equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after Initial Public Offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment from the time being in force.

3. In respect of investments in the secondary market, the following additional conditions shall apply:

   a) A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;

   b) Nothing contained in clause (a) shall apply to:

      - Any transactions in derivatives on a recognized stock exchange;
      - Short selling transactions in accordance with the framework specified by the Board;
      - Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
      - Any other transaction specified by the Board.

   c) No transaction on the stock exchange shall be carried forward;

   d) The transaction of business in securities by a foreign portfolio investor shall be only through stockbrokers registered by the Board; provided nothing contained in this clause shall apply to;

      i. transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;

ii. Sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

iii. Sale of securities in response to an offer made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

iv. Sale of securities, in accordance with the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;

v. divestment of securities in response to an offer by Indian Companies in accordance with Operative Guidelines of Disinvestment of shares of Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;

vi. Any bid for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;

vii. Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

viii. Any other transaction specified by Board.

e) A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form: Provided that any shares held in non-dematerialized form, before the commencement of these regulation, can be held in non-dematerialized form, if such shares cannot be dematerialized.

4. Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Depositories Act, 1996.

5. The purchase of Equity Shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.

6. The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.

7. In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.

8. A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.

No foreign portfolio investor may issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:

a) Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority

b) Such offshore derivatives instruments are issued after compliance with 'know your client' norms:

Provided that those unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal, in offshore derivatives instruments directly or indirectly.

Provided further that no Category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.

A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.

Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.

Any offshore derivative instruments issued under the Securities and Exchange Board of India of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulation, 2014 shall be deemed to have been issued under the corresponding provision of SEBI (Foreign Portfolio Investors) Regulation, 2014.

The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10 per cent of the total issued capital of the company.

An FII or its subaccount which holds a valid certificate of registration shall, subject to the payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as a foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

Qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provision of SEBI (Foreign Portfolio Investors) Regulation, 2014, for a period of one year from the date of commencement of aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

APPLICATIONS BY SEBI REGISTERED ALTERNATIVE INVESTMENT FUND (AIF), VENTURE CAPITAL FUNDS AND FOREIGN VENTURE CAPITAL INVESTORS

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. As per the current regulations, the restrictions are applicable for SEBI registered venture capital funds and foreign venture capital investors:

Accordingly, the holding by any individual venture capital fund registered with SEBI in one company should not exceed 25% of the corpus of the venture capital fund; a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one company. Further, Venture Capital Funds and Foreign Venture Capital Investor can invest only up to 33.33% of the funds available for investment by way of subscription to an Initial Public Offer.

The SEBI (Alternative Investment Funds) Regulations, 2012 prescribes investment restrictions for various categories of AIF's.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to a further public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulations.

Our Company or the Lead Managers will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

APPLICATIONS BY INSURANCE COMPANIES

In case of applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended (the "IRDA Investment Regulations"), are broadly set forth below:

a. Equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;

b. The entire group of the investee company: the least of 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or reinsurer (25% in case of ULIPS); and

c. The industry sector in which the investee company operates: 10% of the insurer's total investment exposure to the industry sector (25% in case of ULIPS).

In addition, the IRDA partially amended the exposure limits applicable to investments in public limited companies in the infrastructure and housing sectors on December 26, 2008, providing, among other things, that the exposure of an insurer to an infrastructure company may be increased to not more than 20%, provided that in case of equity investment, a dividend of not less than 4% including bonus should have been declared for at least five preceding years. This limit of 20% would be combined for debt and equity taken together, without sub ceilings.

Further, investments in equity including preference shares and the convertible part of debentures shall not exceed 50% of the exposure norms specified under the IRDA Investment Regulations.

APPLICATIONS BY BANKING COMPANIES

Applications by Banking Companies: In case of Applications made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company and the Selling Shareholders reserve the right to reject any Application without assigning any reason. The investment limit for banking companies as per the Banking Regulation Act, 1949, as amended, is 30.00% of the paid up share capital of the investee company or 30.00% of the banks' own paid up share capital and reserves, whichever is less (except in certain specified exceptions, such as setting up or investing in a subsidiary, which requires RBI approval). Further, the RBI Master Circular of July 01, 2015 sets forth prudential norms required to be followed for classification, valuation and operation of investment portfolio of banking companies.

Applications by SCSBs: SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 02, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

APPLICATION BY PROVIDENT FUNDS/ PENSION FUNDS

In case of applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of Rs. 2,500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

APPLICATION UNDER POWER OF ATTORNEY

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, eligible FPIs (including FIIs), Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/ or bye laws must be lodged along with the Application Form. Failing this, our Company reserve the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In addition to the above, certain additional documents are required to be submitted by the following entities:

(a) With respect to applications by VCFs, FVCIs, FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.

(b) With respect to applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged with the Application Form as applicable. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.

(c) With respect to applications made by provident funds with minimum corpus of Rs. 250.00 million (subject to applicable law) and pension funds with a minimum corpus of Rs. 250.00 million, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.

Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that our Company, the lead managers may deem fit.

Our Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

The above information is given for the benefit of the Applicants. The Company and the LMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

MAXIMUM AND MINIMUM APPLICATION SIZE

a) For Retail Individual Applicants

The Application must be for a minimum of 1000 Equity Shares. As the Application Price payable by the Applicant cannot exceed Rs. 2,00,000/-, they can make Application for only minimum Application size i.e. for 1000 Equity Shares.

b) For Other Applicants (Non- Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds Rs. 2,00,000/- and in multiples of 1000 Equity Shares thereafter. An Application cannot be submitted for more than the Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application. In case of revision in Applications, the Non- Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000/- for being considered for allocation in the Non- Institutional Portion.

Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus.

INFORMATION FOR THE APPLICANTS

a) Our Company will file the Draft Prospectus with the Registrar of Companies, NCT of Delhi & Haryana, at least 3 (three) days before the Issue Opening Date.
b) Any investor (who is eligible to invest in our Equity Shares) who would like to obtain the Draft Prospectus and/ or the Application Form can obtain the same from our Registered Office or from the office of the LMs.
c) Applicants who are interested in subscribing for the Equity Shares should approach the LMs or their authorized agent(s) to register their Applications.

INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. ASBA Application Forms should bear the stamp of the SCSB's. ASBA Application Forms, which do not bear the stamp of the SCSB, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit application forms in public issues using the stock broker ("broker") network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of National Stock Exchange of India Limited i.e. www.nseindia.com.

APPLICANT'S DEPOSITORY ACCOUNT AND BANK DETAILS

Please note that, providing bank account details in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). Applicants should carefully fill in their Depository Account details in the Application Form.

These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

BASIS OF ALLOTMENT

Allotment will be made in consultation with the National Stock Exchange of India Limited (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
3. For applications where the proportionate allotment works out to less than 1000 equity shares the allotment will be made as follows:
   a) Each successful applicant shall be allotted 1000 equity shares; and
   b) The successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of 1000 equity shares, the applicant would be allotted Shares by rounding off to the nearest multiple of 1000 equity shares subject to a minimum allotment of 1000 equity shares.
5. If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 1000 equity shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in this Draft Prospectus.
6. The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below:
   a) As the retail individual investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
   b) The balance net offer of shares to the public shall be made available for allotment to
      i. Individual applicants other than retails individual investors and
      ii. Other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
   c) The unsubscribed portion of the net offer to any one of the categories specified in a) or b) shall/may be made available for allocation to applicants in the other category, if so required.

'Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.

For the purpose of Regulation 43(4), if the retail individual investor category is entitled to more than fifty percent, on proportionate basis, the retail individual investors shall be allocated that higher percentage.

The Executive Director / Managing Director of NSE – the Designated Stock Exchange in addition to Lead Managers and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

PAYMENT BY STOCK INVEST

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003 04 dated November 05, 2003; the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

GENERAL INSTRUCTIONS

Do's:

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about Depository Participant and Beneficiary Account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the Demographic Details (as defined herein below) are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.
- All Applicants should submit their application through ASBA process only.

Don'ts:

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price Different from the Price Mentioned herein or in the Application Form
- Do not apply on another Application Form after you have submitted an Application to the Bankers of the Issue.
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
- Do not send Application Forms by post.
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/ or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.

OTHER INSTRUCTIONS

Joint Applications in the case of Individuals

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Applications

An Applicant should submit only one Application (and not more than one) for the total number of Equity Shares required. Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

(i) All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications

(ii) Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.

(iii) Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of' know your client' norms by the depositories. The Company reserves the right to reject, in our absolute discretion, all or any multiple Applications in any or all categories.

PERMANENT ACCOUNT NUMBER OR PAN

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number ('PAN')to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 02, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. Applications without this information will be considered incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

RIGHT TO REJECT APPLICATIONS

In case of QIB Applicants, the Company in consultation with the LMs may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non- Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

GROUNDS FOR REJECTIONS

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form, duplicate PAN and mismatch of PAN;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;

- Applications at a price other than the Fixed Price of The Issue;
- Applications for number of Equity Shares which are not in multiples of 1000 ;
- Category not ticked;
- Multiple Applications as defined in this Draft Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Draft Prospectus and as per the instructions in the Draft Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of Rs. 2,00,000, received after 3.00 pm on the Issue Closing Date;
- Detailed of ASBA Account not provided in the Application Form;
- Amount not blocked in ASBA within prescribed time;
- More than five application forms blocked from one ASBA Account.

IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of section 38(1) of the Companies Act, 2013 which is reproduced below:

'Any person who:

a. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
b. makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
c. otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

Shall be liable for action under section 447 of Companies Act, 2013 and shall be treated as Fraud.

SIGNING OF UNDERWRITING AGREEMENT

Vide an Underwriting agreement dated April 14, 2018 this issue is 100% Underwritten.

FILING OF THE DRAFT PROSPECTUS WITH THE ROC

The Company will file a copy of the Draft Prospectus with the Registrar of Companies, NCT of Delhi & Haryana, in terms of Section 26 of Companies Act, 2013.

PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013 the Company shall, after registering the Draft Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation. In the pre-issue advertisement, we shall state the Offer Opening Date and the Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.

DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

The Company will issue and dispatch letters of allotment/ securities certificates and/ or letters of regret or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Issue Closing Date.

In case the Company issues Letters of allotment, the corresponding Security Certificates will be kept ready within two months from the date of allotment thereof or such extended time as may be approved by the Company Law Board under Section 56 of the Companies Act, 2013 or other applicable provisions, if any.

Allottees are requested to preserve such Letters of Allotment, which would be exchanged later for the Security Certificates. After the funds are transferred from the SCSB's to Public Issue Account on the Designated Date, the Company would ensure the credit to the successful Applicants depository account. Allotment of the Equity Shares to the Allottees shall be within one working day of the date of approval of Basis of Allotment by Designated Stock Exchange. Investors are advised to instruct their Depository Participants to accept the Equity Shares that may be allocated/ allotted to them pursuant to this issue.

PAYMENT OF REFUND

In the event that the listing of the Equity Shares does not occur in the manner described in this Draft Prospectus, the Lead Managers shall intimate Public Issue bank and Public Issue Bank shall transfer the funds from Public Issue account to Refund Account as per the written instruction from lead Managers and the Registrar for further payment to the beneficiary applicants.

UNDERTAKINGS BY OUR COMPANY

The Company undertakes the following:

1. that if our Company do not proceed with the Issue after the Issue Closing Date, the reason thereof shall be given as a public notice in the newspapers to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers in which the Pre-Issue advertisement was published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
2. that if our Company withdraw the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the ROC/SEBI, in the event our Company subsequently decides to proceed with the Issue;
3. that the complaints received in respect of this Issue shall be attended to by us expeditiously and satisfactorily;
4. that all steps shall be taken to ensure the listing and commencement of trading of the Equity Shares at the Stock Exchange where the Equity Shares are proposed to be listed are taken within six Working days of Issue Closing Date or such time as prescribed;
5. that if allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under applicable law for the delayed period;
6. that the letter of allotment/unblocking of funds to the non-resident Indians shall be dispatched within specified time; and
7. that no further issue of Equity Shares shall be made till the Equity Shares offered through this Draft Prospectus are listed.

UTILIZATION OF ISSUE PROCEEDS

Our Board certifies that:

1. All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in Section 40 of the Companies Act, 2013;
2. Details of all monies utilized out of the issue referred to in point 1 above shall be disclosed and continued 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 issuer indicating the purpose for which such monies had been utilized;
3. Details of all unutilized monies out of the Issue referred to in 1, if any shall be disclosed under the appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and
4. Our Company shall comply with the requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

WITHDRAWAL OF THE ISSUE

Our Company, in consultation with the Lead Managers, reserves the right not to proceed with the Issue, in whole or any part thereof at any time after the Issue Opening Date but before the Allotment, with assigning reason thereof. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared within Two days of Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for such decision and. The LMs, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. Our Company shall also inform the same to the

Stock Exchange on which Equity Shares are proposed to be listed. Notwithstanding the foregoing; the Issue is also subject to obtaining the following:

1. The final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and
2. The final RoC approval of the Draft Prospectus after it is filed with the concerned RoC.

If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with afresh public offering of Equity Shares, our Company shall file a fresh Draft Prospectus with Stock Exchange.

EQUITY SHARES IN DEMATERIALISED FORM WITH NSDL OR CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company has entered following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

(a) Tripartite agreement has been entered between NSDL, the Company and the Registrar to the Issue dated March 13, 2018.

(b) Tripartite agreement has been entered between CDSL, the Company and the Registrar to the Issue dated February 26, 2018.

The Company's Equity shares bear an ISIN No. INE574Z01013

An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.

- The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis à vis those with his or her Depository Participant.
- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

COMMUNICATIONS

All future communications in connection with the Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted and a copy of the acknowledgement slip. Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

ISSUE PROCEDURE FOR ASBA (APPLICATION SUPPORTED BY BLOCKED AMOUNT) APPLICANTS

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the LMs are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

This section is for the information of investors proposing to subscribe to the Issue through the ASBA process. Our Company and the LMs are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. ASBA Applicants are advised to make the independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34. For details on designated branches of SCSB collecting the Application Form, please refer the above mentioned SEBI link.

ASBA PROCESS

A Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant ('ASBA Account') is maintained. The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Application, as the case may be.

The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Applicants to the Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the LMs.

ASBA Applicants are required to submit their Applications, either in physical or electronic mode. In case of application in physical mode, the ASBA Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB or Registered Brokers or Registered RTAs or DPs registered with SEBI. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

Who can apply?

In accordance with the SEBI (ICDR) Regulations, 2009 in public issues w.e.f. May 01, 2010 all the investors can apply through ASBA process and after SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all investors must apply through the ASBA Process.

Mode of Payment

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB.

Application Amount paid in cash, by money order or by postal order or by stock invest, or ASBA Application Form accompanied by cash, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted.

After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application Form till the Designated Date.

On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

The entire Application Amount, as per the Application Form submitted by the respective ASBA Applicants, would be required to be blocked in the respective ASBA Accounts until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against allocated shares to the Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Application, as the case may be.

Unblocking of ASBA Account

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the Public Issue Account as per the provisions of section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account. However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case may be.

RESTRICTION ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Foreign investment is allowed up to 100% under automatic route in our Company.

India's current Foreign Direct Investment ("FDI") Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI ("DIPP") by circular of 2016 with effect from June 07, 2016 ("Circular of 2016"), consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP. The Government usually updates the consolidated circular on FDI Policy once every Year and therefore, this circular of 2016 will be valid until the DIPP issues an updated circular.

The transfer of shares between an Indian resident and a Non-resident does not require the prior approval of the FIPB or the RBI, subject to fulfilment of certain conditions as specified by DIPP / RBI, from time to time. Such conditions include (i) the activities of the investee company are under the automatic route under the foreign direct investment ("FDI") Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI and such other conditions as provided in the FDI Policy from time to time. Investors are advised to refer to the exact text of the relevant statutory provisions of law before investing and / or subsequent purchase or sale transaction in the Equity Shares of Our Company.

The Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended (U.S. Securities Act") or any state securities laws in the United States and 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), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transaction in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sale occur. However, the Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them.

SECTION VIII – MAIN PROVISION OF ARTICLES OF ASSOCIATION

Pursuant to Schedule II of the Companies Act and the SEBI Regulation, the main provisions of our Articles relating to, inter alia, voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares or debentures and/or on their consolidation/splitting are detailed below. Please note that each Provision herein below is numbered as per the corresponding article number in our Articles and capitalized/defined terms herein have the same meaning given to them in our Articles.

SHARE CAPITAL

3. The Authorised Share Capital of the company shall be such amounts and be divided into such shares as may, from time to time, be provided in Clause V of the Memorandum of Association with power to increase or reduce the capital in accordance with the Company's regulations and legislative provisions for the time being in force on that behalf with the powers to divide the share capital, whether original or increased or decreased into several classes and attach thereto respectively such ordinary, preferential or special rights and conditions in such manner as may for the time being be provided by the Regulations of the Company and allowed by law.

4. Subject to the provisions of these Articles and of the Act, the shares shall be under the control of the Board of Directors, who may allot or otherwise dispose off the same to such persons, on such terms and conditions and at such time as they think fit and with full power to give any person the option to call of or be allotted shares of the Company of any class, either at a premium or at par and for such time and for such consideration as the Board of Directors think fit (subject to the provisions of Section 53, 54, 56 and 58 of the Act), provided that option or right to call of shares shall not be given to any person except with the sanction of the Company in General Meeting. The Board shall cause to be made the returns as the allotment provided for in Section 39 of the Act.

5. Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles; and every person who thus or otherwise accepts any shares and whose name is on the register shall, for the purposes of the Articles, be a member.

6. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Section 48 of the Act, the consent in writing of the holders of three fourths of the issued shares of that class or with a sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not unless otherwise provided by the terms of issue of the shares of that class be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

8. (1) The company may exercise the powers of paying commissions conferred by Section 40 of the Act, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Section.

   (2) The rate of commission shall not exceed the rate of 5% (five percent) of the price at which the shares in respect whereof the same is paid are issued or an amount equal to 5% (five percent) of such price, as the case may be and in the case of debentures 2½% (two and a half per cent) of the price at which the debentures in respect whereof the same is paid are issued or an amount equal to 2½% (two and a half per cent) of such price, as the case may be.

(3) The commission may be satisfied by payment in cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.

(4) The Company may also, on any issue of shares, pay such brokerage as may be lawful.

9. (1) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after allotment (or within such other period as the conditions of issue shall provide) or within one month after the application for the registration of transfer is received by the Company.

(a) One certificate for all his shares without payment, or

(b) Several certificates, each for one or more of his shares, provided that any subdivision, consolidation or splitting of certificates required in marketable lots shall be done by the Company free of any charges.

(2) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid up thereon.

(3) In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

10. The Company agrees, that it will not charge any fees exceeding those which may be agreed upon with the Stock Exchange.

(i) for issue of new certificates in replacement of those that are torn out, defaced lost or destroyed;

(ii) for sub-division and consolidation of shares and debenture certificates and for subdivision of Letters of Allotment and Split, Consolidation, Renewal and Pucca Transfer Receipts into denominations other than those fixed for the market units of trading".

11. If any shares stands in the names of two or more persons, the person first named in the register of members shall as regards receipt of dividends, the service of notices and subject to the provisions of these Articles, all or any other matter connected with the Company except the issue of share certificates, voting at meeting and the transfer of the share, be deemed the sole holder thereof.

LIEN

12. Subject to the provisions of Companies Act, 2013 the Company shall have a first and paramount lien upon all the shares (not being a fully paid up share) for all monies (presently payable) registered in the name of such member (whether solely or jointly with others) and upon the proceeds of sale thereof for his debts, liabilities and engagements (whether presently payable or not) solely or jointly with any other person, to or with the Company, whether the period for the payment, fulfillment or discharge thereof shall have actually lien or not and such lien shall extend to all dividends, from time to time, declared in respect of shares, subject to section 123 of the Companies Act 2013. The Board of Directors may at any time declare any shares to be wholly or in part exempt from the provisions of this clause.

13. The Company may sell, in such manner as the Board think fit, any share on which the Company has a lien provided that no sale shall be made :-

(a) unless a sum in respect of which the lien exists is presently payable; or

(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

14. (1) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

(2) The purchaser shall be registered as the shareholder of the shares comprised in any such transfer.

(3) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the sale.

15. (1) The proceeds of the sale shall be received by the company and applied in payment of the whole or part of the amount in respect of which the lien exist as is presently payable.

(2) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares as the date of sale, be paid to the person entitled to the shares at the date of the sale.

CALLS ON SHARES

16. (1) The Board of Directors may, from time to time, make calls upon the members in respect of money unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times. Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

(2) Each member shall, subject to receiving at least Fourteen days notice specifying the time or times and place of payment of the call money pay to the Company at the time or times and place so specified, the amount called on his shares.

(3) A call may be revoked or postponed at the discretion of the Board.

17. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed. Call money may be required to be paid by instalments.

18. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

19. (1) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten percent or at such lower rate, if any as the Board may determine.

(2) The Board shall be at liberty to waive payment of any such interest wholly or in part.

20. (1) Any sum which by the terms of issue of a share become payable on allotment or at any fixed date, whether on account of the nominal value of the shares or by way of premium, shall for purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(2) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

21. Subject to the provisions of Section 50 and 179 of the Act, the Board :-

(a) May, if it thinks fit, receive from any member willing to advance all or any part of the money uncalled and unpaid upon any shares held by him; and

(b) If it thinks fit, may pay interest upon all or any of the moneys advanced on uncalled and unpaid shares (until the same would but for such advance become presently payable) at such rate not exceeding, unless the Company in general meeting shall otherwise direct, 12% (twelve percent) per annum as may be agreed upon between the Board and the member paying the sums or advances, Money so paid in advance shall not confer a right to dividend or to participate in profits.

22. On the trial or hearing on any suit or proceedings brought by the Company against any member or his representative to recover any debt or money claimed to be due to the Company in respect of his share, it shall be sufficient to prove that the name of the defendant is or was, when the claim arose, on the Register of members of the company as a holder or one of the holders of the number of shares in respect of which such claim is made and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Directors who resolved to make any call, nor that a quorum of Directors was present at Board Meeting at which any call was resolved to be made, nor that the meeting at which any call was resolved to be made was duly convened or constituted nor any other matter, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

23. Neither the receipt by the Company of a portion of any money which shall, from time to time, be due from any member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall, preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

TRANSFER AND TRANSMISSION OF SECURITIES

24. The Company shall keep a "Register of Transfers" and therein shall fairly and distinctly enter particulars of every transfer or transmission of any share(s) or securities.

25. (1) the instrument of transfer of any securities in the Company shall be executed by or on behalf of both the transferor and the transferee;

(2) the transferor shall be deemed to remain a holder of the security until a properly signed deed of transfer is received by the Company within 2 months of its execution and proper note thereof has been taken and name of transferee has been entered in the Register of Members/Securities, as the case may be;

(3) that there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law;

(4) that a common form of transfer shall be used;

(5) that fully paid shares shall be free from all lien and that in the case of partly paid shares the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares;

(6) that registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever;

(7) that any amount paid up in advance of calls on any share may carry interest but shall not in respect thereof confer a right to dividend or to participate in profits;

(8) that option or right to call of shares shall not be given to any person except with the sanction of the Company in general meetings;

(9) Permission for Sub-Division/Consolidation of Share Certificate.

26. The instrument of transfer shall be in writing and all the provisions of Companies Act 2013 and modification thereof for the time being shall be complied with in respect of all transfers of shares and registration thereof.

27. Unless the Directors decide otherwise, when an instrument of transfer is tendered by the transferee, before registering any such transfer, the Directors shall give notice by letter sent by registered acknowledgement due post to the registered holder that such transfer has been lodged and that unless objection is taken the transfer will be registered. If such registered holder fails to lodge an objection in writing at the office within ten days from the posting of such notice to him, he shall be deemed to have admitted the validity of the said transfer. Where no notice is received by the registered holder, the Directors shall be deemed to have decided not to give notice and in any event to the non-receipt by the registered holder of any notice shall not entitle him to make any claim of any kind against the Company or the Directors in respect of such non-receipt.

TRANSFER OF SECURITIES

28. The Board of Directors may, subject to the right of appeal conferred by Section 58 of the Companies Act, 2013 decline to register :-

    (a) the transfer of a share not being a fully paid up share, to a person of whom they do not approve; or

    (b) any transfer of the share on which the Company has a lien, provided that the registration transfer shall not be refused on the ground of transferor being either alone or jointly with any person or persons indebted to the Company on any account except a lien.

29. The Board may decline to recognize any instrument of transfer unless:-

    (a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;

    (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

    (c) the instrument of transfer is in respect of only one class of shares.

30. All instruments of transfer which shall be registered shall be retained by the Company, but may be destroyed upon the expiration of such period as the Board may from time to time determine. Any instrument of transfer which the Board declines to register shall (except in any case of fraud) be returned to the person depositing the same.

31. (a) On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

    Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

    (b) There shall be no charge for :

        (a) registration of shares or debentures.

(b) sub-division and/or consolidation of shares and debentures certificates and sub-division of Letters of Allotment and split consolidation, renewal and pucca transfer receipts into denominations corresponding to the market unit or trading;

(c) sub-division of renouncible Letters of Right;

(d) issue of new certificates in replacement of those which are decrepit or worn out or where the cages on the reverse for recording transfers have been fully utilised;

(e) registration of any Powers of Attorney, Letter of Administration and similar other documents.

TRANSMISSION OF SECURITIES

32. (a) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.

(b) Nothing in clause (a) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

33. (a) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either :-

(i) to be registered himself as holder of the share; or

(ii) to make such transfer of the share as the deceased or insolvent member could have made.

(b) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

34. (a) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

(b) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(c) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

35. On the transfer of the share being registered in his name a person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company.

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within 90 (ninety) days, the Board may thereafter with hold payment of all dividends, bonuses or other moneys payable in respect of the share, until the requirements of the notice have been complied with.

36. Where the Company has knowledge through any of its principal officers within the meaning of Section 2 of the Estate Duty Act, 1953 of the death of any member of or debenture holder in the company, it shall furnish to the controller within the meaning of such section, the prescribed particulars in accordance with that Act and the rules made thereunder and it shall not be lawful for the Company to register the transfer of any shares or debentures standing in the name of the deceased, unless the transferor has acquired such shares for valuable consideration or a certificate from the Controller is produced before the Company to the effect that the Estate Duty in respect of such shares and debentures has been paid or will be paid or that none is due, as the case may be.

37. The Company shall incur liability whatever in consequence of its registering or giving effect, to any transfer of share made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the register of members) to the prejudice of persons having or claiming any equitable right, title of interest to or in the said shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer and may have entered such notice or referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company but the Company though not bound so to do, shall be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

FORFEITURE OF SHARES

38. If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

39. The notice aforesaid shall:-

    (a) name a further day (not being earlier than the expiry of 14 (fourteen) days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

    (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

40. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time, thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the date of forfeiture, which shall be the date on which the resolution of the Board is passed forfeiting the shares.

41. (1) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

    (2) At any time before a sale or disposal, as aforesaid, the Board may annul the forfeiture on such terms as it thinks fit.

42. (1) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all moneys which, at date of forfeiture, were presently payable by him to the Company in respect of the shares together with interest thereon from the time of forfeiture until payment at the rate of 9 % (nine percent) per annum.

(2) The Liability of such person shall cease if and when the Company shall have received payments in full of all such money in respect of the shares.

43. (1) A duly verified declaration in writing that the declarant is a director, the manager or the secretary of the Company and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.

(2) The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed off.

(3) The transferee shall thereupon be registered as the holder of the share.

(4) The transferee shall not bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale of disposal of the share.

44. The provisions of these regulations as to forfeiture shall apply, in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

45. The forfeiture of a share shall involve the extinction of all interest in and also of all claims and demands against the Company in respect of the share, and all other rights incidental thereto except only such of those right as by these Articles are expressly saved.

46. Upon any sale, after forfeiture or for enforcing a lien in purported exercise of powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings or to be application of the purchase money and after his name has been entered in the Register in respect of such shares, the validity, of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

47. Upon any sale, re-allotment or other disposal under the provisions of these Articles relating to lien or to forfeiture, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect. When any shares, under the powers in that behalf herein contained are sold by the Board and the certificate in respect thereof has not been delivered up to the Company by the former holder of such shares, the Board may, issue a new certificate for such shares distinguishing it in such manner as it may think fit, from the certificate not so delivered.

48. The Directors may subject to the provisions of the Act, accept from any member on such terms and conditions as shall be agreed, a surrender of his shares or stock or any part thereof.

CONVERSION OF SHARES INTO STOCK

49. The Company may, by an ordinary resolution:-

    (a) convert any paid-up shares into stock; and

    (b) reconvert any stock into paid-up shares of any denomination authorised by these regulations.

50. The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred or as near thereto as circumstances admit:

    Provided the Board may, from time to time, fix the minimum amount of Stock transferable, so however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

51. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regard dividends voting and meeting of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

52. Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholders" in those regulations shall include "stock" and "stockholder" respectively.

SHARE WARRANTS

53. The Company may issue share warrant, subject to and in accordance with, the provisions of the Companies Act 2013 and accordingly the Board may in its discretion with respect of any share which is fully paid up, on application in writing signed by the person registered as holder of the share and authenticated by such evidence (if any) as the Board may, from time to time, require as to the identity of the person signing the application and on receiving the certificate (if any) of the share; and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.

54. (1) The bearer of a share warrant may at any time deposit the warrant at the office of the Company and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company and of attending and voting and exercising, the other privileges of a member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the register of members as the holder of the shares included in the deposited warrant.

    (2) Not more than one person shall be recognised as depositor of the share warrant.

    (3) The Company shall, on two days written notice, return the deposited share warrant to the depositor.

55. (1) Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling meeting of the Company or attend or vote or exercise any other privilege of a member at a meeting of the company or be entitled to receive any notice from the Company.

    (2) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he was named in the register of member as the holder of the shares including in the warrant and he shall be deemed to be a member of the Company in respect thereof.

56. The Board may, from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction of the original.

ALTERATION OF CAPITAL

57. The Company may, from time to time, by ordinary resolution increase its share capital by such sum, to be divided into shares of such amount, as the resolution shall specify.

58. The Company may, by ordinary resolution in general meeting :

    (a) consolidate and divide all or any of its capital into shares of larger amounts than its existing shares :

    (b) sub-divide its shares or any of them, into shares of similar amounts than is fixed by the Memorandum of Association, so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;

    (c) cancel any share which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

59. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law :-

    (a) its share capital;

    (b) any capital redemption reserve account; or

    (c) any share premium account.

60. The Company may, from time to time, by special resolution and on compliance with the provisions of Section 66 of the Act, reduce its share capital.

61. The Company shall have power to establish Branch Offices, subject to the provisions of the Act or any statutory modifications thereof.

62. The Company shall have power to pay interest out of its capital on so much of shares which were issued for the purpose of raising money to defray the expenses of the construction of any work or building or the provision of any plant for the Company in accordance with the provisions of the Act.

63. The Company, if authorised by a special resolution passed at a General Meeting may amalgamate or cause itself to be amalgamated with any other person, firm or body corporate, subject however, to the provisions of Section 230 to 232 of the Act.

BUY-BACK OF SHARES

64. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

GENERAL MEETING

65. All General Meetings other than the Annual General Meetings of the Company shall be called Extra-Ordinary General Meetings.

66. (1) The Board may, whenever it thinks fit call an Extraordinary General Meeting.

    (2) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

CONDUCT OF GENERAL MEETINGS

67. No general meeting, annual or extraordinary, shall be competent to enter upon, discuss or transact any business which has not been stated in the notice by which it was convened or called.

68. (1) No business shall be transacted at any general meeting, unless a quorum of members is present at the time when the meeting proceeds to business.

    (2) Save as otherwise provided in Section 103 of the Act, a minimum of:-

        a) five members personally present if the number of members as on the date of meeting is not more than one thousand;

        b) fifteen members personally present if the number of members as on the date of meeting is more than one thousand but up to five thousand;

        c) thirty members personally present if the number of members as on the date of the meeting exceeds five thousand;

    Furthermore, A body corporate, being member, shall be deemed to be personally present if it is represented in accordance with Section 113 of the Act.

CONDUCT OF MEETINGS

69. The Chairman, if any of the Board shall preside as Chairman at every general meeting of the company.

70. If there is no such Chairman or if he is not present within fifteen minutes of the time appointed for holding the meeting or is unwilling to act as Chairman of the meeting, the Directors present shall elect one of their members to be the Chairman of the meeting.

71. If at any meeting no Director is willing to act as Chairman or if no Director is present within 15 (fifteen) minutes of the time appointed for holding the meeting, the members present shall choose one of their members to be the Chairman of the meeting.

72. No business shall be discussed at any general meeting except the election of a Chairman, whilst the chair is vacant.

73. (1) The Chairman may with the consent of any meeting at which a quorum is present and shall, if so directed by the meeting, adjourn the meeting, from time to time and place to place.

    (2) No business shall be transacted at any adjourned meeting, other than the business left unfinished at the meeting from which the adjournment took place.

(3) When a meeting is adjourned for thirty days or more, fresh notice of any adjourned meeting shall be given as in the case of an original meeting.

(4) Save as aforesaid, it shall not be necessary to give any notice of any adjournment or of the business to be transacted at an adjourned meeting.

74. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes places or at which the poll is demanded shall be entitled to a second or casting vote.

75. Any business other than that upon which a poll has been demanded, may be proceeded with, pending the taking of the poll.

VOTES OF MEMBERS

76. Subject to any rights or restrictions for the time being attached to any class or classes of shares:

(a) on a show of hands, every member present in person shall have one vote; and

(b) on a poll, the voting rights of members shall be as laid down in Section 47 of the Act.

77. In the case of joint holders, the vote of the senior who tenders a vote whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names of joint holders stand in the Register of members.

78. A member of unsound mind or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll by his committee or other legal guardian, and any such committee or guardian may on a poll, vote by proxy, provided that such evidence as the Board may require of the authority of the person claiming to vote shall have been deposited at the office not less than 24 hours before the time of holding the meeting or adjourned meeting at which such person claims to vote on poll.

79. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

80. No member shall be entitled to vote at any general meeting unless all calls and other sums presently payable by him in respect of shares in the Company or in respect of shares, on which the Company has exercised any right of lien, have been paid.

81. (1) No objection shall be raised to the qualification of any voter, except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(2) Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision thereon shall be final and conclusive.

82. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

83. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

84. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given, Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

BOARD OF DIRECTORS

85. The number of Directors of the Company shall not be less than three and not more than fifteen.

86. The following are the first directors of the Company:-

1. Mr. Amatjit Singh Kalra
2. Mrs. Surinder Kaur Kalra
3. Mrs. Jagjit Kaur Kalra

87. At every Annual General Meeting of the Company one-third of such of the Directors for the time being as are liable to retire by rotation in accordance with the provisions of Section 152 of the Act or if their number is not three or a multiple of three, then the number nearest to one third shall retire from office in accordance with the provisions of Sections 152 of the Act.

88. (1) Subject to the provisions of the Companies Act, 2013 and Rules made there under each Director shall be paid sitting fees for each meeting of the Board or a committee thereof, attended by him a sum not exceeding Rs. 2,000/- (Rupees Two Thousand Only).

(2) Subject to the provisions of Section 197 of the Act, the Directors shall be paid such further remuneration, whether in the form of monthly payment or by a percentage of profit or otherwise, as the Company in General Meeting may, from time to time, determine and such further remuneration shall be divided among the Directors in such proportion and in such manner as the Board may, from time to time, determine and in default of such determination, shall be divided among the directors equally of is so determined paid on a monthly basis.

(3) The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day to day.

(4) Subject to the provisions of Sections 197 of the Act, if any Director be called upon to perform any extra services or make special exertions or efforts (which expression shall include work done by a Director as a member of any committee formed by the Directors) the Board may pay such Director special remuneration for such extra services or special exertions or efforts either by way of a fixed sum or by percentage of profit otherwise and may allow such Director at the cost and expense of the Company such facilities or amenities (such as rent free house, medical aid and free conveyance) as the Board may determine from time to time.

(5) In addition to the remuneration payable to them in pursuance of the Act, the Directors may be paid in accordance with company's rules to be made by the Board all travelling, hotel and other expenses properly incurred by them :-

(a) In attending and returning from meetings or adjourned meeting of the Board of Directors or any committee thereof; or

(b) In connection with the business of the Company.

89. The Directors shall not be required to hold any qualification shares in the Company.

90. Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

91. If it is provided by any trust deed securing or otherwise in connection with any issue of debentures of the Company that any person or persons shall have power to nominate a Director of the Company then in the case of any and every such issue of debentures, the persons having such power may exercise such power, from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to as a Debenture Director. A Debenture Director may be removed from office at time by the person or persons in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A debenture Director shall not be liable to retire by rotation.

92. In the course of its business and for its benefit the Company shall, subject to the provisions of the Act, be entitled to agree with any person, firm, corporation, government, financing institution or other authority that he or it shall have the right to appoint his or its nominee on the Board of Directors of the Company upon such terms and conditions as the Directors may deem fit. Such nominees and their successors in office appointed under this Article shall be called Nominee Directors. Nominee Directors shall be entitled to hold office until requested to retire by the government, authority, person, firm, institution or corporation who may have appointed them and will not be bound to retire by rotation. As and whenever a Nominee Director vacates office whether upon request as aforesaid or by death, resignation or otherwise the government, authority, person, firm, institution or corporation who appointed such Nominee Director may if the agreement so provide, appoint another Director in his place.

93. Subject to the provisions of Section 161 of the Act, the Board of Directors shall have power to appoint an alternate Director to act for a Director during his absence for a period of not less than three months from India.

94. The Directors shall have power, at any time and from time to time, to appoint any qualified person to be a director to fill a casual vacancy. Such casual vacancy shall be filled by the Board of Directors at a meeting of the Board. Any person so appointed shall held office only upto the date upto which the director in whose place he is appointed would have held office if it had not been vacated as aforesaid but he shall then be eligible for re-election.

95. A person may be or become a director of any company promoted by the company or in which it may be interested as a vendor, shareholder or otherwise and no such Director shall be accountable for any benefits received as director or shareholder of such company. Such Director, before receiving or enjoying such benefits in case in which the provisions of Section 188 of the Act are attracted will ensure that the same have been complied with.

96. Every nomination, appointment or removal of a Special Director shall be in writing and in accordance with the rules and regulations of the government, corporation or any other institution. A Special Director shall be entitled to the same rights and privileges and be subject to same obligations as any other Director or the Company.

97. The office of a Director shall become vacant:-

(i) on the happening of any of the events provided for in Section 167 of the Act;

(ii) on the contravention of the provisions of Sections 188 of the Act, or any statutory modifications thereof;

(iii) if a person is a Director of more than twenty Companies at a time, out of which not more than 10 (Ten) shall be Public Companies.

(iv) in the case of alternate Director on return of the original Director to the State, in terms of Section 161 of the Act; or

(v) on resignation of his office by notice in writing and is accepted by the Board.

98. Every Director present at any meeting of the Board or a committee thereof shall sign his name in a book to be kept for that purpose, to show his attendance thereat.

POWERS OF BOARD OF DIRECTORS

99. The Board of directors may pay all expenses incurred in the formation, promotion and registration of the Company.

100. The Company may exercise the powers conferred on it by Section 88 of the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of those Sections) make and vary such regulations as it may think fit with respect to the keeping of any such register.

101. The Directors may enter into contracts or arrangements on behalf of the Company subject to the necessary disclosures required by the provisions of Section 184 of the Act being made wherever any Director is in any way, whether directly or indirectly concerned or interested in the contract or arrangements.

BORROWING POWER

102. Subject to the provisions of Sections 73, 76, 179, and 180 of the Act, and the Regulations thereunder and Directions issued by the RBI, Directors may exercise all the powers of the company to borrow money and to mortgage or charge its undertaking, property (both present and future), or any part thereof and to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

103. The payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit subject to the provisions of Section 73 & 76 of the Act and rules framed thereunder.

104. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

PROCEEDINGS OF THE BOARD

105. Subject to Section 174 of the Act, the quorum for a meeting of the Board of Directors shall be one third of its total strength (any fraction contained in that one third being rounded off as one) or two Directors, whichever is higher; provided that where at any time the number of interested Directors exceeds or is equal to two thirds of the total strength, the number of the remaining Directors, that is to say, the number of directors, who are not interested, present at the meeting, being not less than two, shall be the quorum during such time.

106. The participation of the Directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum under clause 105 of the Articles.

107. If a meeting of the Board could not be held for want of quorum, whatever number of Directors not being less than two, shall be present at the adjourned meeting, notice where of shall be given to all the Directors, shall form a quorum.

108. (1) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of vote.

(2) In case of an equality of votes, the Chairman of the meeting shall have a second or casting vote.

109. The continuing Directors may act notwithstanding any vacancy in the Board, but if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum, or for summoning a General meeting of the Company, but for no other purpose.

110. (1) The Board may elect one of its members as Chairman of its meetings and determine the period for which he is to hold office as such.

(2) If no such Chairman is elected or if at any meeting the Chairman is not present within fifteen minutes after the time appointed for holding the meeting, the Directors present may choose one of their members to be Chairman of the meeting.

111. Subject to the restrictions contained in Section 179 & 180 of the Act, the Board may delegate any of its powers to committees of the Board consisting of such member or members of its body as it think fit and it may, from time to time, revoke such delegation and discharge any such committee of the Board either wholly or in part, and either as to persons or purposes, but every committee of the Board so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such committee of the Board in conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

112. The meetings and proceedings of any such committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last proceeding Article.

113. (1) A committee may elect a chairman of its meetings.

(2) If no such chairman is elected or if at any meeting the chairman is not present within five minutes of the time appointed for holding the meeting, the members present may choose one of their members to be chairman of the meeting.

114. (1) A committee may meet and adjourn as it think proper.

(2) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present and in case of an equality of votes, the chairman shall have a second or casting vote.

115. All acts done by any meeting of the Board or by a committee thereof by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment or continuance in office of any such Directors or persons acting as aforesaid: or that they or any of them were disqualified or had vacated office or were not entitled to act as such or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, had duly continued in office was qualified, had continued to be a Director his appointment had not been terminated and he had been entitled to be a Director provided that

nothing in this Article shall be deemed to give validity to any act done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

116. Subject to Section 175 of the Act and except a resolution which the Act requires specifically to be passed in any board meeting, a resolution in writing, signed by the majority members of the Board or of a committee thereof; for the time being entitled to receive notice of a meeting of the Board or committee, shall be as valid and effectual as if it had been passed at a meeting of the Board or committee, duly convened and held.

MANAGING DIRECTOR(S) AND WHOLE TIME DIRECTOR(S)

117. Subject to provisions of Section 196 & 197 of the Act, the Board of Directors may, from time to time, appoint one or more of their body to the office of Managing Directors or whole time Directors for a period not exceeding 5 (five) years at a time and on such terms and conditions as the Board may think fit and subject to the terms of any agreement entered into with him, may revoke such appointment, and in making such appointments the Board shall ensure compliance with the requirements of the Companies Act, 2013 and shall seek and obtain such approvals as are prescribed by the Act, provided that a Director so appointed, shall not be whilst holding such office, be subject to retirement by rotation but his appointment shall automatically be determined if he ceases to be a Director.

118. The Board may entrust and confer upon Managing Director/s or whole time Director/s any of the powers of management which would not otherwise be exercisable by him upon such terms and conditions and with such restrictions as the Board may think fit, subject always to the superintendence, control and direction of the Board and the Board may, from time to time revoke, withdraw, alter or vary all or any of such powers.

119. Subject to Section 203 of the Act, a Secretary of the Company may be appointed by the Board on such terms, at such remuneration and upon such conditions as it may think fit, and any Secretary so appointed may be removed by the Board.

THE SEAL

120. (1) The Board shall provide a common seal for the purposes of the Company and shall have power, from time to time, to vary or cancel the same and substitute a new seal in lieu thereof. The Board shall provide for the safe custody of the seal for the time being.

(2) Subject to any statutory requirements as to Share Certificates or otherwise, the seal of the company shall not be affixed to any Instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

DIVIDENDS AND RESERVES

121. The Company in General meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.

122. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

123. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like

discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

124. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

125. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

126. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

127. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

128. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

129. No dividend shall bear interest against the Company, irrespective of the reason for which it has remained unpaid.

ACCOUNTS

130. (1) The Board shall cause proper books of accounts to be maintained under Sections 128 & 129 of the Act.

(2) The Board shall, from time to time, determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company or any or them, shall be open to the inspection of members not being Directors.

(3) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

131. Balance Sheet and Profit and Loss Account of the Company will be audited once in a year by a qualified auditor for correctness as per provision of the Act.

AUDIT

132. (a) The first Auditor of the Company shall be appointed by the Board of Directors within thirty days from the date of registration of the Company and the Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting.

(b) The auditor shall be hold office from the conclusion of First Annual General Meeting till conclusion of Sixth Annual General Meeting

(c) The remuneration of the Auditor shall be fixed by the Company in the Annual General Meeting or in such manner as the Company in the Annual General Meeting may determine. In case of an Auditor appointed by the Board his remuneration shall be fixed by the Board.

(d) The Board of Director may fill any casual vacancy in the office of the auditor and where any such vacancy continues, the remaining auditor, if any may act, but where such vacancy is caused by the resignation of the auditors and vacancy shall be filled up by the Company in General Meeting.

CAPITALISATION OF PROFITS

133. (1) The company in General Meeting may, upon the recommendation of the Board resolve:-

(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss Account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) among the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(2) The sum aforesaid shall not be paid in cash, but shall be applied, subject to the provisions contained in clause (3), either in or towards :-

(i) paying up any amounts for the time being upaid on any shares held by such members respectively;

(ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or

(iii) partly in the way specified in sub-claue (i) and partly in that is specified in sub-cluse (ii).

(3) Any share/securities premium account and any capital redemption reserve fund may, for the purpose of this regulation, only be applied in the paying up of unissued share to be issued to members of the Company as fully paid bonus shares.

(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

134. (1) Whenever such as resolution as aforesaid shall have been passed, the Board shall:-

(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares, if any; and

(b) do all acts and things required to give effect thereto.

(2) The Board shall have full power :-

(a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit in the case of shares becoming distributable in fractions; and also

(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(3) Any agreement made under such authority shall be effective and binding on all such members.

SECRECY

135. Subject to the provisions of law of land and the act, every manager, auditor trustee, member of a committee, officer servant, agent accountant or other persons employed in the business of the company shall, if so required by the Board of Directors before entering upon his duties, sign, declaration, pledging himself to observe strict secrecy respecting all transactions of the Company with its customers and the state of account with individuals and in matters relating thereto and shall by such declaration pledge himself, not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the directors or by any court of law and except so far as may be necessary in order to comply with any of the provisions in these presents.

WINDING UP

136. Subject to the provisions of Chapter XX of the Act and rules made thereunder:-

(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY

137. Subject to the provisions of Companies Act 2013, every Director, Manager, Auditor, Secretary and other officers or servants of the Company shall be indemnified, out of the assets of the Company against any bonafide liability incurred by him in defending any bonafide proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquired or in connection with any application under section 463 of the Companies Act 2013, in which relief is granted to him by the Court.

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Draft Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of this Draft Prospectus to be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at WZ-15B, Ground Floor, Uggersain Market, Ashok Nagar, New Delhi - 110018, from date of filing Draft Prospectus with RoC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

MATERIAL CONTRACTS

1. Mandate letter dated November 03, 2017 issue by the Lead Manager, Sarthi Capital Advisors Private Limited to our Company.
2. Issue Agreement cum Memorandum of Understanding dated April 14, 2018 between our Company and the Lead Managers.
3. Agreement dated February 02, 2018 and addendum dated April 14, 2018 between our Company and the Registrar to the Issue.
4. Public Issue Account Agreement dated [●] among our Company, the Lead Managers, the Banker to Issue/Public Issue Bank, and the Registrar to the Issue.
5. Underwriting Agreement dated April 14, 2018 between our Company and the Lead Managers.
6. Market Making Agreement dated April 14, 2018 between our Company, the Lead Managers and the Market Maker.
7. Agreement among NSDL, our Company and the Registrar to the Issue dated March 13, 2018.
8. Agreement among CDSL, our Company and the Registrar to the Issue dated February 26, 2018.

MATERIAL DOCUMENTS

1. Certified True Copy of the Memorandum and Articles of Association of our Company, as amended from time to time including certificates of incorporation.
2. Resolution of the Board dated January 30, 2017 authorizing the Issue.
3. Special Resolution of the shareholders passed at the Extra Ordinary General Meeting dated January 30, 2018 authorizing the Issue.
4. Statement of Tax Benefits dated April 14, 2018 issued by GSK & Associates LLP, Chartered Accountants, Statutory Auditor.
5. Report of the Peer Review Auditor, SNMG & Co., Chartered Accountants on the Restated Financial Statements for nine months ended December 31, 2017 and Financial Year ended as on March 31, 2017, 2016, 2015, 2014 and 2013 of our Company.
6. Consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, Banker to our Company, Lead Managers, Underwriters, Registrar to the Issue, Market Maker to the Issue, Peer Review Auditor, Secretarial Auditor, Legal Advisor, Banker to the Issue/Public Issue Bank, Refund Banker to the Issue, to act in their respective capacities.
7. Copy of approval from NSE *vide* letter dated [●] to use the name of NSE in this offer document for listing of Equity Shares on Emerge Platform of NSE.

8. Due Diligence Certificate dated April 18, 2018 from theLead Managers.
9. Copy of Managing Director Agreement with Mr. Amarjit Singh Kalra and our Company dated January 01, 2018 for his appointment.
10. Copy of the Special Resolution dated January 01, 2018 for the detailed terms of appointment of Mr.Amarjit Singh Kalra as Managing Director of the Company.

Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by other parties, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We hereby certify and declare that, all relevant provisions of the Companies Act, 2013, applicable provisions of Companies Act, 1956 and the rules/guidelines/regulations issued by the Government of India or the regulations / guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in the Draft Prospectus is contrary to the provisions of the Companies Act, 2013, applicable provisions of Companies Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations / guidelines issued, as the case may be. We further certify that all the disclosures and statements made in the Draft Prospectus are true and correct.

Signed by the Directors of our Company

Name	DIN	Designation	Signature
Amarjit Singh Kalra	00176921	Managing Director	Sd/-
Surinder Kaur Kalra	00177037	Director	Sd/-
Jagjit Kaur Kalra	00177128	Non-Executive Director	Sd/-
Raj Kumar Projapati	02228070	Non-Executive & Independent Director	Sd/-
Aditya Agarwal	08042253	Non-Executive & Independent Director	Sd/-
Neeraj Sharma	08042256	Non-Executive & Independent Director	Sd/-

Signed by Company Secretary & Compliance Officer and Chief Financial Officer

Sd/-

Saurabh Kumar Jain
Company Secretary & Compliance Officer

Sd/-

Amitabh Singh
Chief Financial Officer

Date: April 18, 2018
Place: Delhi

Annexure A

DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY SARTHI CAPITAL ADVISORS PRIVATE LIMITED

TABLE 1

Sr. No.	Issue Name	Issue Size (Cr)	Issue Price (Rs.)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing Benchmark]- 30th calendar day from listing	+/- % change in closing price, [+/- % change in closing Benchmark]- 90th calendar day from listing	+/- % change in closing price, [+/- % change in closing Benchmark]- 180th calendar day from listing
1.	Bothra Metals & Alloys Limited	12.21	25.00	March 25, 2013	25.50	11.00 [3.88]	7.40 [-0.75]	30.00 [6.23]
2.	Tiger Logistics (India) Limited$	7.52	66.00	September 12, 2013	69.20	-13.17 [4.17]	-7.38 [7.02]	-8.10 [10.34]
3.	R J Bio-Tech Limited	5.00	20.00	September 25, 2013	21.00	92.97 [4.17]	63.49 [5.92]	36.05 [11.08]
4.	RCI Industries & Technologies Limited$	11.52	40.00	January 21, 2014	41.00	-8.02 [-3.36]	6.31 [7.12]	-2.76 [21.01]
5.	B.C. Power Controls Limited$	10.36	18.00	March 14, 2014	17.15	1.10 [3.10]	1.10 [17.27]	2.21 [24.06]
6.	Starlit Power Systems Limited	2.95	18.00	October 22, 2014	18.10	-3.96 [5.78]	-17.68 [7.46]	-33.51[4.10]
7.	JLA Infraville Shoppers Limited	2.00	10.00	November 12, 2014	11.05	5.17 [-2.35]	68.97 [1.24]	72.84 [-1.79]
8.	Akme Starhousing Finance Limited$	4.80	30.00	March 20, 2015	32.00	-3.94 [-1.33]	6.14 [-4.05]	11.81 [-8.10]

9.	Mahabir Metallex Limited#	3.90	10.00	March 27, 2015	10.30	22.77 [-1.03]	21.78 [1.59]	2.97 [-5.96]
10.	Pecos Hotels And Pubs Limited	2.29	50.00	August 11, 2015	56.00	-4.69 [-8.05]	-6.10 [-6.26]	7.14 [-12.84]
11.	Shaival Reality Limited	5.28	100.00	October 01, 2015	100.50	-0.50 [6.06]	2.49 [4.02]	2.49 [0.08]
12.	Ahimsa Industries Limited	3.79	25.00	October 15, 2015	26.00	-3.08 [-4.56]	-3.85 [-7.54]	-3.85 [-5.75]
13.	Fourth Dimension Solutions Limited	8.68	30.00	January 22, 2016	31.80	107.78 [-2.53]	94.44 [6.60]	108.33 [15.40]
14.	Hi-Tech Pipes Limited	13.65	50.00	February 25, 2016	60.00	2.55 [9.25]	65.11 [13.83]	100.85 [23.84]
15.	Wealth First Portfolio Managers Limited	8.40	50.00	March 30, 2016	52.00	-4.85 [1.48]	-4.76 [5.08]	-8.74 [12.77]
16.	HEC Infra Projects Limited	5.39	100.00	March 30, 2016	102.00	3.17 [1.48]	15.93 [5.08]	3.17 [12.77]
17.	Crown Lifters Limited	6.68	121.00	September 27, 2016	122.80	0.92 [-1.05]	-12.84 [-9.17]	-30.73 [3.89]
18.	Husys Consulting Limited	4.19	69.00	September 27, 2016	72.90	1.82 [-1.05]	-42.08 [-9.17]	-26.57 [3.89]
19.	AVSL Industries Limited	5.18	36.00	October 06, 2016	38.00	-25.83 [-2.44]	-21.67 [-5.96]	-6.94 [6.38]
20.	Jet Knitwears Limited	4.22	39.00	October 07, 2016	46.80	102.99 [-2.31]	70.94 [-4.87]	45.51 [6.53]
21.	Jet Freight Logistics Limited	4.07	28.00	December 06, 2016	33.60	61.16 [1.60]	116.07 [10.07]	101.34 [18.81]
22.	Libas Designs Limited	13.60	68.00	January 09, 2017	78.25	-3.36 [6.47]	-8.26 [11.48]	-18.77[18.64]

23.	Focus Lighting and Fixtures Limited	4.05	45.00	April 13, 2017	54.00	135.00 [3.22]	177.78[7.27]	112.78[9.47]
24.	M K Proteins Limited	10.23	70.00	April 18, 2017	72.00	-0.14 [3.56]	2.50[8.90]	3.40 [12.36]
25.	Infobeans Technologies Limited	36.78	58.00	May 02, 2017	69.60	-1.87 [3.25]	-3.09 [3.25]	-13.36 [11.27]
26.	Jalan Transolutions (India) Limited	17.71	46.00	May 31, 2017	42.25	-14.18 [-1.04]	-19.07 [-1.04]	-7.98 [8.09]
27.	Shri Ram Switchgears Limited	5.07	19.00	June 07, 2017	22.80	0.88 [0.02]	-26.10 [2.98]	-1.32 [4.80]
28.	Pushpanjali Realms and Infratech Limited	14.55	55.00	July 10, 2017	55.00	11.27 [1.40]	44.27[2.23]	63.75 [8.73]
29.	Salasar Techno Engineering Limited	35.95	108.00	July 25, 2017	259.15	-25.63 [-1.96]	6.65[1.18]	14.66 [11.08]
30.	Total Transport Systems Limited	17.01	45.00	August 07, 2017	54.00	0.00 [-1.40]	-15.65[3.92]	-5.28 [6.06]
31.	Servotech Power Systems Limited	15.13	31.00	August 24, 2017	30.70	30.30 [1.09]	19.31[4.92]	9.89 [5.11]
32.	Aarvi Encon Limited	21.24	54.00	October 05, 2017	56.00	32.75 [5.69]	94.50 [5.61]	35.78 [3.60]
33.	D P Wires Limited	26.88	75.00	October 05, 2017	78.00	-1.33 [5.69]	37.33 [5.61]	-9.33 [3.60]
34.	Omfurn India Limited	4.17	23.00	October 13, 2017	27.60	-8.10 [0.56]	8.53 [4.76]	-21.23 [2.46]
35.	Sanghvi Brands Limited*	18.96	69.00	November 22, 2017	75.90	104.59 [14.03]	27.48 [9.70]	-
36.	Pulz Electronics Limited*	3.92	54.00	November 24, 2017	64.80	-18.50 [1.36]	-30.00 [-0.07]	-

37.	Brand Concepts Limited*	12.62	45.00	January 10, 2018	54.00	1.85 [0.63]	124.07 [-2.16]	-
38.	Arvee Laboratories (India) Limited*	8.91	61.00	February 22, 2018	61.00	-2.24 [-3.70]	-	-
39.	Marval Décor Limited*	26.26	47.00	March 23, 2018	57.75	-	-	-
40.	Mittal Life Style Limted*	4.41	21.00	April 02,2018	21.00	-	-	-

**In Table 1 and Table 2 the shares of few company(s) have not reached the consequent milestones.*

[#]The name of Mahabir Metallex Limited has been changed to SVP Housing Limited vide Certificate dated March 14, 2017.

[$]The companies Tiger Logistics (India) Limited, RCI Industries & Technologies Limited, Akme Starhousing Finance Limited and B.C. Power Controls Limited have been migrated to the Main Board of BSE.

Sources: All share price data is from www.bseindia.com / www.nseindia.com

Note:-

1. The BSE Sensex/ Nifty is considered as the Benchmark Index.
2. Price on BSE/ NSE is considered for all of the above calculations.
3. In case 30th/90th/180th day is not a trading day (trading holiday), closing price on BSE/ NSE of the next trading day has been considered.
4. In case 30th/90th/180th day if there is no trade then the closing price of the next day when trading has taken place has been considered.

SUMMARY STATEMENT OF DISCLOSURE

Financial year	Total no. of IPOs	Total funds raised (Rs. in Crores)	No. of IPOs trading at discount – 30th calendar days from listing			No. of IPOs trading at premium – 30th calendar days from listing			No. of IPOs trading at discount – 180th calendar day from listing			No. of IPOs trading at premium – 180th calendar day from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
12-13	1	12.21	-	-	-	-	-	1	-	-	-	-	1	-
13-14	4	34.39	-		2	1		1	-	-	2	-	1	1
14-15	4	13.65	-	-	2	-	-	2	-	1	-	1	-	2
15-16	7	47.48	-	-	4	1	-	2	-	-	2	2	-	3
16-17	6*	37.94	-	1	1	2	-	2	-	2	1	1	1	-
17-18	16*	253.18	-	-	4	2	1	1	-	-	2	3	1	2

**In Table 1 and Table 2 the shares of few company(s) have not reached the consequent milestones.*