



Majestic Research Services and Solutions Limited

Our Company was incorporated as “Majestic Research Services and Solutions Private Limited” under the provisions of the Companies Act, 1956 *vide* Certificate of Incorporation dated May 2, 2012 bearing Registration No. 063818 issued by Registrar of Companies, Karnataka. Subsequently our Company was converted into a public limited company *vide* fresh Certificate of Incorporation dated August 11, 2014 and the name of our Company was changed to “Majestic Research Services and Solutions Limited”. The Corporate Identity Number of our Company is U72200KA2012PLC063818. For details of incorporation, change of name and Registered Office of our Company, please refer to chapter titled ‘Our History and Certain Other Corporate Matters’ beginning on page 118 of this Draft Prospectus.

Registered Office: 2nd, Floor, Kalpak Arcade, Number 46/17, Church Street, Bangalore – 560 001, Karnataka

Tel. No.: +91 80 41757500; **Fax No.:** +91 80 41757500;

Email: info@mrssindia.com; **Website:** www.mrssindia.com

Contact Person: Mitti Jain, Company Secretary and Compliance Officer

Promoters of our Company: Rajendra Kumar Sharma, Sarang Jayant Panchal and Majestic Market Research Support Services Limited

THE ISSUE

PUBLIC ISSUE OF 11,20,000 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH FULLY PAID FOR CASH AT A PRICE OF RS. 12.75 PER EQUITY SHARE, INCLUDING A SHARE PREMIUM OF RS. 2.75 PER EQUITY SHARE (THE “ISSUE PRICE”) AGGREGATING RS. 142.80 LAKHS (THE “ISSUE”) BY OUR COMPANY, OF WHICH 70,000 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I. E. ISSUE OF 10,50,000 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 27.17% AND 25.47%, RESPECTIVELY OF THE POST ISSUE PAID UP CAPITAL OF THE COMPANY.

THE FACE VALUE OF EQUITY SHARES IS RS. 10 EACH. THE ISSUE PRICE IS RS. 12.75 AND IS 1.275 TIMES OF THE FACE VALUE

THE ISSUE IS BEING MADE IN TERMS OF CHAPTER XB OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED. For further details please refer “Section VII - Issue Information” beginning on page 188 of this Draft Prospectus.

All potential investors may participate in the Issue 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 “Issue Procedure” beginning on page 195 of this Draft Prospectus. In case of delay, if any in refund, our Company shall pay interest on the application money at the rate of 15% per annum for the period of delay.

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 1.275 times of the face value. The Issue Price (as determined and justified by our Company, in consultation with the Lead Manager) as stated in chapter titled “Basis for Issue Price” beginning on page 83 of this Draft Prospectus should not be taken to be indicative of the market price of our Equity Shares after our 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

Investments 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 the Draft Prospectus. **Specific attention of the investors is invited to the section “Risk Factors” beginning on page 16 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 the 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 of our Company offered through this Draft Prospectus are proposed to be listed on the SME Platform of BSE Limited (“BSE”). In terms of Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time (“SEBI (ICDR) Regulations, 2009”), we are not required to obtain an in-principle listing approval for the shares being offered in this Issue. However, our Company has received an approval letter dated [●] from BSE for using its name in this offer document for listing our shares on the SME Platform of BSE. For the purpose of this Issue, BSE will be the Designated Stock Exchange.

LEAD MANAGER TO THE ISSUE



PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED

108, Madhava Premises CHS Ltd,
 Bandra Kurla Complex, Bandra East
 Mumbai 400051

Tel: +91 22 2659 8687

Fax: +91 22 2659 8690

Investor Grievance Email: ipo@pantomathgroup.com

Website: www.pantomathgroup.com

Contact Person: Mahavir Lunawat

SEBI Registration. No.: INM000012110

REGISTRAR TO THE ISSUE



BIGSHARE SERVICES PRIVATE LIMITED

E/2, Ansa Industrial Estate Saki Vihar Road,
 Saki Naka Andheri (East), Mumbai 400 072

Tel: +91-22-40430200

Fax: +91-22-28475207

Email: ipo@bigshareonline.com

Website: www.bigshareonline.com

Contact Person: Babu Raphael

SEBI Registration Number: 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.

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 application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.



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 of our Company	The auditor of our Company, being M/s. R.T Jain & Co., Chartered Accountants
Bankers to our Company	ICICI 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	Mitti Jain
“Corporate Promoter” or “MMRSS” or “Parent Company”	Majestic Market Research Support Services Limited
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
Group Companies	Such entities as are included in the chapter titled ‘Our Group Entities’ beginning on page number 141 of this Draft Prospectus
Memorandum of Association or Memorandum or MOA	The Memorandum of Association of our Company, as amended from time to time
“Promoter(s)” or “our Promoter(s)”	Promoters of our Company being Rajendra Kumar Sharma and Sarang Jayant Panchal and Majestic Market Research Support Services Limited
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 136 of this Draft Prospectus
Registered Office	The Registered Office of our Company is situated at 2nd, Floor, Kalpak Arcade, Number 46/17, Church Street, Bangalore – 560 001, Karnataka India
RoC	Registrar of Companies, Bangalore, Karnataka
“Majestic Research Services and Solutions Limited”, “the Company” ,or “our Company” or “we”, “us”, “our”, or “MRSS India” “MRSS” or “Issuer” and the “Issuer Company”	Majestic Research Services and Solutions Limited, a public limited company incorporated under the provisions of the Companies Act, 1956

ISSUE RELATED TERMS

Term	Description
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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 Mumbai, New Delhi, Chennai, Kolkata, Ahmedabad, Rajkot, Bangalore, Hyderabad, Pune, Baroda and Surat.
ASBA Investor/ASBA applicant	Any prospective investor(s)/applicant(s) in this Issue who apply(ies) through the ASBA process
Banker(s) to the Issue/ Escrow Collection Bank(s).	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Escrow Account will be opened and in this case being IndusInd Bank
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 “ <i>Issue Procedure</i> ” beginning on page 195 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 Exchanges 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
Depositories	Depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time, being NSDL and CDSL
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
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 http://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 Escrow Account or the amount blocked by the SCSBs is transferred from the ASBA Account, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Issue is closed, following which the Equity Shares shall be allotted/transfer to the successful Applicants
Designated Stock Exchange	SME Platform of BSE Limited
Draft Prospectus	The Draft Prospectus dated August 25, 2014 issued in accordance with section 32 of the Companies Act, 2013 and filed with the BSE 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
Escrow Account(s)	Account(s) opened with the Escrow Collection Bank(s) for the Issue and in whose favour the Applicants (excluding ASBA Applicants) will issue cheques or drafts in respect of the Application Amount when submitting any Application(s) pursuant to this Issue
Escrow Agreement	Agreement to be entered into by our Company, the Registrar to the Issue, the Lead Manager, and the Escrow Collection Bank(s) for collection of the Application Amounts and where applicable, refunds of the amounts collected to the Applicants (excluding ASBA Applicants) on the terms and conditions thereof
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI.
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 11,20,000 Equity Shares of face value of Rs. 10 each fully paid up at Rs. 12.75 (including share premium of Rs. 2.75) per Equity Share aggregating to Rs.142.80 lakhs, by our Company.
Issue Agreement	The agreement dated August 20, 2014 between our Company and the Lead Manager, 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 i.e., Rs. 12.75 (including share premium of Rs. 2.75) per Equity Shares
Issue Proceeds	Proceeds from the Issue that will be available to our Company, being Rs. 142.80 lakhs
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the SME Platform of BSE Limited
Lead Manager/ LM	Lead Manager to the Issue in this case being Pantomath Capital Advisors Private Limited, SEBI Registered Category I Merchant Banker
Market Making Agreement	Market Making Agreement dated August 20, 2014 between our Company, Lead Manager 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 70,000 Equity Shares of face value of Rs. 10 each fully paid for cash at Rs.12.75 (including share premium of Rs. 2.75) per Equity Shares aggregating Rs.8.93 lakhs by our Company.
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 10,50,000 Equity Shares of face value of Rs.10 each fully paid at Rs.12.75 (including share premium of Rs. 2.75) per Equity Share aggregating Rs. 133.88 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 “ <i>Objects of the Issue</i> ” beginning on page 77 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
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
Prospectus	The prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, 2013 containing, inter alia, the Issue opening and closing dates and other information
Public Issue Account	Account opened with the Banker to the Issue i.e. IndusInd Bank Limited by our Company to receive monies from the Escrow Account and the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date
Qualified Institutional Buyers or QIBs	A qualified institutional buyer as defined under Regulation 2(1)(zd) of the SEBI ICDR Regulations
Refund Account (s)	Account(s) to which Application monies to be refunded to the Applicants (excluding the ASBA Applicants) shall be transferred from the Public Issue Account
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 this case being IndusInd Bank Limited
Refund through electronic transfer of funds	Refund through ECS, Direct Credit, RTGS or the ASBA process, as applicable
Registrar /Registrar to the Issue	Registrar to the Issue, in this case being Bigshare Services Private Limited E/2, Ansa Industrial Estate Saki Vihar Road, Saki Naka Andheri (East), Mumbai 400 072
Retail Individual Investor	Individual Applicants, or minors applying through their natural guardians, including HUFs (applying through their <i>Karta</i>) 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 http://www.sebi.gov.in/pmd/scsb.pdf or at such other website as may be prescribed by SEBI from time to time.
SME Platform of BSE	The SME Platform of BSE for listing of Equity Shares offered under Chapter XB of the SEBI (ICDR) Regulations which was approved by SEBI as an SME Exchange on September 27, 2011
Underwriters	Pantomath Capital Advisors Private Limited
Underwriting Agreement	The agreement dated August 20, 2014 entered into between the Underwriters and our Company
Working Day	(i) Till Application / Issue closing date: All days other than a Saturday, Sunday or a public holiday; (ii) Post Application / Issue closing date and till the Listing of Equity Shares: All days other than a Sunday or a public holiday, and on which commercial banks in Mumbai are open for business in accordance with the SEBI circular no. CIR/CFD/DIL/3/2010 dated April 22, 2010

TECHNICAL AND INDUSTRY TERMS

Term	Description
million' / 'Million' / 'Mn'	Million
Bn.	Billion
ESOMAR	The European Society for Opinion and Market Research
ASSOCHAM	European Union
MRA	Market Research Association
CATI	Computer Assisted Telephone Interviewing
R&D	Research & Development
KPO	Knowledge Process Outsourcing
CAGR	Compounded Annual Growth Rate
OECD	Organization for Economic and Co-operation Limited
FMCG	Fast Moving Capital Goods
IBEF	Indian Brand Equity Foundation
UK	United Kingdom
SPSS	Statistical Product and Service Solution
SAS	Statistical Analysis System

CONVENTIONAL AND GENERAL TERMS/ ABBREVIATIONS

Term	Description
A/C	Account
AGM	Annual General Meeting
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
A.Y.	Assessment Year
BIFR	Board for Industrial and Financial Reconstruction
BSE	BSE Limited

Term	Description
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 Identity Number
Companies Act	Companies Act, 1956 or such other replaced provisions under the Companies Act, 2013 as may be applicable.
CSO	Central Statistical Organization
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
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 1999, 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
FI	Financial Institutions
FIPB	The Foreign Investment Promotion Board, Ministry of Finance, Government of India
FPI(s)	Foreign Portfolio Investor
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./FY	Financial Year
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GIR Number	General Index Registry number
GoI/ Government	Government of India
HNI	High Networth Individual
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

Term	Description
ICSI	Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
IPC	Indian Penal Code
IPO	Initial Public Offering
IPR	Intellectual Property Right
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
Key Managerial Personnel / KMP	The officers declared as a Key Managerial Personnel and as mentioned in the chapter titled “ <i>Our Management</i> ” beginning on page 121 of this Draft Prospectus
Ltd.	Limited
MoU	Memorandum of Understanding
N/A or N.A.	Not Applicable
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	The National Stock Exchange of India Limited
p.a.	per annum
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
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time
RoNW	Return on Net Worth
Rs. / INR	Indian Rupees
RTGS	Real Time Gross Settlement

Term	Description
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 Insider Trading Regulations	The SEBI (Prohibition of Insider Trading) Regulations, 1992, 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
Sec.	Section
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small Medium Enterprise
SSI Undertaking	Small Scale Industrial Undertaking
Stock Exchange (s)	SME Platform of BSE Limited
Sq.	Square
Sq. mtr	Square Meter
TAN	Tax Deduction Account Number
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

The words and expressions used but not defined in this Draft Prospectus will have the same meaning as assigned to such terms under the Companies Act, Companies Act, 2013, SEBI Act, SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing:

- In the section titled '*Main Provisions of the Articles of Association*' beginning on page 231 of this Draft Prospectus, defined terms shall have the meaning given to such terms in that section;
- In the chapters titled '*Summary of Our Business*' and '*Our Business*' beginning on pages 45 and 108 respectively, of this Draft Prospectus, defined terms shall have the meaning given to such terms in that section;



- iii. In the section titled '*Risk Factors*' beginning on page 16 of this Draft Prospectus, defined terms shall have the meaning given to such terms in that section;
- iv. In the chapter titled '*Statement of Tax Benefits*' beginning on page 85 of this Draft Prospectus, defined terms shall have the meaning given to such terms in that section;
- v. In the chapter titled '*Management's Discussion and Analysis of Financial Conditions and Results of Operations*' beginning on page 163 of this Draft Prospectus, defined terms shall have the meaning given to such terms in that section.



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, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Statutory Auditors, set out in the section titled ‘*Financial Statements*’ beginning on page 146 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 April 1st of each year and ends on March 31st of the next year. All references to a particular fiscal year are to the 12 month period ended March 31st 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, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Statutory Auditor, set out in the section titled ‘*Financial Statements*’ beginning on page 146 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 internal Company reports and Industry publications inter alia Planning Commission of India, Economic Survey, Industry Chambers and Associations etc. 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 forward looking statement.

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

- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Increased competition in these sectors/areas in which we operate;
- Factors affecting market research industry;
- Our ability to attract and retain qualified personnel;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The performance of the financial markets in India and globally;
- Our failure to keep pace with rapid changes in technology;
- The occurrence of natural disasters or calamities;
- Other factors beyond our control;
- Our ability to manage risks that arise from these factors;
- Conflict of Interest with affiliated companies, the promoter group and other related parties; and
- Changes in government policies and regulatory actions that apply to or affect our business.

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 16 and 163 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, Lead Manager, Underwriters 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 LM 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. You 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 to 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. Unless otherwise stated, the financial information of our Company used in this section is derived from our restated financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR Regulations. To obtain a better understanding, you should read this section in conjunction with the chapters titled “Our Business” beginning on page 108, “Our Industry” beginning on page 94 and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 163 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 4 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



INTERNAL RISK FACTORS

A. BUSINESS RISKS/ COMPANY SPECIFIC RISK:

- 1. We do not own our Registered Office from which we operate. We do not possess any documents which records the terms and conditions of our rental/leave and license arrangement with third parties for our Registered Office. In the event our use and possession of Registered Office is questioned, we may not be in a position to protect our rights to use and occupy such property.*

We do not own the premises where our Registered Office is located. We do not possess any documents which records the terms and conditions of our rental/leave and license arrangement with owner of our Registered Office premises. In the event the owners/lessors/etc. of Registered Office raise any objection to us occupying the premises or question our use and possession of such property, we may not be in a position to protect our rights to use and occupy such property and if such agreements/arrangements are terminated by the licensor or landlord or lessor(s) we are required to vacate the premises, we may have to identify other premises to relocate from such premises, which could disrupt our business operations. Our inability to identify the new premises on expiry of the lease agreement may adversely affect the operations, finances and profitability of our Company. For further details of properties please refer to the section titled "Our Business" beginning on page 108 of this Draft Prospectus.

- 2. We have a very limited operating history, which may make it difficult for investors to evaluate our historical performance or future prospects.*

Our Company was incorporated on May 2, 2012 and commenced operations immediately thereafter. Thus we have a very limited operating history from which you can evaluate our business, future prospects and viability. As a result, our future revenue and profitability are difficult to estimate and could fluctuate significantly and, as a result, the price of our Equity Shares may be volatile.

- 3. Our Company has not made any application for registration of our logo "m" to the Registrar of Trademarks. We may not be able to protect our intellectual property rights, which may harm our business. Further, we are unable to assure that the future viability or value of any of our intellectual property or that the steps taken by us to protect the proprietary rights of our Company will be adequate.*

We have not made any application for registration of the logo "m" to the Registrar of Trade Marks, though the registration for the said trademark in our name which is important to retain our brand equity. We do not currently have any registered trademarks and we do not enjoy any statutory protection under the Trade Marks Act, 1999 for the aforesaid logo. Failure to protect our intellectual property rights may adversely affect our competitive business position, financial



condition and profitability. Our trademark application may not be allowed or competitors may challenge the validity or scope of our intellectual property.

In addition, the precautions we take to protect our intellectual property rights, may be inadequate and/or it is possible that third parties may copy or otherwise obtain and use our intellectual property without authorization or otherwise infringe on our rights for which we may need to undertake expensive and time-consuming litigation to protect our intellectual property rights and this may have an adverse effect on our business, prospects, results of operations and financial condition.

Further, if our unregistered trade mark is registered by a third party, we may not be able to make use of such trade mark in connection with our business and consequently, we may be unable to capitalize on the brand recognition associated with our Company. Until such time that we receive registered trademark, we can only seek relief against “passing off”. Accordingly, we may be required to invest significant resources in developing a new brand.

4. *Our Company may be affected by the ever changing technology.*

Our Company is involved in providing market analysis reports by undertaking market research in various sectors. We utilize various technologies like eye tracking devices, perception analyzer, market research software and the like for undertaking various research activities to analyze the market outreach and provide market analysis reports to our clients. These technologies must be reviewed and updated on a regular basis to ensure that they are not superseded by newer technologies. In the event of our inability to use the latest and updated technologies, we might not be in a position to provide accurate market research reports to our clients, which may have an adverse effect on our profits, business and results of operations.

5. *Our Company has a negative cash flow in its operating activities as well as investing activities in the past 2 years, details of which are given below. Sustained negative cash flow could impact our growth and business.*

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

(Rs in Lakhs)		
Particulars	March 31, 2013	March 31, 2014
Cash Flow from / (used in) Operating Activities	(73.98)	(222.53)
Cash Flow from / (used in) Investing Activities	(0.43)	(7.91)
Cash Flow from / (used in) Financing Activities	74.50	230.47

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 flows in future, it may adversely affect our business and financial operations.

6. *Our success depends largely upon the services of Key Managerial Personnel and skilled personnel and our ability to retain them. Our inability to attract and retain Key Managerial Personnel and skilled personnel may adversely affect the operations of our Company.*

Our Key Managerial Personnel and skilled personnel possess the requisite domain knowledge to provide efficient services to our clients. They provide expertise which enables us to make well informed decisions in relation to our business and our future prospects. Our performance and success depends largely on our ability to retain the continued service of our management team and skilled personnel. Demand for Key Managerial Personnel in the industry is intense. There is significant competition for management and other skilled personnel in the market research industry in which we operate, and it may be difficult to attract and retain the personnel we require in the future. Further, we do not have a key man insurance policy to cover for the loss of skilled personnel. The loss of the services of such key members of our management team and the failure



of any succession plans to replace such key members could have an adverse effect on our business and the results of our operations.

- 7. *Our Company has not taken any insurance policies. In the event of occurrence of any losses due to breakdown, failure or substandard performance of network equipment, third party liability claims, employee frauds, infrastructure failure, data breach and natural disasters, our Company could be adversely affected.***

Our Company has not obtained insurance coverage for our assets and in respect of risks associated with our line of business. We are exposed to many risks in our operations including, but not limited to the breakdown, failure or substandard performance of network equipment, third party liability claims, data breach, employee frauds, infrastructure failure and natural disaster. There can be no assurance that we might not be subject to any untimely losses due to unforeseen events, and any such event can lead to material adverse impact on the business, financial condition and results of operations.

- 8. *Our Group entity, M/s. Smart Spaces has incurred loss in the fiscal year 2013.***

Sustained financial losses by our Group Entity may not be perceived positively by external parties such as customers, bankers, suppliers etc., which may affect our credibility and business operations. Our Group Entity, M/s Smart Spaces, has incurred losses of Rs. 5.46 lakhs for the Financial Year 2012-2013. Such financial losses by our Group Entity may not be perceived positively by external parties such as customers, bankers, suppliers etc., which may affect our credibility and business operations.

- 9. *Our Corporate Promoter, Majestic Market Research Support Services Limited has business similar to that of our Company's business and this could lead to a potential conflict of interest between our Company and the Corporate Promoter.***

Our Corporate Promoter, Majestic Market Research Support Services Limited has business similar to that of our Company's business. As we do not have any non-compete agreements in place with our Corporate Promoter, there is a conflict of interest between our Company and Majestic Market Research Support Services Limited. Such a conflict of interest may have adverse effect on our business and growth. For further details of business activities of Majestic Market Research Support Services Limited, please refer to the chapters titled "Our Promoters and Promoter Group" beginning on page 136 of the Draft Prospectus.

- 10. *We have issued Equity Shares in the last twelve months, the price of which is lower than the Issue Price.***

Our Company has issued 21,00,800 Equity Shares at Issue Price of Rs. 10 per share on March 28, 2014 to following shareholders of the Company in the last twelve months which is be lesser than the Issue Price:

Sr. No	Name of Person	No of Shares Allotted
1.	Majestic Market Research Support Services Limited	19,31,300
2.	Sandip Bhatia	1,69,500
Total		21,00,800

The price at which the Equity Shares have been issued in last twelve months is not indicative of the price at which is offered in the Issue.

- 11. *Our Company has delayed in complying with reporting requirements such as registration of special resolutions, filing of form for appointment / resignation of directors, filing of annual returns etc., as required under the Companies Act to the RoC and . Such delay/non-compliance in the future may render us liable statutory penalties.***



Our Company has delayed in complying with reporting requirements such as registration of special resolutions, filing of form for appointment / resignation of directors, filing of annual returns etc., as required under the Companies Act to the RoC. Such delay/non-compliance in the future may render us liable statutory penalties.

- 12. We have not applied for certain statutory and regulatory approvals, registrations and licenses and also application for certain statutory and regulatory approvals, registrations and licenses are still pending with the relevant governmental or regulatory authorities. Further, our inability to renew or maintain our statutory and regulatory permits and approvals required to operate our business would adversely affect our operations and profitability.***

Our Company requires several statutory and regulatory permits, licenses and approvals to operate the business. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Our Company is required to renew such permits, licenses and approvals. There can be no assurance that the relevant authorities will issue any of such permits or approvals in time or at all. Further, these permits, licenses and approvals are subject to several conditions, and our Company cannot assure that it shall be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, and this may lead to cancellation, revocation or suspension of relevant permits/ licenses/ approvals. For details please refer to chapter titled “Government and Other Statutory Approvals” beginning on page 173 of this Draft Prospectus.

- 13. Our top three clients contribute approximately 51.96% of our revenues for Financial Year 2013-2014. Any loss of business from one or more of them may adversely affect our revenues and profitability.***

Our top three clients contribute approximately 51.96% of our revenues for Financial Year 2013-2014. However, the composition and revenue generated from these clients might change as we continue to add new clients in normal course of business. The volume of work performed for specific clients is likely to vary from period to period, especially since we are not the exclusive service provider for our clients. In addition, there are a number of factors, other than our performance, that could cause the loss of a client and that may not be predictable. Our clients may also decide to reduce spending on research and development due to a challenging economic environment and other factors, both internal and external, relating to their business. We intend to retain our customers by offering solutions to address specific needs of our customers in a proactive, cost effective and time efficient manner. This helps us in providing better value to each customer thereby increasing our entrenchment with our new and existing customer base that presents a substantial opportunity for growth. Any decline in our quality standards, growing competition and any change in the demand for our services by these customers may adversely affect our ability to retain them. We cannot assure that we shall generate the same quantum of business, or any business at all, from these customers, and loss of business from one or more of them may adversely affect our revenues and profitability.

- 14. Certain agreements may be inadequately stamped or may not have been registered as a result of which our operations may be impaired.***

Some of the agreements entered into by us with respect to our registered and our corporate offices and other leasehold/leave and license premises are not adequately stamped and registered. The effect of inadequate stamping is that the document is not admissible as evidence in legal proceedings and parties to that agreement may not be able to legally enforce the same, except after paying a penalty for inadequate stamping. The effect of non-registration, in certain cases, is to make the document inadmissible in legal proceedings. Any potential dispute vis-à-vis the said premises and our non-compliance of local laws relating to stamp duty and registration may adversely impact the continuance of our activity from such premises.

- 15. We may not be able to sustain if there is no effective implementation of our business and growth strategy.***



Success of our business will depend greatly on our ability to effectively implement our business and growth strategy. We cannot provide assurance that we will be able to execute our strategy on time and within the estimated budget, or that we will meet the expectations of targeted customers. Changes in regulations applicable to the industry in which we operate may also make it difficult to implement our business strategy. Inability on our part to our business and effectively implement growth strategy could have a material adverse effect on our business, financial condition and profitability.

16. We may face growing and new competition that may adversely affect our competitive position and our profitability

We operate in a growing competitive environment. We compete with our competitors on the basis of market acceptance, sector-specific knowledge, methodologies, quality of our reports and client service. In addition to the domestic market research companies we have to compete with the global players also. These companies already have well rooted experience in market research industry creating a relatively high competition for new entrant like our Company.

17. Delays in the deliverables to clients may result in an adverse impact on our reputation, business, financial condition and prospects.

Factors beyond our control or any unforeseen events may cause our deliverable to be delayed. Any delay in such case may result in an adverse impact on our reputation, business, financial condition and prospects. Moreover, any significant delay could result in a delayed payment from clients, additional funding requirements, cost overruns. This may have an adverse impact on our reputation and could have a material adverse effect on our business, financial condition and prospects.

18. We are dependent on our Individual Promoters and our Key Managerial Personnel for their expertise and market goodwill.

Our Individual Promoters have built relations with clients and other persons who are connected with us. Our success is substantially dependent on the expertise and services of our Individual Promoters and our Key Managerial Personnel. They provide expertise which enables us to make well informed decisions in relation to our business and our future prospects. Our future performance will depend upon the continued services of these persons. Demand for Key Managerial Personnel in the industry is intense. We cannot assure you that we will be able to retain any or all, or that our succession planning will help to replace, the key members of our management. The loss of the services of such key members of our management team and the failure of any succession plans to replace such key members could have an adverse effect on our business and the results of our operations.

19. Company does not have long term contract with their clients and is subject to uncertainties in demand for their services.

We do not have any long term agreements with majority of our clients and such agreements are typically terminable by the clients without cause on a short notice period. As a result, our clients can terminate their relationships with us due to circumstances beyond our control, such as, financial constraints of the client, a more competitive option offered by a competitor, which could materially and adversely impact our business.

20. Any deficiency in our services could make our Company liable for customer claims, which in turn could affect our Company's results of operations.

Our Company is bound by the terms and conditions as placed before its customers. There are no specific regulations governing the supply of the same, other than the general law of contracts. Any claims made by these customers for deficiency in our services, would be subject to these terms and conditions, which are in the nature of normal contractual obligations in India. Any violation of these obligations could impact our Company's results of operations.



- 21. *Within the parameters as mentioned in the chapter titled ‘Objects of this Issue’ beginning on page 77 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.***

We intend to use entire Issue proceeds for working capital, procurement of new technology and issue expenses. We intend to deploy the Net Issue Proceeds in Financial Year 2014-2015 and such deployment is based on certain assumptions and strategy which our Company believes to implement in future. The funds raised from the fresh Issue may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc., For further details on the use of the Issue Proceeds, please refer chapter titled "Objects of the Issue" beginning on page 77 of this Draft Prospectus.

The deployment of funds for the purposes described above is at the discretion of our Company’s Board of Directors. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution. Accordingly, within the parameters as mentioned in the chapter titled ‘Objects of this Issue’ beginning on page 77 of this Draft Prospectus, the Management will have significant flexibility in applying the proceeds received by our Company from the Issue. Audit Committee will monitor the utilization of the proceeds of this Issue.

- 22. *We have not identified any alternate source of financing the ‘Objects of the Issue’. If we fail to mobilize resources as per our plans, our growth plans may be affected.***

We have not identified any alternate source of funding and hence any failure or delay on our part to raise money from the Issue or any shortfall in the Issue Proceeds may delay the implementation schedule of our Project and could adversely affect our growth plans.

For further details please refer to the chapter titled “Objects of the Issue” beginning on page 77 of the Draft Prospectus.

- 23. *We have neither received quotations nor placed orders for eye tracking devices proposed in the Objects of the Issue. Any delay in placing the orders/ or supply of equipment may result in time and cost overruns, and may affect our profitability.***

We have estimated the requirement of eye tracking device based on internal estimates based on prevailing market prices of manufacturers/ suppliers of eye tracking device. However, as on date of filing the Draft Prospectus, we have not received any quotations nor have placed orders aggregating to Rs. 20 lacs required by our Company for the purchase of eye tracking devices which are to be financed from the Net Proceeds of the Issue. We cannot assure that we would be able to acquire them at the prices as quoted/estimated in the Draft Prospectus. Any delay in acquisition of eye tracking device may have a material adverse effect on our business, results of operations and financial condition.

- 24. *Our Promoters will continue jointly to retain majority control over our Company after the Issue, which will allow them to determine the outcome of matters submitted to shareholders for approval.***

Post this Issue, our Promoters will collectively own 72.83% of our equity share capital. As a result, our Promoters will continue to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company.

In addition, our Promoters will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or other shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares



25. We have entered into Related Party Transactions aggregating Rs. 83.93 lakhs for the fiscal year ending March 31, 2014.

Such transactions or any future transactions with related parties may potentially involve conflicts of interest and impose certain liabilities on our Company. Our Company has entered into certain Related Party Transactions with related parties including our Corporate Promoter. The total amount of Related Party Transactions aggregated Rs. 83.93 lakhs. The details of the same are as under:

Sr. No.	Details of transaction	Parties	Amount of Transaction in 2014 (Rs. lakhs)
1.	Loan given	MMRSS	1.76
2.	Project Expenses	Focus Suites Solutions & Services Private Limited	79.80
3.	Loan taken	Genpop Consumer Research Private Limited	0.27
4.	Loan given	Sandip Bhatia	2.10

There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of our operations. For further information please refer “Annexure XV” under Chapter titled “Financial Statements” beginning on page 146 of the Draft Prospectus.

26. Our future funds requirements, in the form of Issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the shareholders depending upon the terms on which they are eventually raised.

We may require additional capital from time to time depending on our business needs. Any fresh issue of shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favorable to the then existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

27. Delay in raising funds from the IPO could adversely impact the implementation schedule within the given time frame, thus impeding our growth plans and profitability.

We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule.

28. We could be harmed by employee misconduct or any such incidences could adversely affect our financial condition, results of operations and reputation.

Employee misconduct could expose us to business risks or losses, including regulatory sanctions and serious harm to our reputation. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees and agents may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, results of operations, financial condition and goodwill could be adversely affected.

29. Our ability to pay dividends will depend upon future earnings, financial condition, cash flows, working capital requirements, capital expenditures and other factors.

Till date our Company has not paid any dividend. The amount of our future dividend payments, if any, will depend upon various factors such as our future earnings, financial condition, cash flows, working capital requirements, capital expenditures and other factors. There can be no assurance that we shall have distributable funds or that we will declare dividends in the future.



Additionally, the terms of any financing we obtain in the future, may contain restrictive covenants which may also affect some of the rights of our shareholders, including the payment of the dividend.

B. RISK RELATED TO THIS ISSUE AND OUR EQUITY SHARES

30. Unfavorable changes in legislation, including tax legislation, or policies applicable to us could adversely affect our results of operations.

The Finance Minister has presented the Direct Tax Code Bill (“DTC Bill”) aimed at replacing the existing Income Tax Act, incorporated various provisions in line with the international taxation laws like GAAR, CFC regulations, taxation of indirect transfer of assets, investment based incentives, etc. Currently, DTC is still undergoing changes and is yet to be tabled in Parliament. On the finalization of the DTC Bill and on obtaining the approval of the Indian Cabinet, the DTC Bill will be placed before the Indian Parliament for its approval and notification as an Act of Parliament. Accordingly, it is currently unclear what effect the Direct Tax Code would have on our financial statements. If the DTC Bill is passed in its entirety and we are affected, directly or indirectly, by any provision of the Direct Taxes Code, or its application or interpretation, including any enforcement proceedings initiated under it and any adverse publicity that may be generated due to scrutiny or prosecution under the Direct Taxes Code, it may have a material adverse effect on our business, financial condition and results of operations.

31. Sale of Equity Shares by our Promoters or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.

Any instance of disinvestments of Equity Shares by our Promoters or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur.

32. There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect a shareholder’s ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.

Once listed, we would be subject to circuit breakers imposed by all stock exchanges in India, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on circuit breakers is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges do not inform us of the percentage limit of the circuit breaker in effect from time to time, and may change it without our knowledge. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

33. After this Issue, the price of the Equity Shares may be highly volatile, or an active trading market for the Equity Shares may not develop.

The price of the Equity Shares on the Stock Exchanges may fluctuate as a result of the factors, including:

- a. Volatility in the Indian and global capital market;
- b. Company’s results of operations and financial performance;
- c. Performance of Company’s competitors,
- d. Adverse media reports on Company or pertaining to the specified Industry;
- e. Changes in our estimates of performance or recommendations by financial analysts;



- f. Significant developments in India's economic and fiscal policies; and
- g. Significant developments in India's environmental regulations.

Current valuations may not be sustainable in the future and may also not be reflective of future valuations for our industry and our Company. There has been no public market for the Equity Shares and the prices of the Equity Shares may fluctuate after this Issue. There can be no assurance that an active trading market for the Equity Shares will develop or be sustained after this Issue or that the price at which the Equity Shares are initially traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

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

The Issue Price of our Equity Shares has been determined by fixed price method. This price is based on numerous factors (For further information, please refer chapter titled "Basis for Issue Price" beginning on page 83 of this Draft Prospectus) and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation. The following:

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

35. You will not be able to sell immediately on Indian Stock Exchanges any of the Equity Shares you purchase in the Issue until the Issue receives appropriate trading permissions.

The Equity Shares will be listed on the Stock Exchange. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. We cannot assure you that the Equity Shares will be credited to investor's demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this Draft Prospectus. Any failure or delay in obtaining the approval would restrict your ability to dispose of the Equity Shares. In accordance with section 40 of the Companies Act, 2013, in the event that the permission of listing the Equity Shares is denied by the stock exchanges, we are required to refund all monies collected to investors.

EXTERNAL RISK FACTORS

36. Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with SEBI ICDR Regulations contained in this Draft Prospectus.

As stated in the reports of the Auditor included in this Draft Prospectus on page 85, the financial statements included in this Draft Prospectus are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, and no attempt has been made to reconcile any of the information given in this Draft Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may



be material to the financial information prepared and presented in accordance with Indian GAAP contained in this Draft Prospectus. Accordingly, the degree to which the financial information included in this Draft Prospectus will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Draft Prospectus should accordingly be limited.

37. The Companies Act, 2013 has effected significant changes to the existing Indian company law framework, which may subject us to higher compliance requirements and increase our compliance costs.

A majority of the provisions and rules under the Companies Act, 2013 have recently been notified and have come into effect from the date of their respective notification, resulting in the corresponding provisions of the Companies Act, 1956 ceasing to have effect. The Companies Act, 2013 has brought into effect significant changes to the Indian company law framework, such as in the provisions related to issue of capital, disclosures in prospectus, corporate governance norms, audit matters, related party transactions, introduction of a provision allowing the initiation of class action suits in India against companies by shareholders or depositors, a restriction on investment by an Indian company through more than two layers of subsidiary investment companies (subject to certain permitted exceptions), prohibitions on loans to directors and insider trading and restrictions on directors and key managerial personnel from engaging in forward dealing. Further, the Companies Act, 2013 imposes greater monetary and other liability on our Company and Directors for any non-compliance. To ensure compliance with the requirements of the Companies Act, 2013, we may need to allocate additional resources, which may increase our regulatory compliance costs and divert management attention.

38. 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.

39. Financial instability in Indian financial markets could adversely affect Our Company's results of operations and financial condition.

In this globalized world, the Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, say in the United States of America, Europe, China or other emerging economies, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil. Any prolonged financial crisis may have an adverse impact on the Indian economy, thereby resulting in a material and adverse effect on our Company's business, operations, financial condition, profitability and price of its Shares. Stock exchanges in India have in the past experienced substantial fluctuations in the prices of listed securities.

40. 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 nonresidents 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.

41. Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude, which may negatively affect our stock prices.

42. 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 terrorist attacks, other incidents such as those in US, Indonesia, Madrid and London, 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.

43. Instability of economic policies and the political situation in India could adversely affect the fortunes of the industry.

Unstable internal and international political environment could impact the economic performance in both the short term and the long term. The Government of India has pursued the economic liberalization policies including relaxing restrictions on the private sector over the past several years. The present Government has also announced policies and taken initiatives that support continued economic liberalization. The Government has traditionally exercised and continues to exercise a significant influence over many aspects of the Indian economy. Our Company's business, and the market price and liquidity of the Equity Shares, may be affected by changes in interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India.

44. The extent and reliability of Indian infrastructure could adversely affect our Company's results of operations and financial condition.

India's physical infrastructure is in developing phase compared to that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our Company's normal business activity. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These



problems could interrupt our Company's business operations, which could have an adverse effect on its results of operations and financial condition.

45. Any downgrading of India's sovereign 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 international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing may be available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of our Equity Shares.

46. Natural calamities could have a negative impact on the Indian economy and cause Our Company's business to suffer.

India has experienced natural calamities such as earthquakes, tsunami, floods etc. in recent years. The extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operation as well as the price of the Equity Shares.

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

Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months is not subject to capital gains tax in India if securities transaction tax ("STT") is paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Any gain realized on the sale of equity shares held for more than 12 months to an Indian resident, which are sold other than on a recognized stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax. Any change in tax provisions may significantly impact your return on investments.

PROMINENT NOTES:

- a) We have issued Equity Shares within the last twelve months from the date of this Draft Prospectus at a price which is lower than the Issue Price. Please refer to risk factor 16 above and the section titled "*Capital Structure*" on page 64 of this Draft Prospectus.
- b) The Public Issue of 11, 20,000 Equity Shares of face value of Rs. 10/- each of the Company for cash at a price of Rs. 12.75 per Equity Share (including a share premium of Rs. 2.75 per equity share) ("Issue Price") aggregating Rs. 142.80 Lakhs ("the Issue"). Issue of Equity Shares will constitute 27.17 % of the fully diluted Post-Issue paid up capital of our Company. For more information, please refer to chapter titled "*The Issue*" on page 54 of this Draft Prospectus.
- c) The pre-issue net worth of our Company was Rs. 75.91 Lakhs and Rs. 315.01 Lakhs as of March 31, 2013 and March 31, 2014 respectively. The book value of each Equity Share was Rs. 183.49, and Rs. 40.92 as of March 31, 2013 and March 31, 2014 respectively as per the restated financial statements of our Company. For more information, please refer to section titled "*Financial Statements*" beginning on page 146 of this Draft Prospectus.
- d) The average cost of acquisition of per Equity Shares by our Promoter, which has been calculated by taking the average amount paid by them to acquire our Equity Shares, is as follows:

Name of the Promoter	No. of Shares held	Average cost of Acquisition of Equity Shares (in Rs.)
Majestic Market Research Support Services Limited	20,87,500	10
Rajendra Kumar Sharma	9,14,495	10

- e) For details of Related Party Transactions entered into by our Company, please refer to the chapter titled “*Related Party Transactions*” beginning on page 144 of this Draft Prospectus.
- f) Except as disclosed in the chapter titled “*Capital Structure*”, “*Our Promoters and Promoter Group*” and “*Our Management*” beginning on pages 64, 136 and 121 respectively, of this Draft Prospectus, none of our Promoters, Directors or Key Management Personnel have any interest in our Company.
- g) Except as disclosed in the chapter titled “*Capital Structure*” beginning on page 64 of this Draft Prospectus, we have not issued any Equity Shares for consideration other than cash.
- h) Investors may contact the LM or the Compliance Officer for any clarification / complaint or information relating to the Issue, which shall be made available by the LM 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 LM and the Compliance Officer, please refer to the chapter titled “*General Information*” beginning on page 55 of this Draft Prospectus.
- i) Investors are advised to refer to chapter titled “*Basis for Issue Price*” on page 83 of this Draft Prospectus.
- j) Trading in Equity Shares for all investors shall be in dematerialized form only.
- k) 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.
- l) Except as stated in the chapter titled “*Our Group Entities*” beginning on page 142 and chapter titled “*Related Party Transactions*” beginning on page 144 of this Draft Prospectus, our Group Entities have no business interest or other interest in our Company.
- m) 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 193 of this Draft Prospectus
- n) Our Company was incorporated as “*Majestic Research Services and Solutions Private Limited*” vide Certificate of Incorporation dated May 2, 2012 bearing Registration No. 063818 issued by Registrar of Companies, Karnataka. Subsequently our Company was converted into a public limited company vide fresh Certificate of Incorporation dated August 11, 2014 and the name of our Company was changed to “*Majestic Research Services and Solutions Limited*”. For further details of changes in the name of our Company, please refer to the chapter titled “*Our History and Certain Other Corporate Matters*” beginning on page 118 of this Draft Prospectus.

SECTION III – INTRODUCTION

SUMMARY OF INDUSTRY

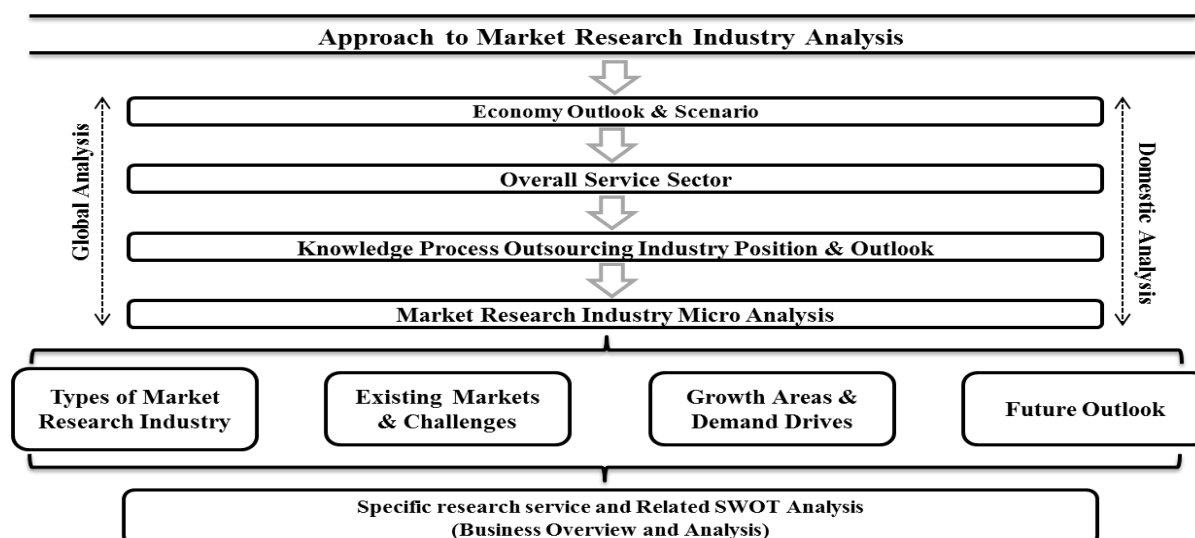
The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Draft Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Statements” and related notes beginning on page 16 and 146 respectively of this Draft Prospectus before deciding to invest in our Equity Shares.

APPROACH TO MARKET RESEARCH INDUSTRY

Analysis of market research industry needs to be approached at both macro and micro levels, whether for domestic or global markets. This industry forms part of service industry at a macro level. Hence, broad picture of service industry should be at preface while analyzing the market research industry. If the entire service sector is likely to be impacted by a specific set of factors, so would, most likely, be the market research industry as well.

Service industry comprises various streams of services including insurance, banking, education, tourism, knowledge process outsourcing and the like, which in turn, have numerous sub-classes. One such robustly growing industry globally in the overall service sector is ‘market research industry’ which falls under knowledge process outsourcing sector.

Thus, market research industry segment should be analyzed in the light of ‘knowledge process outsourcing’ industry. An appropriate view on market research industry, then, calls for the overall economy outlook, performance and expectations of service sector, position of global and domestic growth and micro analysis.



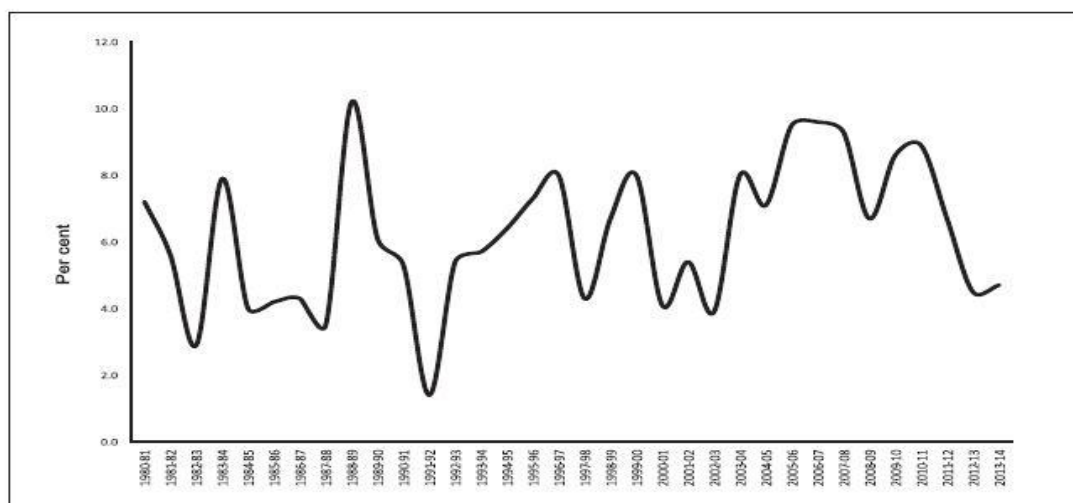
This Approach Note is developed by Pantomath Capital Advisors (P) Ltd ('Pantomath') and any unauthorized reference or use of this Note, whether in context of market research industry and / or any other industry, may entail legal consequences.

OVERVIEW OF INDIAN ECONOMY

In 2014-15, the Indian economy is poised to overcome the sub-5 % growth of gross domestic product (GDP) witnessed over the last two years. The growth slowdown in the last two years was broad based, affecting in particular the industry sector. Inflation too declined during this period, but continued to be above the comfort zone, owing primarily to the elevated level of food inflation. Yet, the developments on the macro stabilization front, particularly the dramatic improvement in the external economic situation with the current account deficit (CAD) declining to manageable levels after two years of worryingly high levels was the redeeming feature of 2013-14. The fiscal deficit of the Centre as a proportion of GDP also declined for the second year in a row as per the announced medium term policy stance. Reflecting the above and the expectations of a change for the better, financial markets have surged. Moderation in inflation would help ease the monetary policy stance and revive the confidence of investors, and with the global economy expected to recover moderately, particularly on account of performance in some advanced economies, the economy can look forward to better growth prospects in 2014-15 and beyond.

Source (Economic survey 2013-14)

Growth in Real GDP (%)



Source – Economic Survey 2013-2014

OUTLOOK FOR 2014-15

The descent into the present phase of sub-5 % growth has been rather sharp. The interplay of structural constraints alongside delays in project implementation, subdued domestic sentiments, and an uncertain global milieu led to general growth slowdown while rendering macroeconomic stabilization particularly challenging. Inflation also remained at elevated levels. These factors triggered risk-aversion and injected considerable uncertainty in investment activity. The current macroeconomic situation precludes fiscal stimulus to kick-start activity. Similarly, the task of monetary policy calibration for growth revival has been made difficult by persistent inflation and further complicated by uncertainty in international financial conditions and, until recently, by rupee depreciation. Targeted measures by the government and RBI have improved the external economic

situation significantly, even as India remains exposed to risk on/off sentiments of investors and to policy shifts in advanced economies. Regaining growth momentum requires restoration of domestic macroeconomic balance and enhancing efficiency. To this end, the emphasis of policy would have to remain on fiscal consolidation and removal of structural constraints. Though some measures have been initiated to this end, reversion to a growth rate of around 7-8 % can only occur beyond the ongoing and the next fiscal.

Global economic activity is expected to strengthen in 2014-15 on the back of some recovery in advanced economies. The Euro area is also expected to register a growth rate of above 1 % as against contraction witnessed in 2012 and 2013 (IMF, WEO, April 2014). The European Central Bank's monetary policy measures, most significantly introduction of the negative deposit facility interest rate are expected to boost economic activity in Europe. In addition, the performance of the real sector in the US (that is likely affect the pace of taper) is a major factor that would impact the global economic situation in 2014-15. The growth outlook for emerging Asian economies is generally benign with some grappling with inflation, structural bottlenecks, and external imbalances. The slowdown in emerging economies comes at an inopportune juncture.

Downward movement along with heightened volatility, witnessed, for example, in fixed investment post 2008-09 in India, often tends to magnify the impact and transmission channels of shocks (e.g. below-normal monsoons and/or upshot in oil prices) and hampers build-up of positive expectations. Under such circumstances, the Indian economy can recover only gradually with the GDP at factor cost at constant prices expected to grow in the range of 5.4 – 5.9 % in 2014-15. This assumes the revival of growth in the industrial sector witnessed in April 2014 to continue for the rest of the year, the generally benign outlook on oil prices (notwithstanding the uncertainty on account of recent developments in the Middle East), and the absence of pronounced destabilizing shocks (including below-normal monsoons). Growth in the above range implies a pick-up, aided by an improved external economic situation characterized by a stable current account and steady capital inflows, improved fiscal situation and, on the supply side, robust electricity generation and some recovery in manufacturing and non-government services.

Growth in 2014-15 is expected to remain more on the lower side of the range given above, for the following reasons: (i) steps undertaken to restart the investment cycle (including project clearances and incentives given to industry) are perceived to be playing out only gradually; (ii) the benign growth outlook in some Asian economies, particularly China; (iii) still elevated levels of inflation that limit the scope of the RBI to reduce policy rates; and (iv) expectation of below-normal monsoons. Downside risk also emerges from prolonging of the geo-political tensions. On the upside, such factors as institutional reform to quicken implementation of large projects and a stronger-than-expected recovery in major advanced economies would help the Indian economy clock a higher rate of growth.

Economic Survey 2013-2014

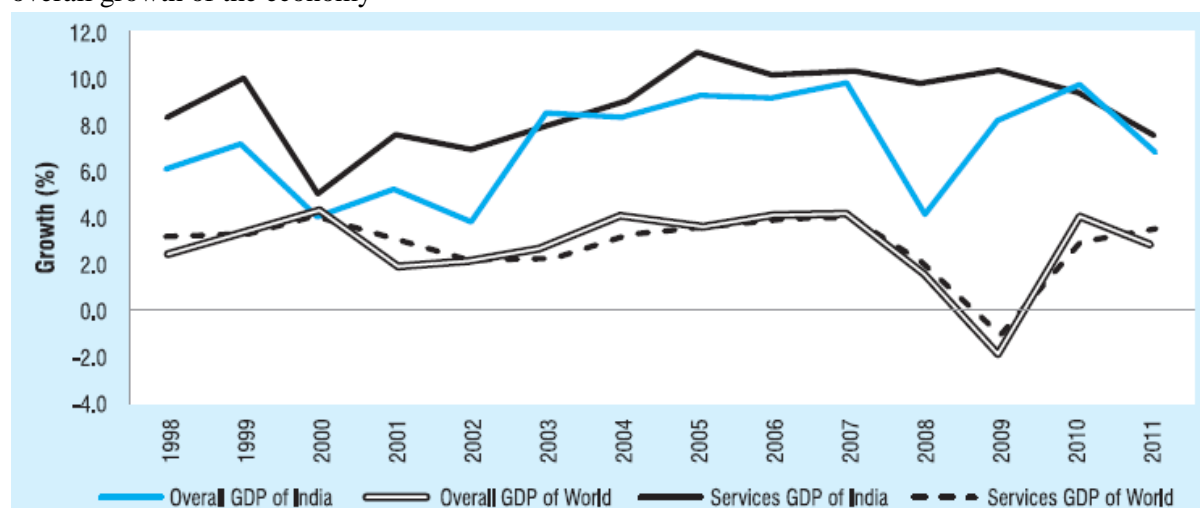
India currently is the most attractive investment destination in the world. The Indian economy is expected to grow at 3.4 % in the current fiscal, a slight increase from 3.3 % in FY 2012-13, as per projections from the Organization for Economic Co-operation and Development (OECD). The growth is estimated to be even greater in FY 2014-15 (5.1 %) and FY 2015-16 (5.7 %).

(Source: IBEF Website)

OVERVIEW OF INDIAN SERVICE SECTOR

The services sector provides employment to 27% of the work force and is growing quickly, with a growth rate of 7.5% in 1991–2000, up from 4.5% in 1951–80. It has the largest share in the GDP, accounting for 57% in 2012, up from 15% in 1950. Information technology and business process outsourcing are among the fastest growing sectors, having a cumulative growth rate of revenue 33.6% between 1997 and 1998 and 2002–03 and contributing to 25% of the country's total exports in 2007–08. The growth in the IT sector is attributed to increased specialization, and an availability of a large pool of low cost, highly skilled, educated and fluent English-speaking workers, on the supply side, matched on the demand side by increased demand from foreign consumers interested in India's service exports, or those looking to outsource their operations. The share of the Indian IT industry in the country's GDP increased from 4.8% in 2005–06 to 7% in 2008.

In the last decade, growth has increasingly come from the services sector, whose contribution to overall growth of the economy has been 65%, while that of the industry and agriculture sectors has been 27 % and 8 % respectively. The figure below shows the contributions of these sectors to the overall growth of the economy



(Source: Economic survey 2012-2013 & IBEF website)

INDIAN KPO INDUSTRY & FUTURE OUTLOOK

India's Knowledge Process Outsourcing (KPO) market is growing at a compounded annual growth rate (CAGR) of about 30% annually and may touch \$30 billion by 2015, from the current level of \$20 billion.

The KPO industry is maturing and the range of services being provided has expanded as the market has developed. From its initial beginnings in research and analytics, the definition of KPO currently includes a variety of services, such as market research, legal process outsourcing and clinical trial management. Domestic KPO industry is facing stiff competition from countries like Philippines, Russia, China, Poland and Hungary as these are emerging strong contenders for KPO business in view of qualified KPO professionals, low-cost advantages, domain expertise, location advantage, sales and marketing capabilities and data compliance.



Popular KPO services include:

- Market research & Business research
- Equity research
- Intellectual property research
- Medical and legal research
- Financial research
- Research in biotechnology and pharmaceuticals

India an ideal KPO destination as:

- India has a large availability of post-graduates, PhDs and MBAs with experience in KPO
 - India's professionals are proficient in popular KPO software like SPSS, SAS and MS Excel.
 - Indians are also highly proficient in English
 - As of 2013, the total market size of the KPO industry in India has reached over \$20 billions
 - India currently caters to over 70% of the world's KPO industry
 - As of 2013, the Indian KPO sector has employed over 3,50,000 knowledge process outsourcing professionals
 - India has trained KPO experts who have advanced analytical, technical and interpretation skills
 - India's favourable government policies make it an ideal outsourcing location
- (Source: ASSOCHAM)

GLOBAL KPO INDUSTRY & FUTURE OUTLOOK

China is an attractive location for companies that run and manage all phases of the clinical trial process, as it offers a significant pool of potential patients in an important emerging market. Along with China, the Philippines is also becoming an increasingly important player in the KPO market. It has started to carve out a niche for itself in a number of key areas, including healthcare outsourcing (providing industry-specific services to hospitals and healthcare providers).

Sri Lanka has also focused on developing skills around specific service lines. For example, the country has a significant number of qualified accountants, capable of providing the kind of high-end complex tasks associated with service areas such as equity and credit research.

KPO is likely to be driven by factors like breadth and depth of coverage, domain expertise, location advantage (e.g., near-shoring and language capabilities), sales and marketing capabilities, data compliance with respect to regulatory standards (especially those defined by the United States, Canada and the European Union) and the management of business risks.

(Source: ASSOCHAM)

EVOLUTION OF MARKET RESEARCH

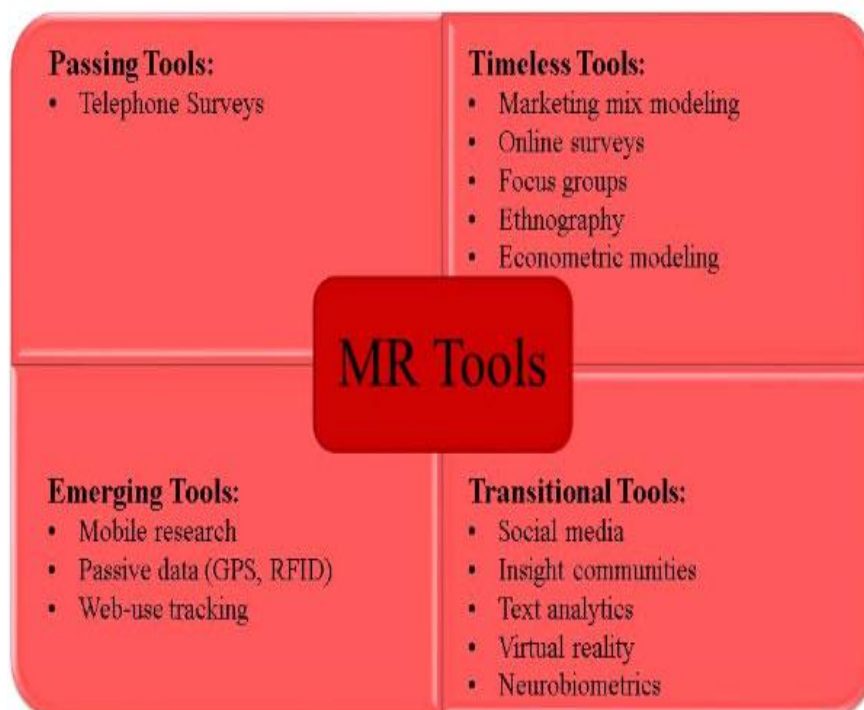
When research was mainly conducted by in-person focus groups and pen-and-paper surveys, the rise of the internet and the proliferation of corporate websites have changed the means by which research is executed.

Web analytics were born out of the need to track the behaviour of site visitors and, as the popularity of e-commerce and web advertising grew, businesses demanded details on the information created by new practices in web data collection, such as click-through and exit rates.

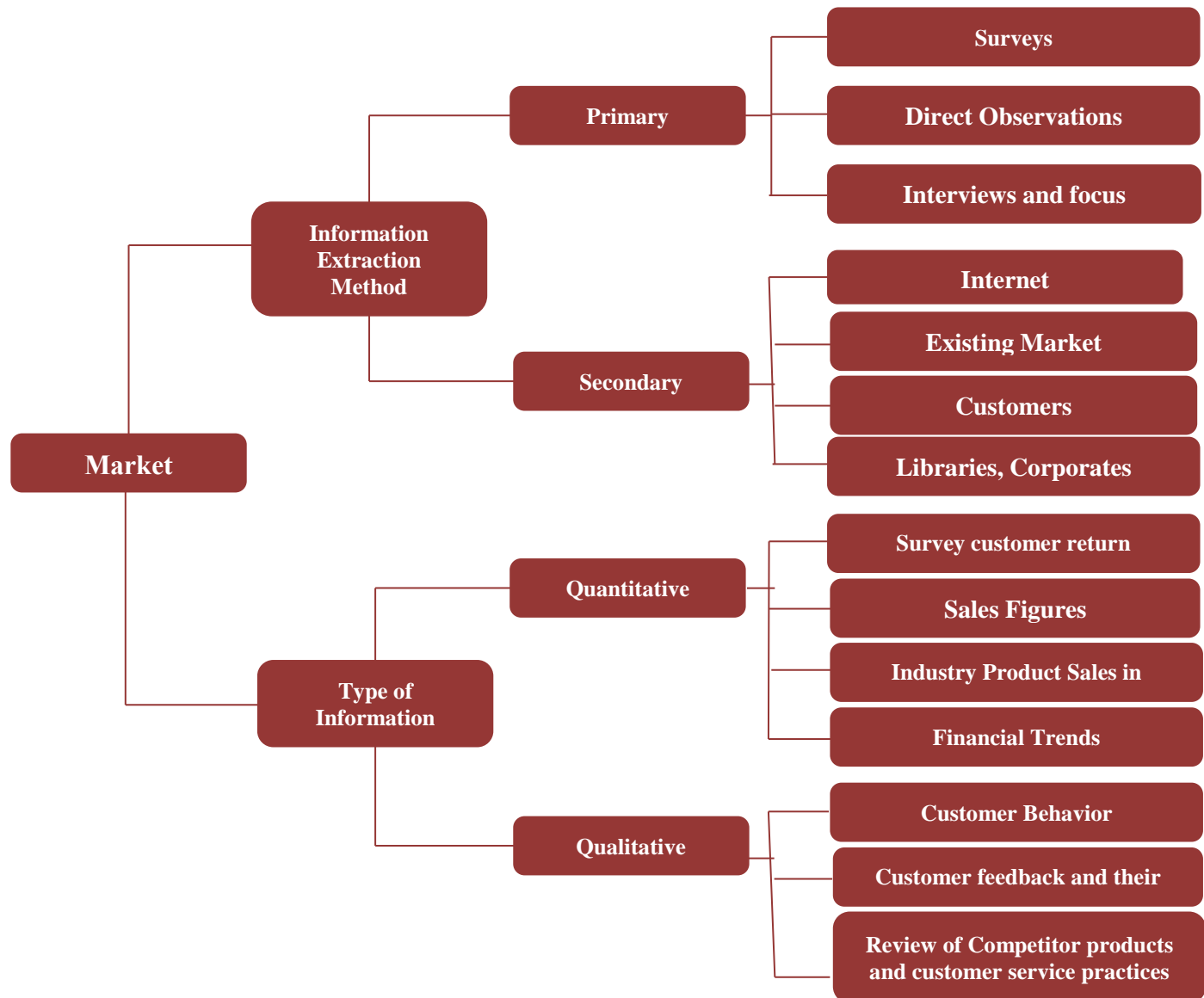
As personal mobile devices become more capable and widespread, the marketing research industry looks to further capitalize on this trend. Mobile devices present the perfect channel for research firms to retrieve immediate impressions from buyers and to provide their clients with a holistic view of the consumers within their target markets, and beyond. Thus, the evolution of market research industry is majorly attributable to the evolution of the research techniques used.

The marketing research toolbox is clearly in transition. A recent Advertising Research Foundation (ARF) member survey segmented research tools into four categories:

1. Passing Tools
2. Timeless Tools
3. Transitional Tools, and
4. Emerging Tools.



TYPES OF MARKET RESEARCH



I. Primary and Secondary research

Primary and secondary research relate to the *way* of gathering information.

a. Primary research

Primary research (or field research) gathers original information directly for companies' purpose, rather than being gathered from published sources. Primary research includes:

1. Surveys
2. Direct observations
3. Interviews and focus groups that are developed and conducted

Primary research gives control over the type of questions being asked and information being gathered. Primary research results can be extremely valuable; however, they can also be much more time-consuming and costly to gather than secondary research.

Primary research methods can be chosen once the secondary research is conducted to determine what information already exists.



b. Secondary research

Secondary research (or desk research) gathers existing information through available sources.

Secondary research examples include:

1. Information on the internet surfing
2. Existing market research results
3. Existing data from own stock lists and customer database
4. Information from agencies such as industry bodies, government agencies, libraries and local councils.

Secondary research allows making the most of existing information about the market. However, it may be a challenge to find the appropriate required information.

Secondary research may be used to get an initial understanding of the market. It is often faster to analyze than primary data because, in many cases, someone else may have already started analyzing it. However, when using secondary research, interpretation should be done carefully, as it may have been collected for a different purpose or from a market segment. Secondary information which is collected should not be out-of-date, as the market can change quickly and this will affect the results.

Secondary research can also be used to examine factors of business, such as sales figures and financial records.

II. Quantitative and qualitative research

Quantitative and qualitative research defines the type of information that is gathered.

a. Quantitative research

Quantitative research is the empirical investigation of the research question using scientific methods. The results gathered are numerical, and can therefore be analyzed statistically to answer the hypothesis. Quantitative research includes:

1. Surveys on customer return frequency
2. Sales figures
3. Industry product sales numbers
4. Financial trends

This approach can be used to identify the size of the market and how much it might be worth to the business concerned, and to find areas for sales growth. Quantitative research can also be helpful for understanding the demographics of customers, such as their age and gender.

b. Qualitative research

Qualitative research is done on a much more individual basis. It is the analysis of social phenomena, and statistics are typically not used at all. Instead researchers will look at biographies, interviews, case studies, and try to understand why people act as they do.

Qualitative research gathers views and attitudes. Qualitative research includes:

1. Focus groups with customers and potential customers to understand their feelings and attitudes towards the products and services
2. Formal and informal conversations with customers about their satisfaction with the business

3. Visits and reviews of competitors to understand their products and customer service practices.

This approach can be used to get a better understanding of the customers' interests, needs and habits, and identify opportunities for growing sales and improving customer service. Analyzing qualitative data requires a different approach and can take longer to interpret than quantitative data because of the nature of the information.

INDIAN MARKET RESEARCH INDUSTRY

SUMMARY

Market research industry is growing its expanse with varied analysis of consumer insights with the emergence of new age sectors like telecom, media (digital), & insurance and also with the increasing demand of the companies for knowing and better understanding of emotional triggers and neurological function, stronger models for understanding communication and influence within social networks, and insight management.

Market research industry is well poised to take a big leap although there was a consolidation seen in its growth numbers in the year from 2008 to 2010. But thereafter there has been an increasing line for its growth by reaching to US \$ 263 million in 2012. During the last couple of years, there has been a consolidation between market research agencies in their scale of operations and data management practices. Despite of all these factors, India still becomes the popular destination for the MNC based research agencies since there is untapped potential of new sets of consumers with an opportunity to serve huge population. From the boardrooms of Consumer Durable or FMCG companies, MR firms get into the boardrooms of every sector of the economy including IT, Hospitality, Healthcare, Consumer Durables, Consumer Goods, Aviation, Logistics, Automotive and several other industries.

MARKET SIZE OF MARKET RESEARCH INDUSTRY IN INDIA



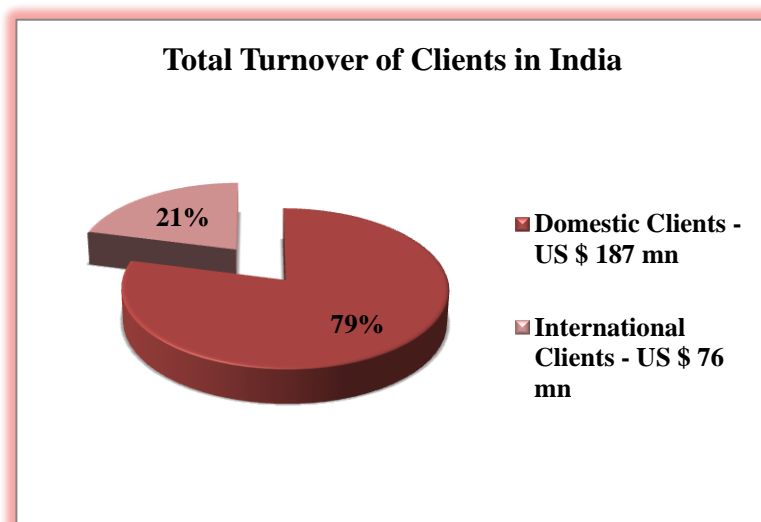
The turnover of MR Industry in the year 2008 was US \$ 198 million. There was significant downfall in the turnover of MR Industry of about US \$ 28 million i.e. approximately 12% in the year 2010 compared to 2008. The turnover in the year 2009 & 2010 was US \$ 174 million & US \$ 170 million respectively. But thereafter there has been an increasing

trend in its growth by achieving turnover of US \$ 249 million in 2011 and US \$ 263 million in 2012.

India is the 21st largest market globally and 5th largest within Asia as per “Global Market Research 2013” of ESOMAR considering the turnover of the industry.

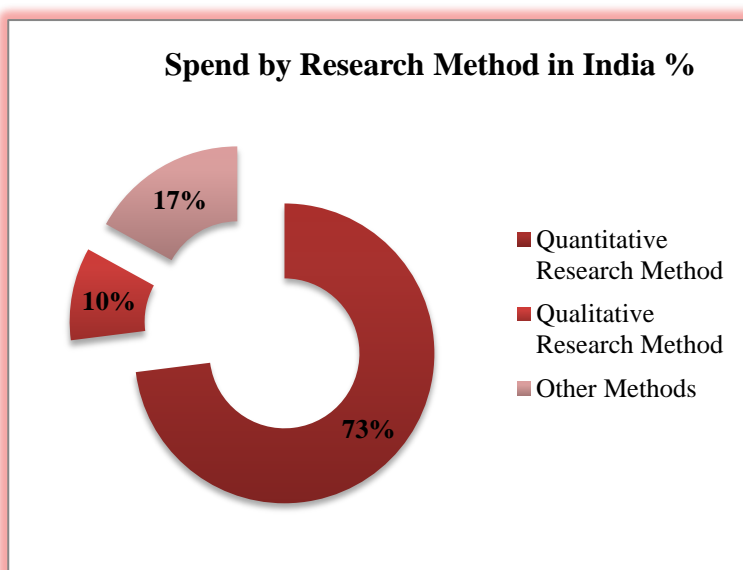
(Source: ESOMAR)

DOMESTIC CLIENTS VERSUS INTERNATIONAL CLIENTS



As per “Global Market Research 2013” of ESOMAR, out of the total turnover of MR Industry in India, 71% of turnover aggregating US \$ 187 million comes from domestic clients and 29% aggregating to US \$ 76 million comes from international clients in the year 2012. The client list consist of entities from varied sectors including IT, Hospitality, Healthcare, Consumer Durables, Consumer Goods, Aviation, Logistics, Automotive and other industries.

SPEND BY RESEARCH METHOD IN INDIA



Out of the total expenditure in market research, 73% of the expenditure is being spent on quantitative research method, whereas 10% of the expenditure is spent on qualitative research method and remaining 17% from other method in the year 2012.

GLOBAL MARKET RESEARCH INDUSTRY

SUMMARY

Global market research turnover increases to US \$ 39,084 million in the year 2012 representing a 3.8% year-over-year increase, though that growth was more modest 0.7% after adjusting for inflation, as per details from an ESOMAR report released in September 2013. Revenue growth rates differed significantly from one region to the next.

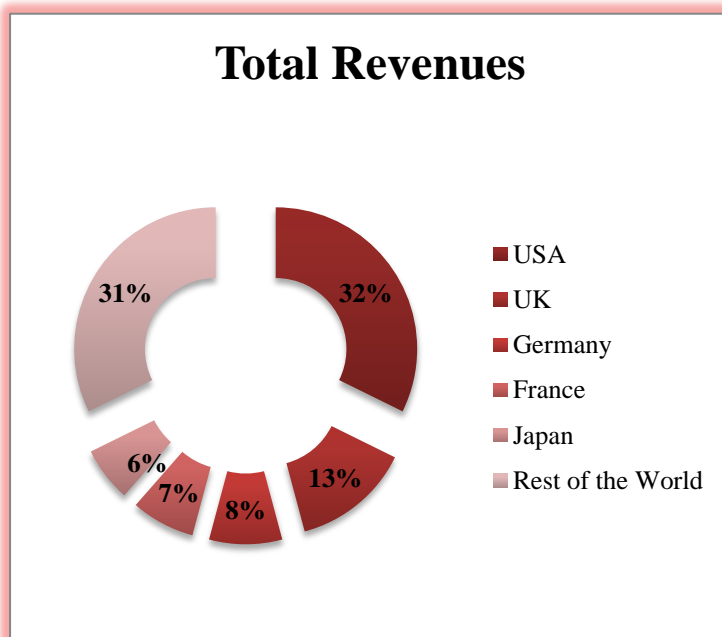
GLOBAL MARKET RESEARCH TURNOVER - CONTINENT WISE

Rank	Continent	Sales in 2012 (million USD)	Share
1	Europe	15,639	40%
2	North America	14,525	37%
3	Asia Pacific	6,314	16%
4	Latin America	1,943	5%
5	Africa	399	1%
6	Middle East	265	1%

As per “Global Market Research 2013” of ESOMAR out of the total turnover of MR Industry across the globe :-

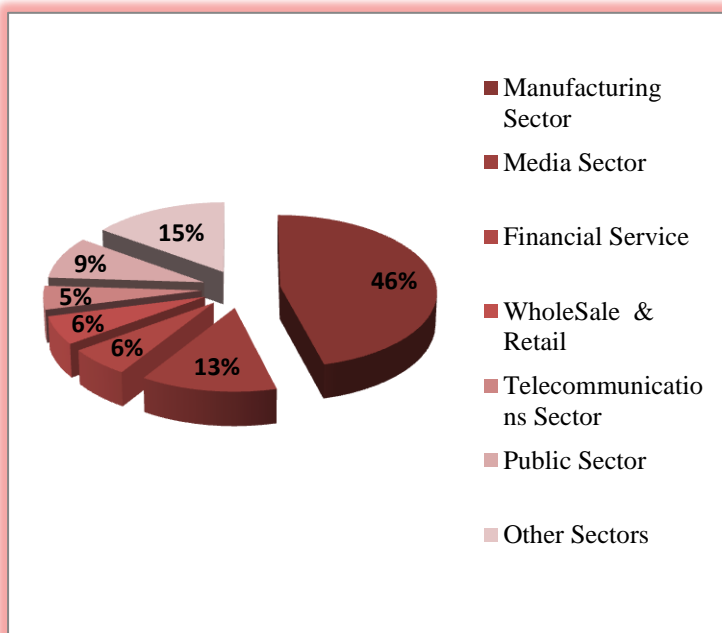
1. Approximately 40% of turnover aggregating US \$ 15,369 million is attributed to Europe which suffered overall net decline of -1.2% of the turnover compared to previous year i.e. 2011 with revenues falling -12.8% after inflation.
2. North American research market attributed approximately 37 % aggregating US \$ 14,525 million has recorded third successive growth with minimal increase of 0.4% compared to last year i.e. 2011.
3. Asia Pacific is the second best performing region for market research industry in the year 2012 with turnover of approximately 16% aggregating US \$ 6,314 with increase of 4.8 % compared to last year. Japan has been one of the reasons for this continent. It also has recorded fastest growth in last five years.
4. The best performing region for market research industry in the year 2012 with regard to increase in turnover compared to last year i.e. 2011 is Latin America continent with growth of 5.6% attributed approximately 5% of the total turnover aggregating US \$ 1,943 million.
5. Africa continent attributed approximately 1% of the total turnover aggregating US \$ 399 million with growth of 3.9% compared to last year i.e.2011, is also the third best region for market research industry
6. Middle East has a turnover decline of -4.3% compared to last year i.e. 2011 attributed approximately 1% aggregating US \$ 265 million in the year 2012.

LARGEST MARKET SHARE IN THE YEAR 2012 – COUNTRY WISE



The five largest research market represents 69% of the global revenues. USA is the single largest industry worldwide with valued at US \$13,756 million on the basis of current estimates. UK is the second largest industry valued at around US \$ 5,076 million. With US \$ 3,321 million Germany is the third largest market worldwide. France and Japan are the forth and fifth largest worldwide with US \$ 2,568 million & US \$ 2,234 million respectively. Japan has been enjoying the highest increase with 5.1 % after inflation

SOURCES OF RESEARCH TURNOVER GLOBALLY



Out of the total turnover research spend, 46% totaling US \$ 17,979 million spend on Manufacturing Sector. Media is the second largest sector globally in terms of research spends i.e. 13% totaling US \$ 5,080 million. Financial Service and Wholesale & retail share equal research spend 6 % totaling US \$ 2345 million whereas 5% totaling US \$ 1,954 million spend on Telecommunications and 9% totaling US \$ 3517 spend on Public sector and remaining 15% totaling US \$ 5862 are spent on other sectors

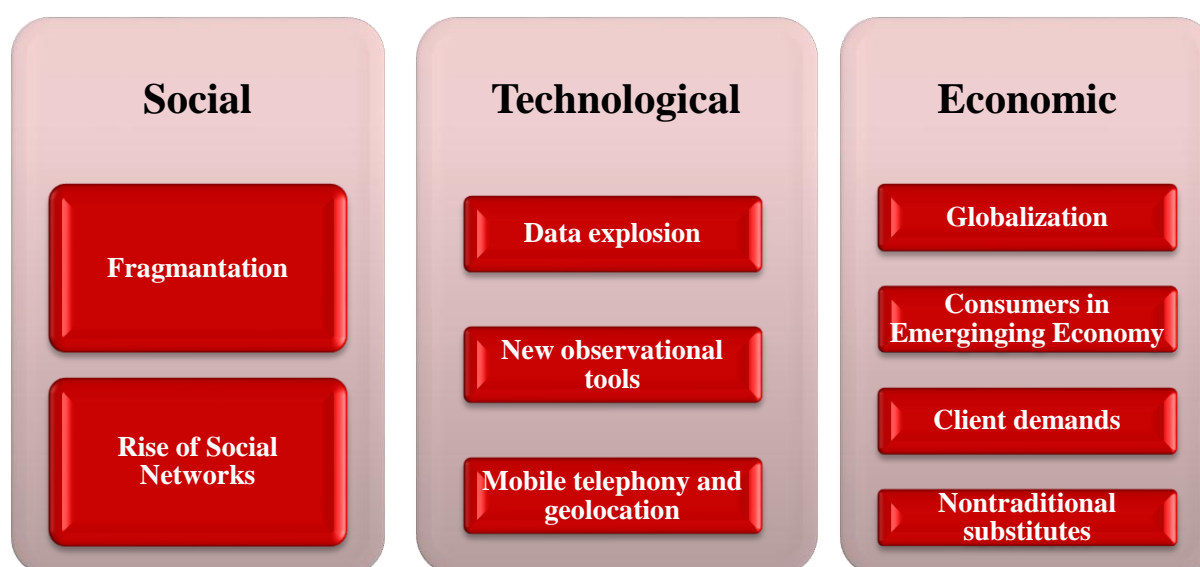
FUTURE OUTLOOK

A significant change within the market research industry is expected which might overtake and reform the traditional marketing research industry. The major two factors hinting towards this change are mentioned below:

Firstly, there is shift in spending towards observational, co-creative, and anticipatory tools, and thus it is expected that a significant reallocation of spending shall take place within the industry.

Secondly, two-thirds of all traditional marketing research is conducted in the five aging industrial democracies of the United States (30%), the United Kingdom (11%), Germany (9%), France (9%), and Japan (6%) (*Source : ESOMAR, 2010*). Eventually, there will be a strong influx of research spending into emerging economies like India and China. The growth of non-interrogatory tools and emerging markets will reshape the industry. Thus, the growth of the Indian market research industry seems very bright as time passes.

KEY DEMAND DRIVERS



SOCIAL DRIVERS:

1. Fragmentation

Society is fragmented with varied values, lifestyles, audiences, communication channels, and consumption habits which are very complex. Extreme, individualized choice and demands will be challenge to societies, especially traditional ones, and this could be a boon to marketers and marketing researchers who focused on selling to niches and nano-niches.

2. Rise of social networks

Social networks have been one of the important key driver for the growth of market research industry. With the rise of digital social networks, user-generated content (UGC) and peer-generated tribes in the society, industry evidences tremendous growth. These networks are channels and authorities themselves, and are replacing an era of vertical, top-down communication, with horizontal, peer-to-peer communication.



TECHNOLOGICAL DRIVERS

1. Data explosion

Data explosion is one of the great technological driver of change for the market research industry. The data is collected in the form of customer feedback, syndicated research, transactional data, proprietary research, or observational data in the social media space which is plenty in terms of its volume. Thus, it has caused a need for specialized agencies which can extract the right data for the required purpose which has in turn caused growth in the market research industry as a whole.

2. New observational tools

Observational tools are introduced at the macro-social i.e. social media, data mining, geolocation data and micro-individual i.e. eye tracking, neuro marketing level. A fundamental change in approach or underlying analysis in marketing research industry is expected as the industry as a whole is pushed from an era of asking via surveys and focus groups to an era of observing and listening.

3. Mobile telephony

Mobile telephony is a very strong future driver. It would be a technology-based change agent by itself, but coupled with GPS dependent geolocation. The initial rise of mobile telephony challenged the traditional landline-based telephone survey, transitioning a significant amount of survey work online. Rise of smart phones has ensured the ability of prompt consumer feedback based on their location which could be a quantum leap forward.

ECONOMIC DRIVERS

1. Globalization

Globalization has helped to unlock marketing research talent pools worldwide and it is spread across the globe with integrated, analytical teams. These globally positioned teams will work round the clock and quicken the pace of organizational learning.

2. Consumers in the emerging economies

There is increasing trend in the standard of living of people in the emerging markets resulting in a shift of focus from North America and Western Europe to the emerging markets such as India, China and Brazil for market researchers around the globe. The high consumption and growing economy in the developing countries drives the increase in consumer base and in-turn fuels growth of the market research industry globally.

3. Client demands

There is an increase in demands of clients for a better understanding of emotional triggers and neurological function, stronger models for understanding communication and influence within social networks, and insight management. Thus, it is a strong driver for boom in market research industry.



4. Nontraditional substitutes

There are increasingly sophisticated interrogatory, observational, and concrete tools developing constantly which leads to better faster and smarter research support. Industry is thus into a constant evolution and expansion.



SUMMARY OF BUSINESS

Our Company, engaged in the business of market research, was incorporated as ‘Majestic Research Services and Solutions Private Limited’ under the Companies Act, 1956 *vide* Certificate of Incorporation dated May 2, 2012 bearing registration number 063818 issued by the Registrar of Companies, Karnataka. Subsequently, *vide* fresh Certificate of Incorporation dated August 11, 2014, our Company was converted into a public limited company and the name of our Company was changed to ‘Majestic Research Services and Solutions Limited’ The corporate identity number of our Company is U72200KA2012PLC063818.

Our registered office is situated at 2nd Floor Kalpak Arcade, No. 46/70 Churchstreet Bangalore 560001 and our Corporate office is situated at “Trellis”, Plot No.202/203, L.B.S. Marg, Kurla (West), Mumbai – 400070 India.

Our Company is the subsidiary of Majestic Market Research Support Services Limited also referred hereinafter as the “Parent Company”. Our Parent Company has a global reach with presence in 18 countries of Middle East and APAC region.

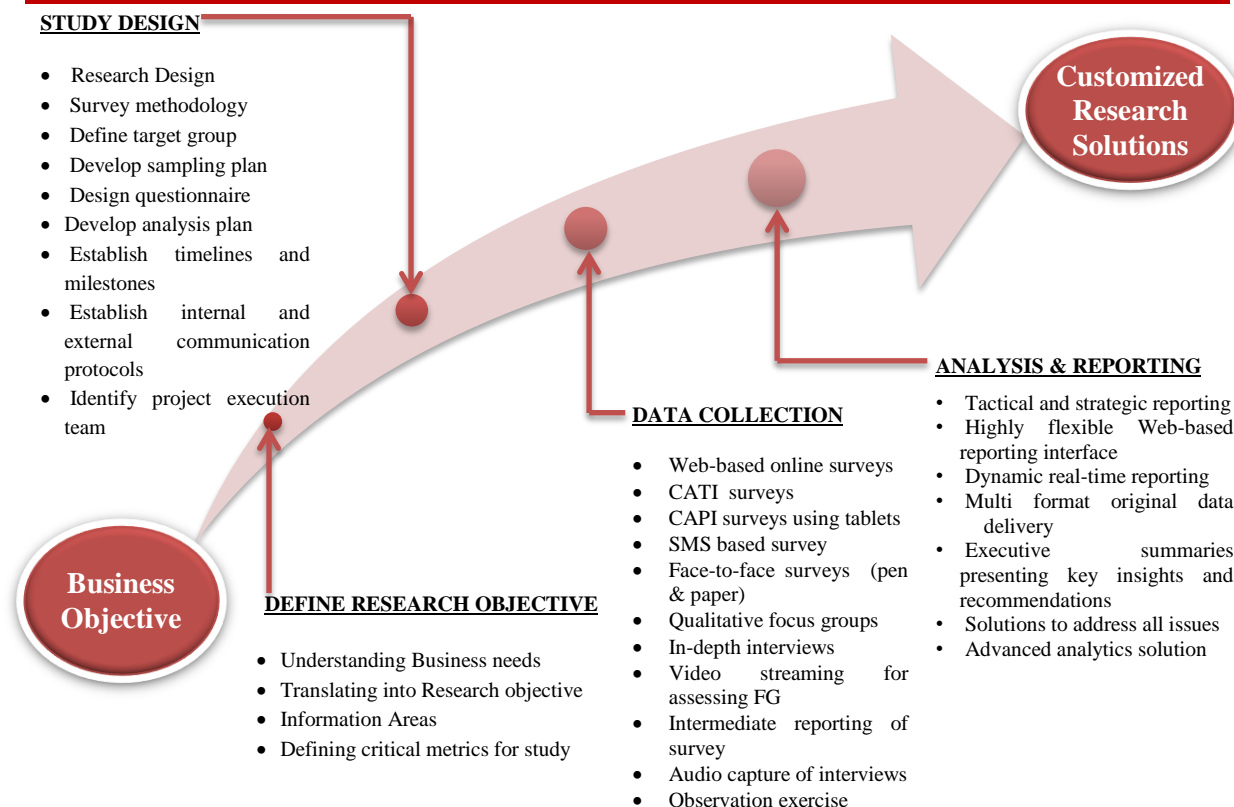
We provide actionable insights to our clients and assist them in making better strategic decisions in their respective lines of business. Our Company is professionally managed, with a Board of Directors comprising of three independent directors and two executive directors which are experienced in the business of our Company. We strive for the following values:

- Integrity: We are committed to act in an ethical, honest manner;
- Respect : We believe that all people should be treated with consideration and dignity;
- Teamwork : We are committed to long term, effective partnerships internally as well as with our clients

Our Company is being equipped with advanced technology and facilities, some of them are mentioned below:

- Large online research panel company
- Offers Video-Streaming worldwide
- Fully equipped Research rooms
- Observation room for at least 15 participants
- Client Lounge for at least 15 clients
- Waiting area for the participants
- Capability to conduct online Focus Groups

OUR RESEARCH APPROACH AND BUSINESS PROCESS



The different stages of our business process of market research are given below:

1. Define Research Objective:

The first stage deals with understanding of the business needs of our esteemed clients and translating their needs into research objective which involves providing a customized service suiting their requirements. It also covers defining of informative areas and critical metrics for study.

2. Study Design:

After defining the research objective, the second stage consists of deriving the study design and survey methodology is what that follows. It includes studies of research designing, designing questionnaires for target group, developing of sample plan, analyzing the plan, establishing timelines and milestones and identifying the project and execution of it.

3. Data Collection:

Data collection stage is the third stage wherein the data is collected by means of - Web-based online surveys, CATI surveys, CAPI surveys using tablets, SMS based survey, Face-to-face surveys (pen & paper), qualitative focus group, in-depth interviews, intermediate reporting of survey, audio capture of interviews.

4. Analysis & Reporting:

This is the final stage where we report to our clients through tactical and strategic reporting, highly flexible web-based reporting interface, real-time reporting, executive summaries

presenting key insights and recommendations, solutions addressing all issues and advanced analytics solution.

OUR SPECTRUM OF SERVICES AND INNOVATIVE RESEARCH TOOLS

As technology and socioeconomic trends change, our company believes in adapting to the new means of gaining customer insights providing better actionable insights and assists the clients in making better strategic decisions.

Some of the research tools are stated below:-



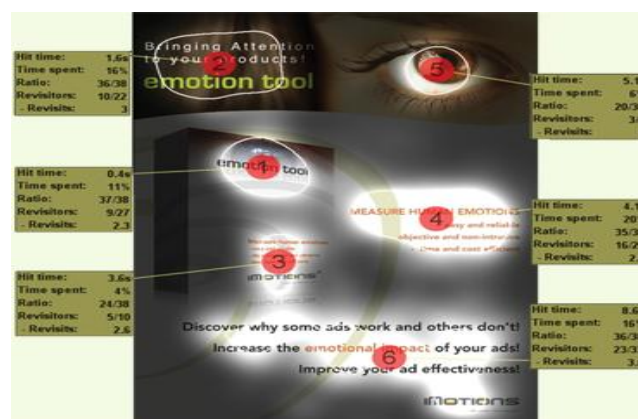
1. Vision Critical Insight Community

- It is strategic research approach that brings together the best people, ideas and practices for the digital age – blending interactive technology, strategic research, and insight communities' expertise.
- It is a cutting-edge tool to engage consumers to provide a continuous conversation/feedback.
- It brings the voice of the consumer into the organization by getting to the heart of how customers think, and why they do the things they do.
- Insight communities can be local or global, targeted or

broad, short-term or long-term, and can include hundreds or thousands of people.

2. Eye Tracker

- Eye tracker is a well-established method for pre-testing and analyzing print ads, TV, out-of-home media, direct marketing, online, in game and other visual advertising
- With eye tracking company can measure exactly where people look and illuminate hidden deficiencies that traditional market research methods cannot.



3. SMS Based Survey



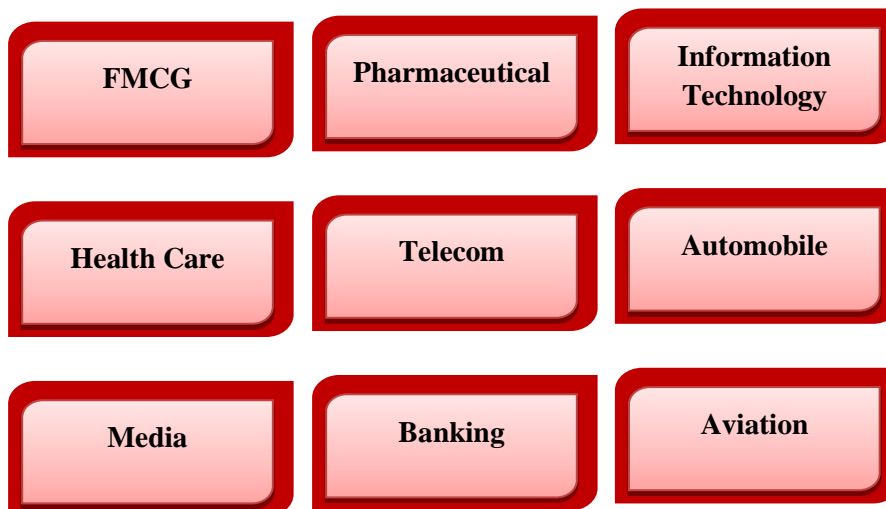
- We offer SMS based surveys on handheld devices
- Conduct surveys on mobile devices across locations
- Instant data collection report
- Collate and analyze data in real-time
- Create dashboards

4. Perception Analyzer

- Respondents use wireless, hand-held device to answer questions and give feedback during focus groups, presentations, meetings, etc. A small wireless receiver, called a console is connected to a computer.
- Perception Analyzer software immediately tallies the results. Results are instantly available for personal viewing or to display to respondents and viewers.
- Results collected through the use of this device are available for analysis in crosstab, graphical, and quick frequency formats. It can also be exported to Excel, PowerPoint, SPSS, in HTML, and as JPGs or PDFs for presentations and reports.



SECTORS IN WHICH OUR COMPANY SERVES



OUR COMPETITIVE STRENGTHS

Our Company focuses on serving its clients with a deeper insight to the customer behavior and other services. Customer focus, creativity, quality consciousness, innovative marketing strategies and adherence to fair practices has always been the Company's overall philosophy



1. Innovative Technology:

Our Company has invested significant resources in technological capabilities and has developed a scalable technology system which serves as per the client's requirements and needs.

2. Specialists with industry/sector knowledge:

Our Company focuses on attaining highest level of customer satisfaction. The progress achieved by us is largely due to our ability to address and exceed customer satisfaction. The Promoter and Key Managerial Personnel of the Company have years of expertise and are well acquainted with domestic markets. This helps to us to understand the needs of customers better and design the products to not only meet but beat their expectations.

3. Unique Knowledge Management System:

Our Company has unique knowledge management system for managing knowledge in organization to support creation, capture, storage and dissemination of information which enables us to provide accurate and updated information to our clients. Knowledge is the core of the services that we render. We rely on information technology to manage knowledge and enhance delivery efficiency. Our knowledge management system operates on a virtual private network and integrates data and research created by us and obtained from external sources, which can be accessed from a core database.

4. Senior researchers in the industry:

Our top management has more than decade of experience in the market research field which contributes significantly to the growth of our Company.



5. Multi-Country research capability:

The research capability of our country is not geographically limited to India but also the covers other countries across the globe. We also provide global research analysis to the clients in their respective areas of business.

6. Strategic Marketing Consultancy:

Our Company focuses on providing high quality products with zero defect policy to retain existing customers and develop new customer base.



SUMMARY FINANCIAL STATEMENTS

The following summary of financial data has been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the Auditor's Report in the section titled "Financial Statements." You should read this financial data in conjunction with our financial statements for Financial Year 2013 and 2014 including the notes thereto and the reports thereon, which appears under the chapter titled "*Financial Statements*" and chapter titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on page 146 and 163 of this Prospectus.

STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(Rs.in Lakhs)

Sr. No	Particulars	As at March 31,2013	As at March 31,2014
EQUITY AND LIABILITIES			
1)	Shareholder's Funds		
	a. Share Capital	74.50	300.20
	b. Reserves & Surplus	1.41	14.81
2)	Non-Current Liabilities		
	a. Long Term Borrowings		
	b. Deferred Tax Liabilities	0.01	0.90
3)	Current Liabilities		
	a. Short Term Borrowings	-	4.92
	b. Trade Payables	-	82.04
	c. Other Current Liabilities	12.53	16.12
	d. Short Term Provisions	-	1.51
	TOTAL (1+2+3)	88.45	420.50
ASSETS			
1)	Non-Current Assets		
	a. Fixed Assets		
	i. Tangible Assets	0.39	7.88
	ii. Intangible Assets	-	6.29
	Net Block	0.39	14.17
	b. Deferred Tax Assets (Net)	-	-
	c. Non-current Investments	-	-
	d. Long Term Loans & Advances	1.69	12.75
	e. Other Non-Current Assets	-	-
2)	Current Assets		
	a. Inventories	-	-
	b. Trade Receivables	12.52	205.38
	c. Cash and Cash Equivalents	0.09	0.12
	d. Short Term Loans & Advances	73.76	180.47
	e. Other Current Assets	-	7.61
	TOTAL (4+5)	88.45	420.50



STATEMENT OF PROFIT AND LOSS AS RESTATED

(Rs.in Lakhs)

Sr. No.	Particulars	As at March 31,2013	As at March 31,2014
A	INCOME		
	Revenue from Operations	47.93	226.03
	Other Income	-	-
	Total Income (A)	47.93	226.03
B	EXPENDITURE		
	Operating Expenses	19.43	81.75
	Employee benefit expenses	11.24	98.08
	Finance costs	-	0.15
	Depreciation and amortization expense	0.04	4.18
	Other Expenses	15.18	22.25
	Total Expenses (B)	45.89	206.41
C	Profit before tax	2.04	19.62
	Prior period items (Net)	-	-
	Profit before exceptional, extraordinary items and tax (A-B)	2.04	19.62
	Exceptional items	-	-
	Profit before extraordinary items and tax	2.04	19.62
	Extraordinary items	-	-
D	Profit before tax	2.04	19.62
	Tax Expense		
	(i) Current tax	(0.63)	(5.33)
	(ii) Deferred tax	(0.01)	(0.89)
	(iii) Fringe Benefit Tax	-	-
	(iii) Short/(Excess) provision for earlier years	-	-
E	Total Tax Expense	(0.64)	(6.22)
F	Profit for the year (D-E)	1.41	13.40
	ACTUAL	1.41	13.40
	Earning per equity share (face value of Rs.10/- each): Basic and Diluted (Rs.)	3.40	1.74
	Adjusted Earning per equity share (face value of Rs.10/- each): Basic and Diluted (Rs.) (Rs.)	-	-
	Change in Profit due to Restatement	0.00	(0.00)



STATEMENT OF CASH FLOW AS RESTATED

(Rs.in Lakhs)

Particulars	As at March 31, 2013	As at March 31, 2014
<u>Cash flow from operating activities:</u>		
Net Profit before tax as per Profit And Loss A/c	2.04	19.62
Adjusted for:		
Depreciation & Amortization	0.04	4.18
Interest & Finance Cost		0.15
Operating Profit Before Working Capital Changes	2.08	23.95
Adjusted for (Increase)/ Decrease:		
Trade Receivables	(12.52)	(192.86)
Loans and advances and other assets	(76.07)	(139.25)
Liabilities & Provisions	12.53	85.63
Cash Generated From Operations	(73.98)	(222.53)
Direct Tax Paid		
Net Cash Flow from/(used in) Operating Activities: (A)	(73.98)	(222.53)
<u>Cash Flow From Investing Activities:</u>		
Purchase of Fixed Assets	(0.43)	(7.91)
Net Cash Flow from/(used in) Investing Activities: (B)	(0.43)	(7.91)
<u>Cash Flow from Financing Activities:</u>		
Proceeds From Share Capital & Share Premium	74.50	225.70
Proceeds from Long Term Borrowing (Net)		
Proceeds from Short-term borrowings		4.92
Interest & Financial Charges		(0.15)
Net Cash Flow from/(used in) Financing Activities (C)	74.50	230.47
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	0.09	0.03
Cash & Cash Equivalents As At Beginning of the Year		0.09
Cash & Cash Equivalents As At End of the Year	0.09	0.12



THE ISSUE

Particulars	Number of Equity Shares
Equity Shares Offered Of which	11,20,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at a price of Rs. 12.75 per Equity Share, including share premium of Rs. 2.75 per Equity Share aggregating Rs. 142.80 lakhs
Issue Reserved for Market Makers	70,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at a price of Rs. 12.75 per Equity Share, including share premium of Rs. 2.75 per Equity Share aggregating Rs. 8.93 lakhs
Net Issue to the Public	10,50,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at a price of Rs. 12.75 per Equity Share, including share premium of Rs. 2.75 per Equity Share aggregating Rs. 133.88 lakhs
	of which
	5,25,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at par will be available for allocation to investors up to Rs. 2.00 Lakhs
	5,25,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at par will be available for allocation to investors above Rs. 2.00 Lakhs
Equity Shares outstanding prior to the Issue	30,02,000 Equity Shares
Equity Shares outstanding after the Issue	41,22,000 Equity Shares
Objects of the Issue	Refer to the chapter titled “ <i>Objects of the Issue</i> ” beginning on page 77

Notes:

1. This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations. The Issue is being made through the Fixed Price method and hence, as per regulation 43, sub regulation (4) of SEBI (ICDR) Regulations, at least 50% of the Net Issue to Public will be available for allocation on a proportionate basis to Retail Individual Applicants, subject to valid Applications being received at the Issue Price.
2. The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on July 9, 2014 and by the shareholders of our Company vide a special resolution passed pursuant to section 62 (1) (c) of the Companies Act, 2013 at the EGM held on July 10, 2014.
3. For further details please refer to chapter titled “*Issue Structure*” beginning on page 193 of this Draft Prospectus.



GENERAL INFORMATION

Our Company was incorporated as “*Majestic Research Services and Solutions Private Limited*” under the provisions of the Companies Act, 1956 *vide* Certificate of Incorporation dated May 2, 2012 bearing Registration No. 063818, issued by Registrar of Companies, Karnataka. Further, our Company was converted into a public limited company *vide* fresh Certificate of Incorporation dated August 11, 2014 and the name of our Company was changed to “Majestic Research Services and Solutions Limited”. The Corporate Identity Number of our Company is U72200KA2012PLC063818. For further details please refer to chapter titled ‘*Our History and Certain Other Corporate Matters*’ beginning on page 118 of this Draft Prospectus.

REGISTERED OFFICE OF OUR COMPANY

Majestic Research Services and Solutions Limited

2nd Floor, Kalpak Arcade

Number 46/17, Church Street

Bangalore – 560 001,

Karnataka, India

Tel: +91 80 41757500

Fax: +91 80 41757500

Email: info@mrssindia.com

Website: www.mrssindia.com

Corporate Identity Number: U72200KA2012PLC063818

REGISTRAR OF COMPANIES

Registrar of Companies, Bangalore, Karnataka

“E” wing, 2nd Floor, Kendriya Sadana

Koramangala

Bangalore – 560034, Karnataka

Website: www.mca.gov.in

DESIGNATED STOCK EXCHANGE

SME Platform of BSE Limited

P. J Towers, Dalal Street,

Mumbai, Maharashtra, 400001

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 118 of this Draft Prospectus.

BOARD OF DIRECTORS OF OUR COMPANY

Sr. No.	Name	Age	DIN	Address	Designation
1.	Sarang Jayant Panchal	53	00046744	Bueno Vista Flat No 7, 2nd Floor, Windy Hall Lane Colaba, Post Office, Mumbai, 400005, Maharashtra, India	Managing Director
2.	Rajendra Kumar	41	06879460	Plot no. 139/B, Sindhi Soc.,	Whole time



Sr. No.	Name	Age	DIN	Address	Designation
	Sharma			Opp. Bhakti Bhavan, Chembur, Mumbai, 400071, Maharashtra, India.	Director & CFO
3.	Rupesh Pandurang Bhujbal	53	06943207	604 - A Luv Kush Towers, Sindhi Society, Chembur, Mumbai, 400071, Maharashtra, India	Non Executive Independent Director
4.	Priamvada Princeton	31	06895069	No. D-2, Samhita Castle, Old Varthur Road, Nagawarapalya, C.V. Raman Nagar post, Bangalore, 560008, Karnataka, India	Non Executive Independent Director
5.	Dinesh Laxminarayan Somani	44	03432842	D5/10, Jalnidhi CHS, Bangur Nagar, Goregaon (West), Mumbai 400 090, Maharashtra, India	Non Executive Additional Independent Director

For further details of our Directors, please refer to the chapter titled “*Our Management*” beginning on page 121 of this Draft Prospectus.

COMPANY SECRETARY & COMPLIANCE OFFICER

Mitti Jain

Majestic Research Services and Solutions Limited

2nd Floor, Kalpak Arcade

Number 46/17, Church Street

Bangalore – 560 001,

Karnataka, India

Tel: +91 80 41757500

Fax: +91 80 41757500

Email: investors@mrssindia.com

Website: www.mrssindia.com

CHIEF FINANCIAL OFFICER

Rajendra Kumar Sharma

Majestic Research Services and Solutions Limited

2nd Floor, Kalpak Arcade

Number 46/17, Church Street

Bangalore – 560 001,

Karnataka, India

Tel: +91 80 41757500

Fax: +91 80 41757500

Email: cfo@mrssindia.com

Website: www.mrssindia.com

Investors may contact the Compliance Officer and/or the Registrar to the Issue and/or the LM 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, refund orders, 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 Manager. All complaints, queries or comments received by Stock Exchange shall be forwarded to the Lead Manager, who shall respond to the same.

STATUTORY AUDITORS*

M/s. R.T. Jain & Co.
Chartered Accountants
2nd Floor, Lotus Building,
59, Mohammed Ali Road,
Mumbai – 400 003
Tel: +91 22 23465218
Fax: + 91 22 23464955
E-Mail: rtjain_ca@yahoo.co.in
Contact Person: R. T. Jain
Firm Registration No: 103961W

**M/s. R.T Jain & Co, Chartered Accountants holds a peer review certificate dated September 20, 2011 issued by the Institute of Chartered Accountants of India.*

LEAD MANAGER

Pantomath Capital Advisors Private Limited
108, Madhava Premises CHS Ltd
Bandra Kurla Complex, Bandra East
Mumbai 400 051
Tel: (022) 26598687
Fax: (022) 26598690
Contact Person: Mahavir Lunawat
Email: ipo@pantomathgroup.com
SEBI Registration No: INM000012110

REGISTRAR TO THE ISSUE

Bigshare Services Private Limited
E/2, Ansa Industrial Estate Saki Vihar Road,
Saki Naka Andheri (East), Mumbai 400 072
Tel: +91-22-40430200
Fax: +91-22-28475207
Email: ipo@bigshareonline.com
Website: www.bigshareonline.com
Contact Person: Ashok Shetty
SEBI Registration No: INR000001385



LEGAL ADVISOR TO THE ISSUE

M/s. Crawford Bayley & Co.
 State Bank Buildings, 4th Floor,
 N.G.N. Vaidya Marg, Fort,
 Mumbai - 400 001
 Maharashtra
Tel: +91-022-2266 8000
Fax: +91-022-2266 3978
Email: sanjay.asher@crawfordbayley.com

BANKERS TO THE COMPANY

ICICI Bank Limited
 Shop No. 5, Sai Kutir,
 Plot No. 161,
 Kurla L.B.S. Marg,
 Mumbai – 400070
Tel: 022 65992768
Fax: NA
Email: rajesh.sinha@icicibank.com
Contact Person: Rajesh Sinha

BANKERS TO THE ISSUE / ESCROW COLLECTION BANK

IndusInd Bank Limited
PNA House, 4th Floor
Plot No 57 & 57/1, Road No. 17,
Near SRL, MIDC, Andheri East,
Mumbai – 400093
Tel: +91- 022 61069248
Fax: +91- 022 66238021
Email: suresh.esaki@indusindbank.com
Contact Person: Suresh Esaki
SEBI Registration No.: INBI00000002

REFUND BANKER

IndusInd Bank Limited
PNA House, 4th Floor
Plot No 57 & 57/1, Road No. 17
Near SRL, MIDC Andheri East
Mumbai – 400093
Tel: +91- 022 61069248
Fax: +91- 022 66238021
Email: suresh.esaki@indusindbank.com
Contact Person: Suresh Esaki
SEBI Registration No.: INBI00000002

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/home/list/5/33/0/0/Recognition-Intermediaries..> 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.

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. 50,000 Lakhs. Since the Issue size is less than Rs. 50,000 Lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per the Clause 52 of the SME Listing Agreement to be entered into with BSE upon listing of the Equity Shares and the corporate governance requirements, *inter-alia*, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

INTER-SE ALLOCATION OF RESPONSIBILITIES

Since Pantomath Capital Advisors Private Limited is the sole Lead Manager to this Issue, a statement of inter se allocation of responsibilities among Lead Managers is not applicable.

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.

Our Company has received written consent from the Statutory Auditor, M/s. R. T. Jain & Co., Chartered Accountants, to include its name as an expert under Section 26 of the Companies Act, 2013 in this Draft Prospectus in relation to the report dated August 20, 2014 on the restated audited financial statements of our Company and the statement of tax benefits dated August 20, 2014, included in this Draft Prospectus and such consent has not been withdrawn up to the time of delivery of this Draft Prospectus.

DEBENTURE TRUSTEE

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

UNDERWRITER

Our Company and LM to the issue hereby confirm that the Issue is 100% Underwritten. The underwriting agreement is dated August 20, 2014, pursuant to the terms of the underwriting agreement; the obligations of the underwriter are subject to certain conditions specified therein. The underwriter has 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
Pantomath Capital Advisors Private Limited 108, Madhava Premises CHS Ltd. Bandra Kurla Complex, Bandra East, Mumbai 400051 Tel: (022) 26598687 Fax: (022) 26598690 Contact Person: Mahavir Lunawat Email: ipo@pantomathgroup.com SEBI Registration No: INM000012110	11,20,000	142.80	100%
Total	11,20,000	142.80	100%

In the opinion of the Board of Directors of the Company, the resources of the above mentioned underwriter are sufficient to enable them to discharge their respective underwriting obligations in full.

DETAILS OF THE MARKET MAKING ARRANGEMENT

Our Company and the Lead Manager have entered into a tripartite agreement dated August 20, 2014 with the following Market Maker, duly registered with BSE Limited to fulfill the obligations of Market Making:

Market Maker Details

Choice Equity Broking Private Limited

Shree Shakambhari Corporate Park

Plot No. 156 – 158,

Chakravarti Ashok Society, J. B. Nagar

Andheri (E), Mumbai – 400099

Tel: +91 22 67079999

E-mail: mahavir.toshniwal@choiceindia.com

Contact Person: Mahavir Toshniwal

SEBI Registration No.: INB011377331

Market Maker Registration No. (SME Segment of BSE): SMEMM0329931012012

Choice Equity Broking Private Limited, registered with SME segment of BSE 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 BSE 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 (3) 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 70,000 Equity Shares out to be allotted under this Issue.) Any Equity Shares allotted to Market Maker under this Issue over and above 70,000 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, BSE 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 the Company's Equity Shares 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 Manager, 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 Manager 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. Further the Company and the Lead Manager 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 from 11.00 a.m. to 5.00 p.m. on working days.

11. BSE SME Exchange will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
12. BSE SME Exchange 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. SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to Rs. 25,000 Lakhs, the applicable price bands for the first day shall be:
 - i. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
 - ii. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.

Additionally, the trading shall take place in TFT (Trade for Trade) segment for first 10 days from commencement of trading. The following spread will be applicable on the BSE SME Platform:

Sr. No.	Market Price Slab (in Rs.)	Proposed spread (in % to sale price)
1	Up to 50	9%
2	50 to 75	8%
3	75 to 100	6%
4	Above 100	5%

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

Issue 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 Crore	25%	24%
Rs. 20 to Rs. 50 crore	20%	19%



Rs. 50 to Rs. 80 crore	15%	14%
Above Rs. 80 crore	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/BSE 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		
	45,00,000 Equity Shares of face value of Rs. 10/- each	450.00	
B	ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL		
	30,02,000 fully paid up Equity Shares of face value of Rs. 10/- each	300.20	
C	PRESENT ISSUE IN TERMS OF DRAFT PROSPECTUS*		
	11,20,000 Equity Shares of face value of Rs. 10/- each at a price of Rs. 12.75 per Equity Share	112.00	142.80
	Which comprises		
	70,000 Equity Shares of face value of Rs. 10 each reserved as Market Maker portion at a price of Rs. 12.75 per Equity Share	7.00	8.93
	Net Issue to Public of 10,50,000 Equity Shares of face value of Rs. 10 each reserved as Market Maker portion at a price of Rs. 12.75 per Equity Share	105.00	133.88
	Of which		
	5,25,000 Equity Shares of face value of Rs.10/- each at par will be available for allocation to Investors up to Rs. 2.00 Lakhs	52.50	66.94
	5,25,000 Equity Shares of face value of Rs.10/- each at par will be available for allocation to Investors above Rs 2.00 Lakhs	52.50	66.94
D	ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL AFTER THE ISSUE		
	41,22,000 Equity Shares of face value of Rs. 10 each	412.20	
E	SECURITIES PREMIUM ACCOUNT		
	Before the Issue		NIL
	After the Issue		50,30,905**

**The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on July 9, 2014, and by the shareholders of our Company vide a special resolution passed pursuant to section 62(1)(c) of the Companies Act, 2013 at the EGM held on July 10, 2014.*

*** In compliance of Regulation 33 (1) (b) (i) of the SEBI ICDR Regulations, Corporate Promoter has agreed to bring difference between Issue Price and the price at which the 7,09,420 Equity Shares have been acquired by the Corporate Promoter, which is aggregating Rs. 19,50,905 at least, one day prior to opening of the Issue.*



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 share capital of our Company:

Particulars of Change		Date of Shareholders' Meeting	AGM / EGM
From	To		
Rs. 50,00,000 consisting of 5,00,000 Equity shares of Rs. 10 each		On incorporation	
Rs. 50,00,000 consisting of 5,00,000 Equity shares of Rs. 10 each.	Rs. 1,00,00,000 consisting of 10,00,000 Equity shares of Rs. 10 each.	March 12, 2013	EGM
Rs. 1,00,00,000 consisting of 10,00,000 Equity shares of Rs. 10 each.	Rs. 4,50,00,000 consisting of 45,00,000 Equity shares of Rs. 10 each.	July 1, 2013	EGM

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
02/05/2012	10,000	10	10	Subscription to MoA ⁽¹⁾	Cash	10,000	100,000
15/03/2013	735,000	10	10	Further Issue ⁽²⁾	Cash	745,000	7,450,000
20/06/2013	47,500	10	10	Further Issue ⁽³⁾	Cash	792,500	7,925,000
01/08/2013	1,08,700	10	10	Further Issue ⁽⁴⁾	Cash	901,200	9,012,000
28/03/2014	21,00,800	10	10	Further Issue ⁽⁵⁾	Cash	30,020,00	30,020,000

(1) Initial subscribers to Memorandum of Association subscribed 10,000 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.	*Sandip Bhatia	9,000
2.	*Naina Krishna Murthy	1,000
Total		10,000

**Subsequently the shares of Sandip Bhatia were transferred to Rajendra Kumar Sharma, and the shares of Naina Krishna Murthy were transferred to Rajendra Kumar Sharma, Harish Singh, Mani Singh Kalsi, Sarang Jayant Panchal and Sagar Bait on July 9, 2014.*

(2) The Company allotted 7,35,000 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.	*Sandip Bhatia	7,35,000



Total	7,35,000
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**Subsequently the shares of Sandip Bhatia were transferred to Rajendra Kumar Sharma on July 9, 2014*

(3) The Company allotted 47,500 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.	Majestic Market Research Support Services Limited	47,500
Total		47,500

(4) The Company allotted 1,08,700 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.	Majestic Market Research Support Services Limited	1,08,700
Total		1,08,700

(5) The Company allotted 21,00,800 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.	Majestic Market Research Support Services Limited	19,31,300
2.	Sandip Bhatia	1,69,500
Total		21,00,800

- We have not issued any Equity Shares for consideration other than cash since incorporation.
- 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.
- Except as mentioned below, no shares have been issued at price below Issue Price within last one year from the date of this Draft Prospectus:

Date of Allotment	Name of persons	No. of Shares Allotted	Issue Price	Whether part of promoter group
28/03/2014	Majestic Market Research Support Services Limited	19,31,300	10	Yes
28/03/2014	Sandip Bhatia	1,69,500	10	Yes

- Details of shareholding of our Promoters

- Majestic Market Research Support Services Limited**

Date of Allotment/ Transfer	No. of Equity Shares	FV per Share (Rs.)	*Issue / Acquisition/Transfer price (Rs.)	Nature of Transactions	Pre-issue shareholding %	Post-issue shareholding %	Lock-in Period	No of Shares Pledged	% of Shares Pledged	Source of funds contributed
June 20,	47,500	10	10	Further	1.58	1.15	3 years	Nil	Nil	Internal

Date of Allotment/ Transfer	No. of Equity Shares	FV per Share (Rs.)	*Issue / Acquisition/Transfer price (Rs.)	Nature of Transactions	Pre-issue shareholding %	Post-issue shareholding %	Lock-in Period	No of Shares Pledged	% of Shares Pledged	Source of funds contributed
2014				Issue						accruals
August 1, 2014	1,08,700	10	10	Further Issue	3.62	2.64	3 years	Nil	Nil	Internal accruals
March 28, 2014	7,09,420	10	10	Further Issue	23.63	17.21	3 years	Nil	Nil	Internal accruals
March 28, 2014	12,21,880	10	10	Further Issue	40.70	29.64	1 year	Nil	Nil	Internal accruals
Total	20,87,500				69.54	50.64				

*Cost of acquisition excludes Stamp Duty

• **Rajendra Kumar Sharma**

Date of Allotment/ Transfer	No. of Equity Shares	FV per Share (Rs.)	*Issue / Acquisition/Transfer price (Rs.)	Nature of Transactions	Pre-issue shareholding %	Post-issue shareholding %	Lock-in Period	No of Shares Pledged	% of Shares Pledged	Source of funds contributed
July 9, 2014	9,14,495	10	10	Transfer ⁽¹⁾	30.46	22.19	1 year	Nil	Nil	Savings (Rs.44,950) and unsecured borrowings (91,00,000)
Total	9,14,495				30.46	22.19				

*Cost of acquisition excludes Stamp Duty

• **Sarang Jayant Panchal**

Date of Allotment/ Transfer	No. of Equity Shares	FV per Share (Rs.)	*Issue / Acquisition/Transfer price (Rs.)	Nature of Transactions	Pre-issue shareholding %	Post-issue shareholding %	Lock-in Period	No of Shares Pledged	% of Shares Pledged	Source of funds contributed
July 9, 2014	1	10	10	Transfer	0.00	0.00	1 year	Nil	Nil	Internal accrual



Date of Allotment/Transfer	No. of Equity Shares	FV per Share (Rs.)	*Issue / Acquisition/Transfer price (Rs.)	Nature of Transactions	Pre-issue shareholding %	Post-issue shareholding %	Lock-in Period	No of Shares Pledged	% of Shares Pledged	Source of funds contributed
										s
Total	1				0.00	0.00				

*Cost of acquisition excludes Stamp Duty

- Shares purchased/sold by the Promoter and Promoter Group, directors and their immediate relatives during last 6 months.

Date of Transaction	Name of Transacting Party	Party Category	Nature of Transaction	Price	Number of Shares Transacted
March 28, 2014	Majestic Market Research Support Services Limited	Promoter	Purchase	10	19,31,300
July 9, 2014	Rajendra Sharma	Promoter	Purchase	10	9,14,495
July 9, 2014	Sarang Jayant Panchal	Promoter	Purchase	10	1

All the transactions were made at the price of Rs. 10 per share on the above mentioned dates.

- There are no financing arrangements whereby the Promoter, 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 this Draft Prospectus with the Stock Exchange.
- 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 Promoter 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 Promoter have granted consent to include such number of Equity Shares held by them as may constitute 21.00 % 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 commencement 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
Majestic Market Research Support Services Limited						
June 20, 2014	June 20, 2014	47,500	10	10	Further Issue	1.15
August 1, 2014	August 1, 2014	108,700	10	10	Further Issue	2.64



March 28, 2014	March 28, 2014	709,420*	10	10	Further Issue	17.21
		865,620	Total			21.00

*The Corporate Promoter, Majestic Market Research Support Services Limited was allotted 19,31,300 Equity Shares at a price of Rs. 10 each fully paid up on March 28, 2014. Out of which 7,09,420 Equity Shares have been considered for lock-in for promoter's contribution for a period of three years.

Further, out of the total minimum promoter contribution of 865,620 Equity Shares forming 21% of the post issue share capital, 709,420 Equity Shares have been allotted on March 28, 2014 i.e., in the last one year by the Corporate Promoter at a price of Rs. 10 each which is lesser than the Issue Price of Rs. 12.75. In compliance of Regulation 33 (1) (b) (i) of the SEBI ICDR Regulations, Corporate Promoter has agreed to bring into the escrow account with a scheduled commercial bank, difference between Issue Price and the price at which the 7,09,420 Equity Shares have been acquired by the Corporate Promoter, which is aggregating Rs. 19,50,905 at least, one day prior to opening of the Issue.

We further confirm that the aforesaid minimum Promoter Contribution of 20% which is subject to lock-in for three years does not consist of:

- Equity Shares acquired since incorporation 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.
- The Equity Shares held by the Promoter and offered for minimum Promoters' Contribution are not subject to any pledge.
- 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.
- Equity shares issued to our Promoter on conversion of partnership firm into limited company.
- Private placement made by solicitation of subscription from unrelated persons either directly or through any intermediary.

Corporate Promoter has agreed to provide the difference of the Issue Price and the price at which 709,420 Equity Shares which have been acquired by the Corporate Promoter during the preceding one year and are considered for the promoters lock-in (under Regulation 33 of SEBI ICDR Regulations).

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

We further confirm that our Promoter's Contribution of 20% of the post Issue Equity does not include any contribution from Alternative Investment Fund.



9. Details of share capital locked in for one year

In addition to minimum 21% of the Post-Issue shareholding of our Company held by the Promoter (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 Promoter 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 Code.



A. The table below represents the shareholding pattern of our Company in accordance with clause 37 of the SME Listing Agreement, as on the date of this Draft Prospectus:

Category Code	Category of shareholder	No. Of shareholders	Total numbers of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	Number of shares	As a Percentage
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)
(A)	Promoter and Promoter Group							
(1)	Indian							
(a)	Individuals/Hindu Undivided Family	2	9,14,496	0	30.46	30.46	0	0
(b)	Central Government/State Government(s)	0	0	0	0	0	0	0
(c)	Bodies Corporate	1	20,87,500	0	69.54	69.54	0	0
(d)	Financial Institutions/Banks	0	0	0	0	0	0	0
(e)	Any other (Specify)0	0	0	0	0	0	0	0
	SUB TOTAL (A)(1)	3	30,01,996	0	100	100	0	0
(2)	Foreign							
(a)	Individuals (Non-Resident Individuals/Foreign Individuals)	0	0	0	0	0	0	0
(b)	Bodies Corporate	0	0	0	0	0	0	0
(c)	Institutions/FPI	0	0	0	0	0	0	0
(d)	Any other (Specify)	0	0	0	0	0	0	0
	SUB TOTAL (A)(2)	0	0	0	0	0	0	0
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	3	30,01,996	0	100	100	0	0
(B)	Public shareholding							
(1)	Institutions							



Category Code	Category of shareholder	No. Of shareholders	Total numbers of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	Number of shares	As a Percentage
(a)	Mutual Funds/UTI	0	0	0	0	0	0	0
(b)	Financial Institutions/Banks	0	0	0	0	0	0	0
(c)	Central Government/State Government(s)	0	0	0	0	0	0	0
(d)	Venture Capital Fund	0	0	0	0	0	0	0
(e)	Insurance Companies	0	0	0	0	0	0	0
(f)	Foreign Portfolio Investors	0	0	0	0	0	0	0
(g)	Foreign Venture Capital Investors	0	0	0	0	0	0	0
(h)	Nominated Investors (as defined in Chapter XB of SEBI (ICDR) Regulations)	0	0	0	0	0	0	0
(i)	Market Makers	0	0	0	0	0	0	0
(j)	Any other (Specify)	0	0	0	0	0	0	0
	SUB TOTAL (B) (1)	0	0	0	0	0	0	0
(2)	Non-Institutions							
(a)	Bodies Corporate	0	0	0	0	0	0	0
(b)	Individuals -	0						
	i) Individual shareholders holding nominal share Capital up to Rs.1 lakh	4	4	0	0	0	0	0
	ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	0		0	0	0	0	0
(c)	Any other (Specify)Individual (Non-Resident individuals)	0		0	0	0	0	0
	SUB TOTAL (B) (2)	4	4	0	0	0	0	0
	Total Public Shareholding (B)=(B)(1)+(B)(2)	4	4	0	0	0	0	0
	TOTAL (A)+(B)	7	30,02,000	0	100	100	0	0



Category Code	Category of shareholder	No. Of shareholders	Total numbers of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	Number of shares	As a Percentage
(C)	Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0	0	0	0
	GRAND TOTAL (A)+(B)+(C)	7	30,02,000	30,02,000	100	100	0	0

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, our Company shall ensure that the Equity Shares held by the Promoter / members of the Promoter Group shall be dematerialized prior to filing the Prospectus with the RoC.

Our Company will file the shareholding pattern of our Company, in the form prescribed under clause 37 of the Listing Agreement, one day prior to the listing of Equity Shares. The shareholding pattern will be uploaded on the website of BSE before commencement of trading of such Equity Shares.



B. Shareholding of our Promoter and Promoter Group

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

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)
Promoter					
1	Majestic Market Research Support Services Limited	2,087,500	69.54	2,087,500	50.64
2	Rajendra Kumar Sharma	914,495	30.46	914,495	22.19
3	Sarang Jayant Panchal	1	0.00	1	0.00
Promoter Group					
1	M/s Smart Spaces	NIL	NIL	NIL	NIL
Total		30,01,996	100%	30,01,996	72.83%

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

Name of the Promoter	No. of Shares held	Average cost of Acquisition (in Rs.)
Majestic Market Research Support Services Limited	20,87,500	10*
Rajendra Sharma	9,14,495	10
Sarang Jayant Panchal	1	10

*Corporate Promoter, Majestic Market Research Support Services Limited has agreed to bring in the difference amount of Rs. 19,50,905 (i.e., Rs. 2.75 per Equity Share considered for promoter contribution) of the Issue Price and the cost of acquisition of 7,09,420 Equity Shares (minimum promoters contribution) have been acquired in the last one year.

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	Majestic Market Research Support Services Limited	2,087,500	69.54%
2	Rajendra Sharma	914,495	30.46%
3	Sarang Jayant Panchal	1	0.00%
4	Naina Krishnamurthy	1	0.00%
5	Harish Singh	1	0.00%
6	Mani Singh Kalsi	1	0.00%
7	Sagar Bait	1	0.00%
Total		3,002,000	100%

*Our Company has 7 shareholders as on date of this Draft Prospectus.



Our top ten 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	Majestic Market Research Support Services Limited	20,87,500	69.54%
2	Rajendra Sharma	9,14,495	30.46%
3	Sarang Jayant Panchal	1	0.00%
4	Naina Krishnamurthy	1	0.00%
5	Harish Singh	1	0.00%
6	Mani Singh Kalsi	1	0.00%
7	Sagar Bait	1	0.00%
Total		30,02,000	100%

*Our Company has 7 shareholders ten days prior to the date of this Draft Prospectus

Our top ten 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 then existing capital
1	Sandeep Bhatia	9,000	90.00%
2	Naina Krishna Murthy	1,000	10.00%
Total		10,000	100.00%

*Our Company had 2 shareholders two years prior to the date of this Draft Prospectus.

10. There is no "Buyback", "Standby", or similar arrangement for the purchase of Equity Shares by our Company/Promoter/Directors/Lead Manager for purchase of Equity Shares offered through this Prospectus.
11. 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.
12. As on the date of this Draft Prospectus, none of the shares held by our Promoter/ Promoter Group are pledged with any financial institutions or banks or any third party as security for repayment of loans.
13. Except, as otherwise disclosed in the chapter titled "*Objects of the Issue*" beginning on page 77 of this Draft Prospectus, we have not raised any bridge loans against the proceeds of the Issue.
14. 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 219 of this Draft Prospectus.
15. The Equity Shares Issued pursuant to this Issue shall be made fully paid-up.
16. 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.
17. 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 Manager and SME Platform of BSE.
18. 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 Promoter and subject to lock-in shall be suitably increased to ensure that 20% of the post issue paid-up capital is locked-in.

19. The Issue is being made through Fixed Price method.
20. 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 made fully paid up or may be forfeited for non-payment of calls within twelve months from the date of allotment of shares.
21. On the date of filing this Prospectus with Stock Exchange, there are no outstanding financial instruments or any other rights that would entitle the existing Promoter or shareholders or any other person any option to receive Equity Shares after the Issue.
22. Our Company has not issued any Equity Shares out of revaluation reserves and not issued any bonus shares out of capitalization of revaluation reserves.
23. Lead Manager to the Issue viz. Pantomath Capital Advisors Private Limited and its associates do not hold any Equity Shares of our Company.
24. Our Company has not revalued its assets since incorporation.
25. Our Company has not made any Public Issue of any kind or class of securities since its incorporation.
26. There will be only one denomination of the Equity Shares of our Company unless permitted by law.
27. Our Company shall comply with such disclosure, and accounting norms as may be specified by SEBI from time to time.
28. 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.
29. 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 split/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.
30. 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 (Employee Stock Option Scheme and Employees Stock Purchase Plan) Guidelines 1999.
31. 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.
32. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoter to the persons who receive allotments, if any, in this Issue.



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 SME platform of BSE.

The objects of the Issue are:-

1. Procurement of new technology
2. Working capital requirements;
3. Meet Issue Expenses

We believe that listing will enhance our Company's corporate image, brand name and create a public market for our Equity Shares in India. The main objects clause of our Memorandum enables us 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 for a particular purpose from the planned expenditure.

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

S. No.	Particulars	Amount (in Rs. Lakhs)	Percentage of total issue (%)
1.	Procurement of new technology	20.00	14.01
2.	Working capital requirement	80.00	56.02
3.	*Issue expenses	42.80	29.97
	Total	142.80	100

**As on date of the Draft Prospectus, Company has incurred Rs.5.25Lakhs 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.

Details of Utilization of Issue Proceeds

Procurement of New Technology

The market research industry is experiencing a transformational shift as well, and technology is leading the charge. In the last several years, there has been phenomenal growth and change in terms of how research is conducted. In the past, paper and pencil ruled, focus groups were the norm, and the research process was long and laborious. The purchase of new technology will help improve efficiencies of operations of our Company and potentially add to our margins.

We have estimated total cost for the modernization of technologies, the detailed break up is given hereunder:

Particulars	Rate per unit (in Rs.)	No. of units	Amount (in Rs.)	Quotations
Eye Tracking	Rs. 20,00,000*	1	20,00,000	Not yet received

* On the basis of prevailing market price and internal estimation of the management.

Specifications of Eye tracking device:

Eye tracking is the process of measuring either the point of gaze (where one is looking) or the motion of an eye relative to the head. An eye tracker is a device for measuring eye positions and eye movement. Eye trackers are used in research on the visual system, in psychology, in cognitive linguistics and in product design. There are a number of methods for measuring eye movement. The most popular variant uses video images from which the eye position is extracted. Other methods use search coils or are based on the electrooculogram.

USE IN THE FIELD OF MARKET RESEARCH:-

MESSAGE, DESIGN & PLACEMENT – REACHING THE CONSUMER

As a market researcher, you need to be able to assess focus groups and consumer behavior quickly and accurately so as to deliver the appropriate feedback in the way your clients need.

Eye tracking allows you to pre-test your clients' designs by measuring what the target audiences see and so improve on the impact before the launch. Your clients are thus better able to understand user behavior and can optimize their visual communication to reach their marketing goals. SMI eye tracking solutions for market research are also suited for neuro marketing studies.

A range of easy-to-use tools are available for the video analysis of eye movements in marketing research and neuro marketing, which can be used to study:

- Shops (Interior / Window Design): Eye tracking studies enable interior designers to choose color, lighting, architecture, etc. so as to subtly influence the customer's mood. This includes the use of eye catchers to attract passers-by and arouse their curiosity.
- Package Design: Eye tracking can be used both to optimize the look and feel of the packaging as well as the experience of unpacking the product. Strong competition nowadays between the huge variety of products makes the package design a key issue influencing sales.
- Advertisements / Print: Eye tracking allows you to measure what your customers see and therefore to optimize your message with regard to the intended target group.
- Web Design / Online Marketing: In web design, the aspect of optimized navigation through the content is of major importance. Therefore, the design demands more than the purely visual aspect.



Usability tests can help you evaluate ease of use and logical navigation – both of which are essential for keeping the user on your website for as long as possible.

The optimum use of eye tracking with screen-based visual stimulation requires contact-free tracking allowing the subject free head motion. In addition, the system needs to be fast and easy to configure, deploy and operate, as well as being accurate and reliable, providing data in real-time. The equipment also has to be versatile and compatible with other visual systems.

Our Company does not have any intention of procuring second hand technology for the proposed object.

Working Capital

Our business is working capital intensive. We finance our working capital requirements from various banks / financial institutions and from our internal accruals. As on March 31st, 2014, the Company's working capital funding from banks is Rs. NIL. Total working capital requirements as of March 31, 2015 is estimated to be Rs. 121.86 Lakh. As of the date of this Draft Prospectus, our Company has not obtained any working capital facilities from any Bank.

The following is the detailed calculation of projected working capital required for the Financial Year 2014-2015 and 2015-2016.

Particulars	2012-13 (Actual)	2013-14 (Actual)	2014-15 (Estimated)	2015-2016 (Estimated)
Current Assets				
Inventories	-	-	-	-
Trade Receivables	12.52	205.38	125.00	137.50
Short Term Loans and Advances	73.75	180.46	80.46	85.46
Other Current Assets	0.87	7.72	32.10	32.27
Total (A)	86.36	393.57	173.36	190.70
Current Liabilities				
Trade Payables	-	82.04	37.50	39.57
Other Current Liabilities	-	1.51	-	-
Short Term Provisions	12.53	21.03	14.00	21.23
Total (B)	12.53	104.59	51.50	60.80
Net Working Capital (A)-(B)	73.82	288.98	121.86	129.90
Sources Of Working Capital (In Lakhs)				
Fund based borrowings *	-	-	40.00	40.00
Internal sources	-	85.00	1.86	89.90
Preferential allotment of Equity Shares	73.82	203.98	-	-
IPO Proceeds	-	-	80.00	-

* As of March 31, 2014, our Company has not obtained any fund based borrowing for financing working capital requirement.

Schedule of Implementation/Utilization of Net Proceeds



Our Company proposes to deploy the Net Proceeds in the aforesaid objects in the Financial Year 2014-2015. For details of the estimated schedule of deployment of funds, kindly refer to “Basis of estimation of working capital requirement and estimated working capital requirement” on page 90 of this Draft Prospectus.

Basis of Estimation

The incremental long term working capital requirements are based on historical Company data and estimation of the future requirements in FY 2014-15 and 2015-16 considering the growth in activities of our Company and in line with norms accepted by our banker(s). Our debtor cycle is of about 3 months in the period for FY 2014-15 and FY 2015-16. Our Creditors (Vendors) cycle is of about 1.5 to 2 months in the period for FY 2014-15 and FY 2015-16. Similarly we have estimated advance to suppliers, other current assets and current liabilities in line with working capital employed in FY 2013-14.

Justification of Period of Holdings

Debtors	The Company provides credit to its customers based on trade relations and vintage of association with the Company. Although the average receivable period of the Company is Normally Equal to or less than the industry average level period of 90 days after Completion of Project, the Company strives to continue having disciplined debtor management and strong management control policies in place. In FY 2013-14 our Debtors was high as we got high Quantity of Market Research Project to the Extent of around Rs 1.50 Cr in the month Feb & March 2014 due to which our working capital Gap was on very higher side as compared to Estimated Working Capital of Rs 1.21 Cr in FY 2014-15.
Creditors (Vendors)	Considering the vintage of the company and trade relations with its suppliers, the company gets a credit of average 45-60 days from its Vendors. The estimated average credit period for year Financial Year 2014-2015 & 2015-16 is considered at 45-60 days. In FY 2013-14 Creditors (Vendors) Payment Cycle was high as we got high Quantity of Market Research Projects in the month of Feb & March 2014.

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. 42.80 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, Bankers etc.	39.00	91.07	27.31
Regulatory fees	2.00	4.67	1.40
Marketing and Other Expenses	1.82	4.26	1.27
Total estimated Issue expenses	42.82	100.00%	29.28%



We have not entered into any bridge finance arrangements that will be repaid from the Net Proceeds of the Issue. However, we may draw down such amounts, as may be required, from an overdraft arrangement / cash credit facility with our lenders, to finance additional working capital needs until the completion of the Issue. Any amount that is drawn down from the overdraft arrangement / cash credit facility during this period to finance additional working capital needs will be repaid from the Net Proceeds of the Issue. For further details in relation to our borrowing arrangements, kindly refer to the Chapter titled “*Financial Indebtedness*” beginning on page 170 of this Draft Prospectus.

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 August 20, 2014	Balance Deployment during Financial Year 2014-15
Procurement of new technology	20.00	-	20.00
Working capital requirement	80.00	-	80.00
Issue expenses	42.80	5.25	37.55
Total	142.80	5.25	137.55

M/s. R.T Jain & Co., Chartered Accountants have *vide* certificate dated 20.08.2014, confirmed that as on 20.08.2014 following funds were deployed for the proposed Objects of the Issue:

(Rs. in Lakhs)

Particulars	Estimated Amount
Issue expense incurred out of Internal Accruals	5.25
Total	5.25

APPRAISAL BY APPRAISING AGENCY

The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution.

INTERIM USE OF FUNDS

Pending utilization for the purposes described above, we intend to invest the funds in high quality interest bearing liquid instruments including money market mutual funds, deposits with banks, for the necessary duration or for reducing overdrafts. Our management, in accordance with the policies established by our Board of Directors from time to time, will deploy the Net Proceeds.

MONITORING UTILIZATION OF FUNDS

As the Net Proceeds of the Issue will be less than Rs. 50,000 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 Clause 52 of the SME Listing Agreement, 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.



Other than as disclosed above 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.



BASIS FOR ISSUE PRICE

The Issue Price of Rs. 12.75 per Equity Share has been determined by our Company, in consultation with the Lead Manager on the basis of the following qualitative and quantitative factors. The face value of the Equity Share is Rs. 10 and Issue Price is Rs. 12.75 per Equity Share and is 1.275 times of the face value.

QUALITATIVE FACTORS

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

- Early mover advantage in niche market research industry in India
- Wide range of on-field presence in India
- Experience of Promoters
- Well-equipped infrastructure in terms of motivated employees, technological set-up, etc.

For further details, refer to heading '*Our Competitive Strengths*' under chapter titled '*Our Business*' beginning on page 108 of this Draft Prospectus.

QUANTITATIVE FACTORS

The information presented below relating to the Company is based on the restated financial statements of the Company for Financial Year 2012-2013 and 2013- 2014 prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

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

Year ended	EPS (Rs.)	Weight
March 31, 2013	3.40	1
March 31, 2014	1.74	2
Weighted Average	2.29	

Note:

The earnings per share has been computed by dividing net profit as restated, attributable to equity shareholders by restated weighted average number of equity shares outstanding during the year. Restated weighted average number of equity shares has been computed as per AS 20. The face value of each Equity Share is Rs. 10.

2. Price to Earnings (P/E) ratio in relation to Issue Price of Rs. 12.75 per Equity Share of Rs. 10 each.

Particulars	P/E Ratio
P/E ratio based on Basic EPS for FY 2013-14	7.33
P/E ratio based on Weighted Average EPS	5.57

Industry PE: There are no comparable listed companies within the same line of business as our Company. Thus, industry P/E cannot be ascertained.

3. Average Return on Net worth (RoNW)

Return on Net Worth ("RoNW") as per restated financial statements

Year ended	RoNW (%)	Weight
March 31, 2013	1.85	1



March 31, 2014	4.25	2
Weighted Average	3.45	

Note: The RoNW 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 post Issue needed to maintain Pre-Issue EPS for the year ended March 31, 2014 is 15.03 %.

5. Net Asset Value (NAV)

Particulars	Amt. (Rs.)
Net Asset Value per Equity Share as of March 31, 2014	40.92
Net Asset Value per Equity Share after the Issue	11.60
Issue Price per equity share	12.75

NAV per equity share has been calculated as net worth as divided by number of equity shares.

6. Comparison with other listed companies

We are primarily engaged in market research industry and currently there are no listed entity operating in this particular business segment with similar business and hence a strict comparison with our Company is not possible.

The Company in consultation with the Lead Manager and after considering various valuation fundamentals including Book Value and other relevant factors, believes that issue price of Rs. 12.75 for the Public Issue is justified in view of the above parameters.

For further details refer to “Risk Factors” on page 16 and the financials of the Company including profitability and return ratios, as set out in the “Financial Statements” beginning on page 146 of this Draft Prospectus for a more informed view.



STATEMENT OF POSSIBLE TAX BENEFITS

To
The Board of Directors,
Majestic Research Services & Solutions Limited,
No 715, 1st Main, 1st Stage
Indiranagar Bangalore,
Karnataka - 560038

Dear Sirs,

Sub: Statement of possible tax benefits available to the Company and its shareholders on proposed Public Issue of Shares under the existing tax laws

We hereby confirm that the enclosed annexure, prepared by The Board of Directors, Majestic Research Services & Solutions Limited ('the Company'), states the possible tax benefits available to the Company and the shareholders of the Company under the Income - Tax Act, 1961 ('Act') and the Wealth Tax Act, 1957, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not fulfill.

The benefits discussed in the enclosed statement are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. A shareholder is advised to consult his/ her/ its own tax consultant with respect to the tax implications arising out of his/her/its participation in the proposed issue, particularly in view of ever changing tax laws in India.

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

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

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

*No assurance is given that the revenue authorities / courts will concur with the views expressed herein. The views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We would not assume responsibility to update the view, consequence to such change.

We shall not be liable to Majestic Research Services & Solutions Limited for 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 of intentional misconduct.

For R T Jain & Co.
Chartered Accountants
Firm Registration No.103961W

(CA Bankim Jain)
Partner
Membership No. 139447
Date: 19th August, 2014
Place: Mumbai



ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO MAJESTIC RESEARCH SERVICES & SOLUTIONS LIMITED AND ITS SHAREHOLDERS

Outlined below are the possible benefits available to the Company and its shareholders under the current direct tax laws in India for the Financial Year 2013-14.

BENEFITS TO THE COMPANY UNDER THE INCOME TAX ACT, 1961 (THE “ACT”)

1. General tax benefits

A. Business Income

The Company is entitled to claim depreciation on specified tangible and intangible assets owned by it and used for the purpose of its business as per provisions of Section 32 of the Act. Business losses, if any, for an assessment year can be carried forward and set off against business profits for eight subsequent years. Unabsorbed depreciation, if any, for an assessment year can be carried forward and set off against any source of income in subsequent years as per provisions of Section 32 of the Act.

B. MAT Credit

- As per provisions of Section 115JAA of the Act, the Company is eligible to claim credit for Minimum Alternate Tax (‘MAT’) paid for any assessment year commencing on or after April 1, 2006 against normal income-tax payable in subsequent assessment years.
- As per Section 115JB, Minimum Alternate Tax (“MAT”) is payable @18.5% of the Book profits computed in accordance with the provisions of this section, where income-tax computed under the normal provisions of the Act is less than 18.5% of the Book profits as computed under the said section. A surcharge on income tax of 5% would be levied if the total income exceeds Rs.10 million but does not exceed Rs 100 million. A surcharge at the rate of 10% would be levied if the total income exceeds Rs 100 million. Education cess of 2% and Secondary Higher Education cess of 1% is levied on the amount of tax and surcharge.
- MAT credit shall be allowed for any assessment year to the extent of difference between the tax payable as per the normal provisions of the Act and the tax paid under Section 115JB for that assessment year. Such MAT credit is available for set-off up to ten years succeeding the assessment year in which the MAT credit arises.

C. Capital Gains

(i) Computation of capital gains

- Capital assets are to be categorized into short - term capital assets and long – term capital assets based on the period of holding. All capital assets, being shares held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under section 10(23D) of the Act or a zero coupon bond, held by an assessee for more than twelve months are considered to be long - term capital assets, capital gains arising from the transfer of which are termed as long - term capital gains (‘LTCG’). In respect of any other capital assets, the holding period should exceed thirty - six months to be considered as long - term capital assets.
- Short - term capital gains (‘STCG’) means capital gains arising from the transfer of capital asset being a share held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under

clause (23D) of Section 10 or a zero coupon bonds, held by an assessee for twelve months or less.

- In respect of any other capital assets, STCG means capital gains arising from the transfer of an asset, held by an assessee for thirty six months or less.
- LTCG arising on transfer of equity shares of a Company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D) is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to securities transaction tax (STT) and subject to conditions specified in that section.
- Income by way of LTCG exempt under Section 10(38) of the Act is to be taken into account while determining book profits in accordance with provisions of Section 115JB of the Act.
- As per provisions of Section 48 of the Act, LTCG arising on transfer of capital assets, other than bonds and debentures (excluding capital indexed bonds issued by the Government) and depreciable assets, is computed by deducting the indexed cost of acquisition and indexed cost of improvement from the full value of consideration.
- As per provisions of Section 112 of the Act, LTCG not exempt under Section 10(38) of the Act are subject to tax at the rate of 20% with indexation benefits. However, if such tax payable on transfer of listed securities or units or zero coupon bonds exceed 10% of the LTCG (without indexation benefit), the excess tax shall be ignored for the purpose of computing the tax payable by the assessee.
- As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), are subject to tax at the rate of 15% provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income.
- STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D), where such transaction is not chargeable to STT is taxable at the rate of 30%.
- As per provisions of Section 71 read with Section 74 of the Act, short - term capital loss arising during a year is allowed to be set-off against short - term as well as long - term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent eight assessment years.
- As per provisions of Section 71 read with Section 74 of the Act, long - term capital loss arising during a year is allowed to be set-off only against long - term capital gains. Balance loss, if any, shall be carried forward and set-off against long – term capital gains arising during subsequent eight assessment years.

(ii) Exemption of capital gains from income – tax

- Under Section 54EC of the Act, capital gain arising from transfer of long – term capital assets [other than those exempt u/s 10(38)] shall be exempt from tax, subject to the conditions and to the extent specified therein, if the capital gain are invested within a period of six months from the date of transfer in the bonds redeemable after three years and issued by :-



1. National Highway Authority of India (NHAI) constituted under Section 3 of National Highway Authority of India Act, 1988; and
 2. Rural Electrification Corporation Limited (REC), a company formed and registered under the Companies Act, 1956.
- Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long term asset cannot exceed Rs 50,00,000 per assessee during any financial year.
 - Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted is taxable as capital gains in the year of transfer / conversion.
 - As per provision of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.
 - The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.

D. Securities Transaction Tax

As per provisions of Section 36(1) (xv) of the Act, STT paid in respect of the taxable securities transactions entered into in the course of the business is allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head 'Profit and gains of business or profession'. Where such deduction is claimed, no further deduction in respect of the said amount is allowed while determining the income chargeable to tax as capital gains.

E. Dividends

- As per provisions of Section 10(34) read with Section 115-O of the Act, dividend (both interim and final), if any, received by the Company on its investments in shares of another Domestic Company is exempt from tax. The Company paying dividends will be liable to pay dividend distribution tax (DDT) at the rate of 15%. A surcharge of 10% would be levied on the amount of DDT. Further, Education cess of 2% and Secondary Higher Education cess of 1% is levied on the amount of tax and surcharge. Credit in respect of dividend distribution tax paid by a domestic subsidiary of the Company & tax Payable by the company U/s 115 BBD on dividend received from foreign subsidiary could be available while determining the dividend distribution tax payable by the Company as per provisions of Section 115-O (1A) of the Act, subject to fulfillment of prescribed conditions.
- As per provisions of Section 10(35) of the Act, income received in respect of units of a mutual fund specified under Section 10(23D) of the Act (other than income arising from transfer of such units) is exempt from tax.
- As per provisions of Section 80G of the Act, the Company is entitled to claim deduction of as specified amount in respect of eligible donations, subject to the fulfillment of the conditions specified in that section.
- As per the provisions of Section 115BBD of the Act, dividend received by Indian company from a specified foreign company (in which it has shareholding of 26% or more) would be taxable at the concessional rate of 15% on gross basis (plus surcharge and education cess).

BENEFITS TO THE RESIDENT MEMBERS / SHAREHOLDERS OF THE COMPANY UNDER THE ACT

A. Dividends exempt under section 10(34) of the Act

As per provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received by the resident members / shareholders from the Company is exempt from tax. The Company will be liable to pay dividend distribution tax at the rate of 15% plus a surcharge as applicable, on the dividend distribution tax and education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax and surcharge thereon on the total amount distributed as dividend.

B. Capital Gains

(i) Computation of capital gains

- Capital assets are to be categorized into short - term capital assets and long - term capital assets based on the period of holding. All capital assets, being shares held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under section 10(23D) of the Act or a zero coupon bond, held by an assessee for more than twelve months are considered to be long - term capital assets, capital gains arising from the transfer of which are termed as LTCG. In respect of any other capital assets, the holding period should exceed thirty – six months to be considered as long - term capital assets.
- STCG means capital gains arising from the transfer of capital asset being a share held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under clause (23D) of Section 10 or a zero coupon bonds, held by an assessee for twelve months or less.
- In respect of any other capital assets, STCG means capital gain arising from the transfer of an asset, held by an assessee for thirty six months or less.
- LTCG arising on transfer of equity shares of a Company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)) is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to STT and subject to conditions specified in that section.
- As per first proviso to Section 48 of the Act, the capital gains arising on transfer of share of an Indian Company need to be computed by converting the cost of acquisition, expenditure incurred in connection with such transfer and full value of the consideration receiving or accruing as a result of the transfer, into the same foreign currency in which the shares were originally purchased. The resultant gains thereafter need to be reconverted into Indian currency. The conversion needs to be at the prescribed rates prevailing on dates stipulated. Further, the benefit of indexation as provided in second proviso to Section 48 is not available to non-resident shareholders.
- As per provisions of Section 112 of the Act, LTCG not exempt under Section 10(38) of the Act are subject to tax at the rate of 20% (plus applicable surcharge and cess) with indexation benefits. However, if such tax payable on transfer of listed securities or units or zero coupon bonds exceed 10% of the LTCG (without indexation benefit), the excess tax shall be ignored for the purpose of computing the tax payable by the assessee. As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented mutual

fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), are subject to tax at the rate of 15% (plus applicable surcharge and cess) provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income.

- STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), where such transaction is not chargeable to STT is taxable at the rate of 30%.
- As per provisions of Section 71 read with Section 74 of the Act, short - term capital loss arising during a year is allowed to be set-off against short - term as well as long – term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent eight assessment years.
- As per provisions of Section 71 read with Section 74 of the Act, long - term capital loss arising during a year is allowed to be set-off only against long - term capital gains. Balance loss, if any, shall be carried forward and set-off against long - term capital gains arising during subsequent 8 assessment years.

(ii) Exemption of capital gains arising from income – tax

- As per Section 54EC of the Act, capital gains arising from the transfer of a long – term capital asset are exempt from capital gains tax if such capital gains are invested within a period of six months after the date of such transfer in specified bonds issued by NHAI and REC and subject to the conditions specified therein.
- Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long - term asset cannot exceed Rs 5,00,000 per assessee during any financial year.
- Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted is taxable as capital gains in the year of transfer / conversion.
- As per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.
- The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.
- In addition to the same, some benefits are also available to a resident shareholder being an individual or Hindu Undivided Family ('HUF').
- As per provisions of Section 54F of the Act, LTCG arising from transfer of shares is exempt from tax if the net consideration from such transfer is utilized within a period of one year before, or two years after the date of transfer, for purchase of a new residential house, or for construction of residential house within three years from the date of transfer and subject to conditions and to the extent specified therein.

C. Tax Treaty Benefits

As per provisions of Section 90 (2) of the Act, non-resident shareholders can opt to be taxed in India as per the provisions of the Act or the double taxation avoidance agreement entered into by the Government of India with the country of residence of the non-resident shareholder, whichever is more beneficial.

D. Non-Resident Taxation

Special provisions in case of Non-Resident Indian ('NRI') in respect of income / LTCG from specified foreign exchange assets under Chapter XII-A of the Act are as follows:

- NRI means a citizen of India or a person of Indian origin who is not a resident. A person is deemed to be of Indian origin if he, or either of his parents or any of his grandparents, were born in undivided India.
- Specified foreign exchange assets include shares of an Indian company which are acquired / purchased / subscribed by NRI in convertible foreign exchange.
- As per provisions of Section 115E of the Act, LTCG arising to a NRI from transfer of specified foreign exchange assets is taxable at the rate of 10% (plus education cess and secondary & higher education cess of 2% and 1% respectively).
- As per provisions of Section 115E of the Act, income (other than dividend which is exempt under Section 10(34)) from investments and LTCG (other than gain exempt under Section 10(38)) from assets (other than specified foreign exchange assets) arising to a NRI is taxable at the rate of 20% (education cess and secondary & higher education cess of 2% and 1% respectively). No deduction is allowed from such income in respect of any expenditure or allowance or deductions under Chapter VI-A of the Act.
- As per provisions of Section 115F of the Act, LTCG arising to a NRI on transfer of a foreign exchange asset is exempt from tax if the net consideration from such transfer is invested in the specified assets or savings certificates within six months from the date of such transfer, subject to the extent and conditions specified in that section.
- As per provisions of Section 115G of the Act, where the total income of a NRI consists only of income / LTCG from such foreign exchange asset / specified asset and tax thereon has been deducted at source in accordance with the Act, the NRI is not required to file a return of income.
- As per provisions of Section 115H of the Act, where a person who is a NRI in any previous year, becomes assessable as a resident in India in respect of the total income of any subsequent year, he / she may furnish a declaration in writing to the assessing officer, along with his / her return of income under Section 139 of the Act for the assessment year in which he / she is first assessable as a resident, to the effect that the provisions of the Chapter XII-A shall continue to apply to him / her in relation to investment income derived from the specified assets for that year and subsequent years until such assets are transferred or converted into money.
- As per provisions of Section 115I of the Act, a NRI can opt not to be governed by the provisions of Chapter XII-A for any assessment year by furnishing return of income for that assessment year under Section 139 of the Act, declaring therein that the provisions of the chapter shall not apply for that assessment year. In such a situation, the other provisions of the Act shall be applicable while determining the taxable income and tax liability arising thereon.

BENEFITS AVAILABLE TO FOREIGN INSTITUTIONAL INVESTORS ('FIIS') UNDER THE ACT

A. Dividends exempt under section 10(34) of the Act

As per provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received by a shareholder from a domestic Company is exempt from tax. The Company will be liable to pay dividend distribution tax at the rate of 15% plus a surcharge as applicable on the dividend distribution



tax and education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax and surcharge thereon on the total amount distributed as dividend.

B. Long – Term Capital Gains exempt under section 10(38) of the Act

- LTCG arising on sale equity shares of a company subjected to STT is exempt from tax as per provisions of Section 10(38) of the Act. It is pertinent to note that as per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.
- It is pertinent to note that as per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.

C. Capital Gains

- As per provisions of Section 115AD of the Act, income (other than income by way of dividends referred to Section 115-O) received in respect of securities (other than units referred to in Section 115AB & certain securities & government Bonds as mentioned in section 194LD) is taxable at the rate of 20% (plus applicable surcharge and education cess and secondary & higher education cess). No deduction is allowed from such income in respect of any expenditure or allowance or deductions under Chapter VI-A of the Act. Interest on certain securities & government bonds as mentioned in section 194LD is taxable @5% only.
- As per provisions of Section 115AD of the Act, capital gains arising from transfer of securities is taxable as follows:

Nature of income	Rate of tax (%)
LTCG on sale of equity shares not subjected to STT	10%
STCG on sale of equity shares subjected to STT	15%
STCG on sale of equity shares not subjected to STT	30%

- For corporate FIIs, the tax rates mentioned above stands increased by surcharge (as applicable) where the taxable income exceeds Rs. 10,000,000. Further, education cess and secondary and higher education cess on the total income at the rate of 2% and 1% respectively is payable by all categories of FIIs.
- The benefit of exemption under Section 54EC of the Act mentioned above in case of the Company is also available to FIIs.

D. Securities Transaction Tax

As per provisions of Section 36(1)(xv) of the Act, STT paid in respect of the taxable securities transactions entered into in the course of the business is allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head 'Profit and gains of business or profession'. Where such deduction is claimed, no further deduction in respect of the said amount is allowed while determining the income chargeable to tax as capital gains

E. Tax Treaty benefits

- As per provisions of Section 90(2) of the Act, FIIs can opt to be taxed in India as per the provisions of the Act or the double taxation avoidance agreement entered into by the Government of India with the country of residence of the FII, whichever is more beneficial to them⁸
- The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors



BENEFITS AVAILABLE TO MUTUAL FUNDS UNDER THE ACT

a) Dividend income

Dividend income, if any, received by the shareholders from the investment of mutual funds in shares of a domestic Company will be exempt from tax under section 10(34) read with section 115O of the Act.

b) As per provisions of Section 10(23D) of the Act, any income of mutual funds registered under the Securities and Exchange Board of India, Act, 1992 or Regulations made there under, mutual funds set up by public sector banks or public financial institutions and mutual funds authorized by the Reserve Bank of India, is exempt from income-tax, subject to the prescribed conditions.

BENEFITS UNDER THE WEALTH TAX ACT, 1957

Wealth Tax Act, 1957

- Wealth tax is chargeable on prescribed assets. As per provisions of Section 2(m) of the Wealth Tax Act, 1957, the Company is entitled to reduce debts owed in relation to the assets which are chargeable to wealth tax while determining the net taxable wealth.
- Shares in a company, held by a shareholder are not treated as an asset within the meaning of Section 2(ea) of the Wealth Tax Act, 1957 and hence, wealth tax is not applicable on shares held in a company.

Note: 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.

For R T Jain & Co.

Chartered Accountants

Firm Registration No.103961 W

(CA Bankim Jain)

Partner

Membership No.139447

Date: 19th August, 2014

Place: Mumbai

SECTION IV – ABOUT THE COMPANY

OUR INDUSTRY

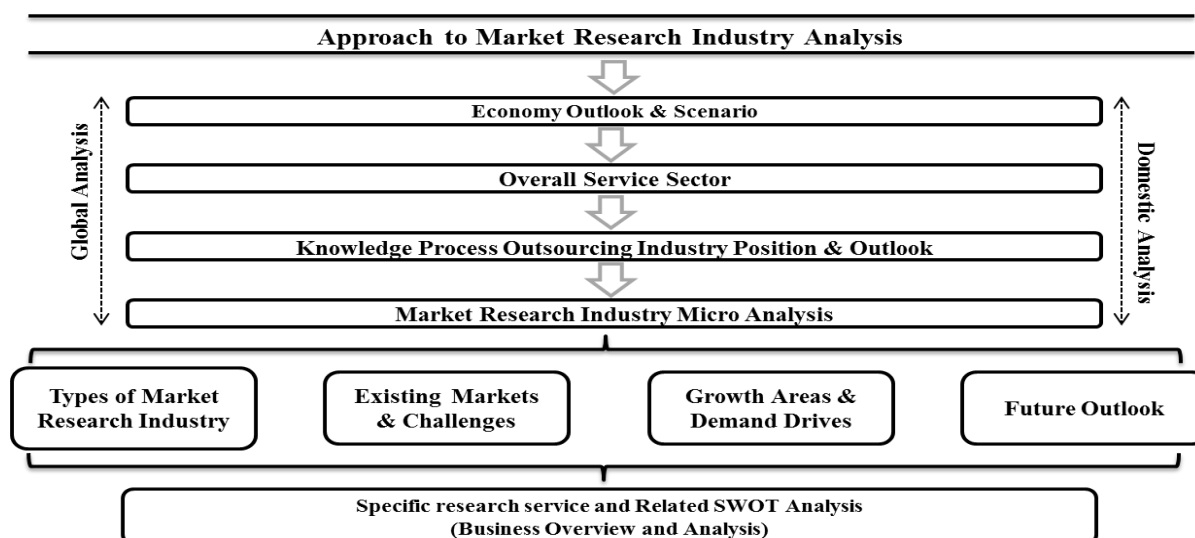
The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Draft Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Statements” and related notes beginning on page 16 and 146 respectively of this Draft Prospectus before deciding to invest in our Equity Shares.

APPROACH TO MARKET RESEARCH INDUSTRY

Analysis of market research industry needs to be approached at both macro and micro levels, whether for domestic or global markets. This industry forms part of service industry at a macro level. Hence, broad picture of service industry should be at preface while analyzing the market research industry. If the entire service sector is likely to be impacted by a specific set of factors, so would, most likely, be the market research industry as well.

Service industry comprises various streams of services including insurance, banking, education, tourism, knowledge process outsourcing and the like, which in turn, have numerous sub-classes. One such robustly growing industry globally in the overall service sector is ‘market research industry’ which falls under knowledge process outsourcing sector.

Thus, market research industry segment should be analyzed in the light of ‘knowledge process outsourcing’ industry. An appropriate view on market research industry, then, calls for the overall economy outlook, performance and expectations of service sector, position of global and domestic growth and micro analysis.



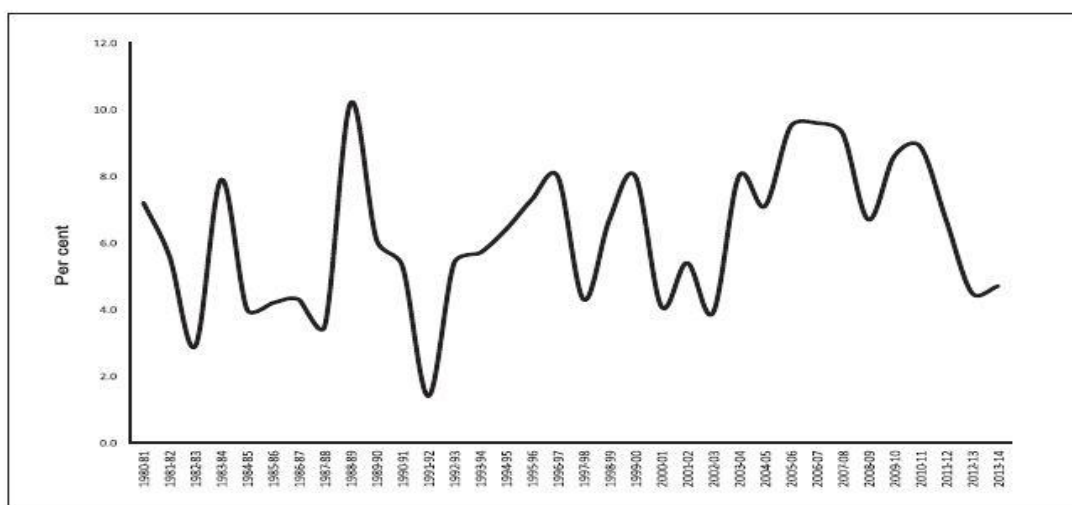
This Approach Note is developed by Pantomath Capital Advisors (P) Ltd ('Pantomath') and any unauthorized reference or use of this Note, whether in the context of market research industry and / or any other industry, may entail legal consequences.

OVERVIEW OF INDIAN ECONOMY

In 2014-15, the Indian economy is poised to overcome the sub-5 % growth of gross domestic product (GDP) witnessed over the last two years. The growth slowdown in the last two years was broad based, affecting in particular the industry sector. Inflation too declined during this period, but continued to be above the comfort zone, owing primarily to the elevated level of food inflation. Yet, the developments on the macro stabilization front, particularly the dramatic improvement in the external economic situation with the current account deficit (CAD) declining to manageable levels after two years of worryingly high levels was the redeeming feature of 2013-14. The fiscal deficit of the Centre as a proportion of GDP also declined for the second year in a row as per the announced medium term policy stance. Reflecting the above and the expectations of a change for the better, financial markets have surged. Moderation in inflation would help ease the monetary policy stance and revive the confidence of investors, and with the global economy expected to recover moderately, particularly on account of performance in some advanced economies, the economy can look forward to better growth prospects in 2014-15 and beyond.

Source (Economic survey 2013-14)

Growth in Real GDP (%)



Source – Economic Survey 2013-2014

OUTLOOK FOR 2014-15

The descent into the present phase of sub-5 % growth has been rather sharp. The interplay of structural constraints alongside delays in project implementation, subdued domestic sentiments, and an uncertain global milieu led to general growth slowdown while rendering macroeconomic stabilization particularly challenging. Inflation also remained at elevated levels. These factors triggered risk-aversion and injected considerable uncertainty in investment activity. The current macroeconomic situation precludes fiscal stimulus to kick-start activity. Similarly, the task of monetary policy calibration for growth revival has been made difficult by persistent inflation and further complicated by uncertainty in international financial conditions and, until recently, by rupee depreciation. Targeted measures by the government and RBI have improved the external economic situation significantly, even as India remains exposed to risk on/off sentiments of investors and to policy shifts in advanced economies. Regaining growth momentum

requires restoration of domestic macroeconomic balance and enhancing efficiency. To this end, the emphasis of policy would have to remain on fiscal consolidation and removal of structural constraints. Though some measures have been initiated to this end, reversion to a growth rate of around 7-8 % can only occur beyond the ongoing and the next fiscal.

Global economic activity is expected to strengthen in 2014-15 on the back of some recovery in advanced economies. The Euro area is also expected to register a growth rate of above 1 % as against contraction witnessed in 2012 and 2013 (IMF, WEO, April 2014). The European Central Bank's monetary policy measures, most significantly introduction of the negative deposit facility interest rate are expected to boost economic activity in Europe. In addition, the performance of the real sector in the US (that is likely affect the pace of taper) is a major factor that would impact the global economic situation in 2014-15. The growth outlook for emerging Asian economies is generally benign with some grappling with inflation, structural bottlenecks, and external imbalances. The slowdown in emerging economies comes at an inopportune juncture.

Downward movement along with heightened volatility, witnessed, for example, in fixed investment post 2008-09 in India, often tends to magnify the impact and transmission channels of shocks (e.g. below-normal monsoons and/or upshot in oil prices) and hampers build-up of positive expectations. Under such circumstances, the Indian economy can recover only gradually with the GDP at factor cost at constant prices expected to grow in the range of 5.4 – 5.9 % in 2014-15. This assumes the revival of growth in the industrial sector witnessed in April 2014 to continue for the rest of the year, the generally benign outlook on oil prices (notwithstanding the uncertainty on account of recent developments in the Middle East), and the absence of pronounced destabilizing shocks (including below-normal monsoons). Growth in the above range implies a pick-up, aided by an improved external economic situation characterized by a stable current account and steady capital inflows, improved fiscal situation and, on the supply side, robust electricity generation and some recovery in manufacturing and non-government services.

Growth in 2014-15 is expected to remain more on the lower side of the range given above, for the following reasons: (i) steps undertaken to restart the investment cycle (including project clearances and incentives given to industry) are perceived to be playing out only gradually; (ii) the benign growth outlook in some Asian economies, particularly China; (iii) still elevated levels of inflation that limit the scope of the RBI to reduce policy rates; and (iv) expectation of below-normal monsoons. Downside risk also emerges from prolonging of the geo-political tensions. On the upside, such factors as institutional reform to quicken implementation of large projects and a stronger-than-expected recovery in major advanced economies would help the Indian economy clock a higher rate of growth.

Economic Survey 2013-2014

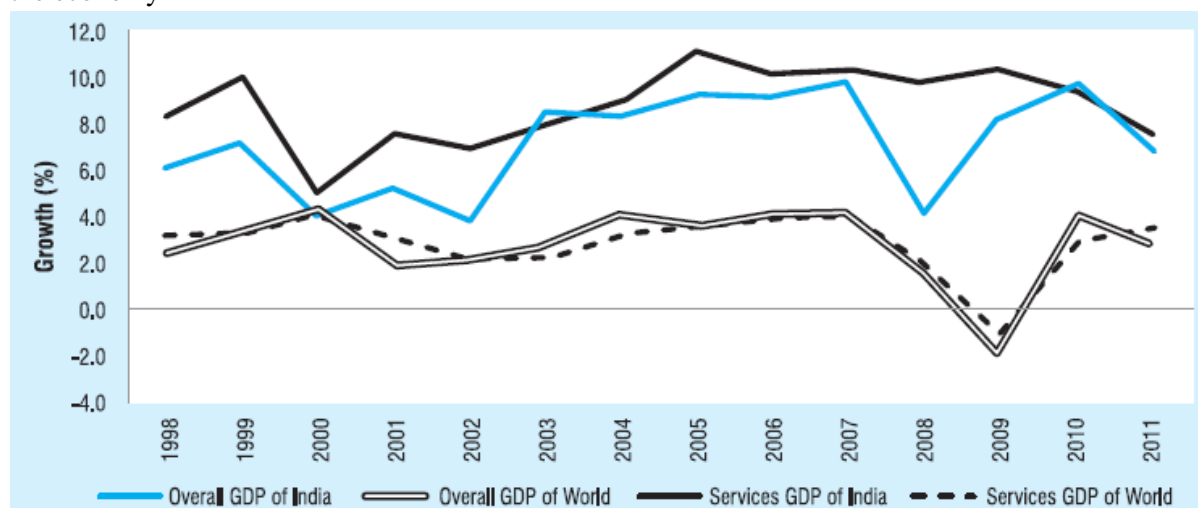
India currently is the most attractive investment destination in the world. The Indian economy is expected to grow at 3.4 % in the current fiscal, a slight increase from 3.3 % in FY 2012-13, as per projections from the Organization for Economic Co-operation and Development (OECD). The growth is estimated to be even greater in FY 2014-15 (5.1 %) and FY 2015-16 (5.7 %).

(Source: IBEF Website)

OVERVIEW OF INDIAN SERVICE SECTOR

The services sector provides employment to 27% of the work force and is growing quickly, with a growth rate of 7.5% in 1991–2000, up from 4.5% in 1951–80. It has the largest share in the GDP, accounting for 57% in 2012, up from 15% in 1950. Information technology and business process outsourcing are among the fastest growing sectors, having a cumulative growth rate of revenue 33.6% between 1997 and 1998 and 2002–03 and contributing to 25% of the country's total exports in 2007–08. The growth in the IT sector is attributed to increased specialization, and an availability of a large pool of low cost, highly skilled, educated and fluent English-speaking workers, on the supply side, matched on the demand side by increased demand from foreign consumers interested in India's service exports, or those looking to outsource their operations. The share of the Indian IT industry in the country's GDP increased from 4.8% in 2005–06 to 7% in 2008.

In the last decade, growth has increasingly come from the services sector, whose contribution to overall growth of the economy has been 65%, while that of the industry and agriculture sectors has been 27 % and 8 % respectively. The figure below shows the contributions of these sectors to the overall growth of the economy



(Source: Economic survey 2012-2013 & IBEF website)

INDIAN KPO INDUSTRY & FUTURE OUTLOOK

India's Knowledge Process Outsourcing (KPO) market is growing at a compounded annual growth rate (CAGR) of about 30% annually and may touch \$30 billion by 2015, from the current level of \$20 billion.

The KPO industry is maturing and the range of services being provided has expanded as the market has developed. From its initial beginnings in research and analytics, the definition of KPO currently includes a variety of services, such as market research, legal process outsourcing and clinical trial management. Domestic KPO industry is facing stiff competition from countries like Philippines, Russia, China, Poland and Hungary as these are emerging strong contenders for KPO business in view of qualified KPO professionals, low-cost advantages, domain expertise, location advantage, sales and marketing capabilities and data compliance.

Popular KPO services include:

- Market research & Business research

- Equity research
- Intellectual property research
- Medical and legal research
- Financial research
- Research in biotechnology and pharmaceuticals

India an ideal KPO destination as:

- India has a large availability of post-graduates, PhDs and MBAs with experience in KPO
- India's professionals are proficient in popular KPO software like SPSS, SAS and MS Excel.
- Indians are also highly proficient in English
- As of 2013, the total market size of the KPO industry in India has reached over \$20 billions
- India currently caters to over 70% of the world's KPO industry
- As of 2013, the Indian KPO sector has employed over 3,50,000 knowledge process outsourcing professionals
- India has trained KPO experts who have advanced analytical, technical and interpretation skills
- India's favourable government policies make it an ideal outsourcing location

(Source: ASSOCHAM)

GLOBAL KPO INDUSTRY & FUTURE OUTLOOK

China is an attractive location for companies that run and manage all phases of the clinical trial process, as it offers a significant pool of potential patients in an important emerging market. Along with China, the Philippines is also becoming an increasingly important player in the KPO market. It has started to carve out a niche for itself in a number of key areas, including healthcare outsourcing (providing industry-specific services to hospitals and healthcare providers).

Sri Lanka has also focused on developing skills around specific service lines. For example, the country has a significant number of qualified accountants, capable of providing the kind of high-end complex tasks associated with service areas such as equity and credit research.

KPO is likely to be driven by factors like breadth and depth of coverage, domain expertise, location advantage (e.g., near-shoring and language capabilities), sales and marketing capabilities, data compliance with respect to regulatory standards (especially those defined by the United States, Canada and the European Union) and the management of business risks.

(Source: ASSOCHAM)

EVOLUTION OF MARKET RESEARCH

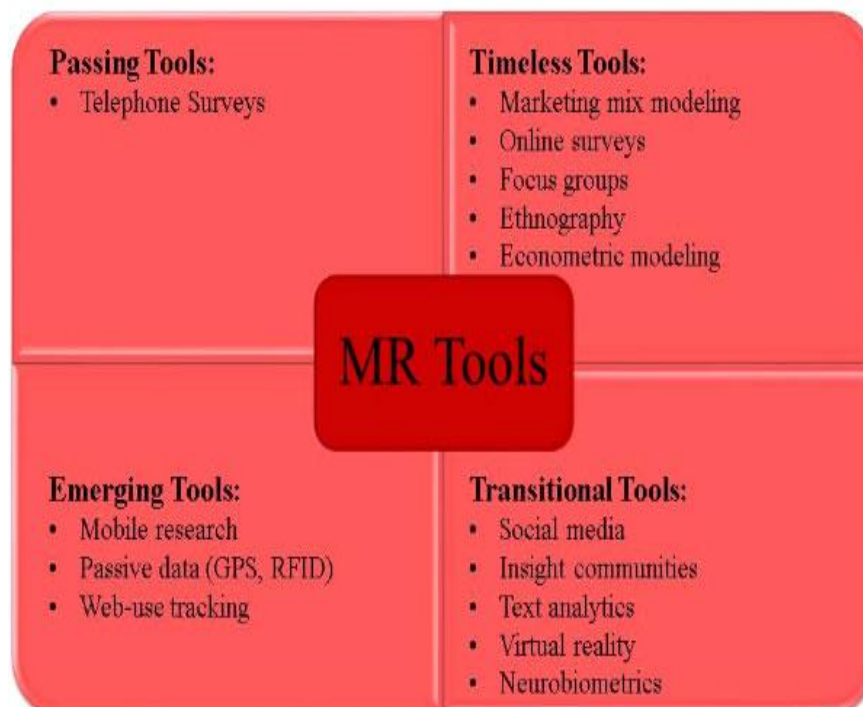
When research was mainly conducted by in-person focus groups and pen-and-paper surveys, the rise of the internet and the proliferation of corporate websites have changed the means by which research is executed.

Web analytics were born out of the need to track the behaviour of site visitors and, as the popularity of e-commerce and web advertising grew, businesses demanded details on the information created by new practices in web data collection, such as click-through and exit rates.

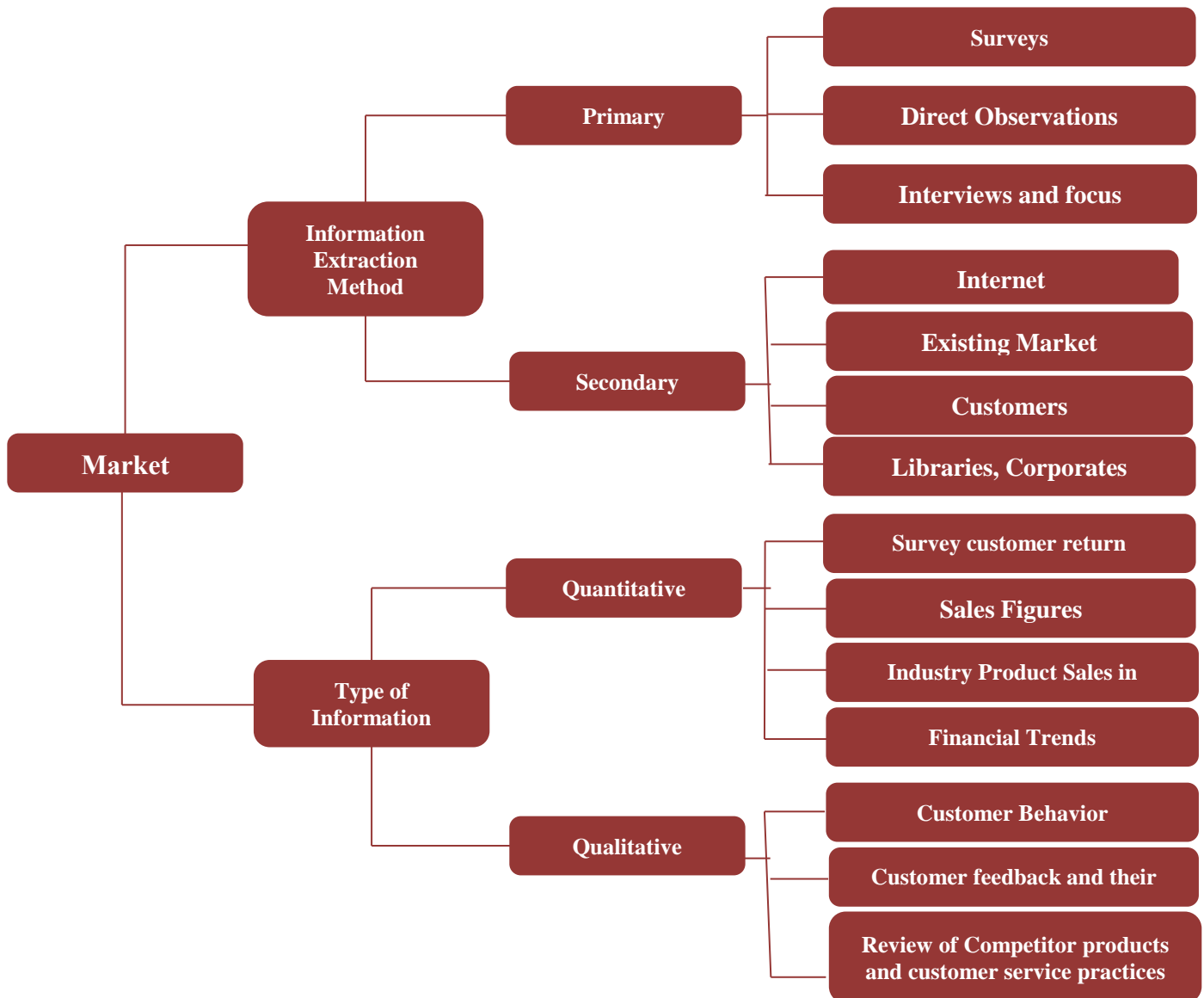
As personal mobile devices become more capable and widespread, the marketing research industry looks to further capitalize on this trend. Mobile devices present the perfect channel for research firms to retrieve immediate impressions from buyers and to provide their clients with a holistic view of the consumers within their target markets, and beyond. Thus, the evolution of market research industry is majorly attributable to the evolution of the research techniques used.

The marketing research toolbox is clearly in transition. A recent Advertising Research Foundation (ARF) member survey segmented research tools into four categories:

1. Passing Tools
2. Timeless Tools
3. Transitional Tools, and
4. Emerging Tools.



TYPES OF MARKET RESEARCH



III. Primary and Secondary research

Primary and secondary research relate to the *way* of gathering information.

c. Primary research

Primary research (or field research) gathers original information directly for companies' purpose, rather than being gathered from published sources. Primary research includes:

1. Surveys
2. Direct observations
3. Interviews and focus groups that are developed and conducted

Primary research gives control over the type of questions being asked and information being gathered. Primary research results can be extremely valuable; however, they can also be much more time-consuming and costly to gather than secondary research.

Primary research methods can be chosen once the secondary research is conducted to determine what information already exists.



d. Secondary research

Secondary research (or desk research) gathers existing information through available sources. Secondary research examples include:

1. Information on the internet surfing
2. Existing market research results
3. Existing data from own stock lists and customer database
4. Information from agencies such as industry bodies, government agencies, libraries and local councils.

Secondary research allows making the most of existing information about the market. However, it may be a challenge to find the appropriate required information..

Secondary research may be used to get an initial understanding of the market. It is often faster to analyze than primary data because, in many cases, someone else may have already started analyzing it. However, when using secondary research, interpretation should be done carefully, as it may have been collected for a different purpose or from a market segment. Secondary information which is collected should not be out-of-date, as the market can change quickly and this will affect the results.

Secondary research can also be used to examine factors of business, such as sales figures and financial records.

IV. Quantitative and qualitative research

Quantitative and qualitative research defines the type of information that is gathered.

c. Quantitative research

Quantitative research is the empirical investigation of the research question using scientific methods. The results gathered are numerical, and can therefore be analyzed statistically to answer the hypothesis.

Quantitative research includes:

1. Surveys on customer return frequency
2. Sales figures
3. Industry product sales numbers
4. Financial trends

This approach can be used to identify the size of the market and how much it might be worth to the business concerned, and to find areas for sales growth. Quantitative research can also be helpful for understanding the demographics of customers, such as their age and gender.

d. Qualitative research

Qualitative research is done on a much more individual basis. It is the analysis of social phenomena, and statistics are typically not used at all. Instead researchers will look at biographies, interviews, case studies, and try to understand why people act as they do.

Qualitative research gathers views and attitudes. Qualitative research includes:

1. Focus groups with customers and potential customers to understand their feelings and attitudes towards the products and services
2. Formal and informal conversations with customers about their satisfaction with the business
3. Visits and reviews of competitors to understand their products and customer service practices.

This approach can be used to get a better understanding of the customers' interests, needs and habits, and identify opportunities for growing sales and improving customer service. Analyzing qualitative data requires a different approach and can take longer to interpret than quantitative data because of the nature of the information.

INDIAN MARKET RESEARCH INDUSTRY

SUMMARY

Market research industry is growing its expanse with varied analysis of consumer insights with the emergence of new age sectors like telecom, media (digital), & insurance and also with the increasing demand of the companies for knowing and better understanding of emotional triggers and neurological function, stronger models for understanding communication and influence within social networks, and insight management.

Market research industry is well poised to take a big leap although there was a consolidation seen in its growth numbers in the year from 2008 to 2010. But thereafter there has been an increasing line for its growth by reaching to US \$ 263 million in 2012. During the last couple of years, there has been a consolidation between market research agencies in their scale of operations and data management practices. Despite of all these factors, India still becomes the popular destination for the MNC based research agencies since there is untapped potential of new sets of consumers with an opportunity to serve huge population. From the boardrooms of Consumer Durable or FMCG companies, MR firms get into the boardrooms of every sector of the economy including IT, Hospitality, Healthcare, Consumer Durables, Consumer Goods, Aviation, Logistics, Automotive and several other industries.

MARKET SIZE OF MARKET RESEARCH INDUSTRY IN INDIA



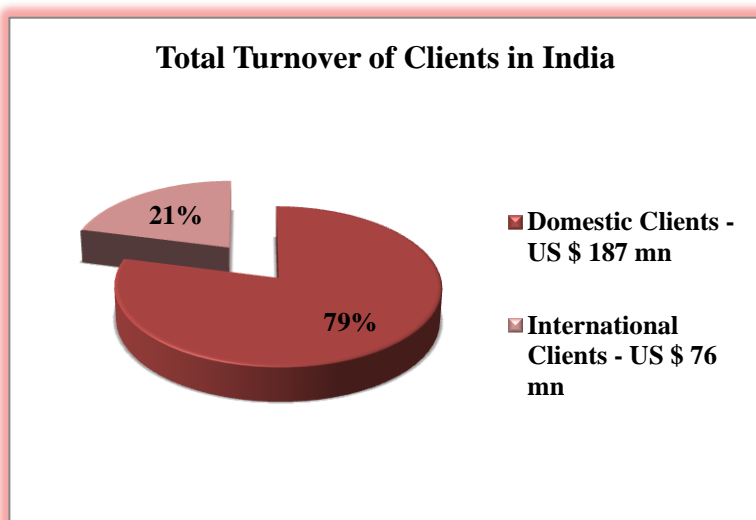
The turnover of MR Industry in the year 2008 was US \$ 198 million. There was significant downfall in the turnover of MR Industry of about US \$ 28 million i.e. approximately 12% in the year 2010 compared to 2008. The turnover in the year 2009 & 2010 was US \$ 174 million & US \$ 170 million respectively. But thereafter there has been an increasing trend in its growth by achieving turnover of US

\$ 249 million in 2011 and US \$ 263 million in 2012.

India is the 21st largest market globally and 5th largest within Asia as per “Global Market Research 2013” of ESOMAR considering the turnover of the industry.

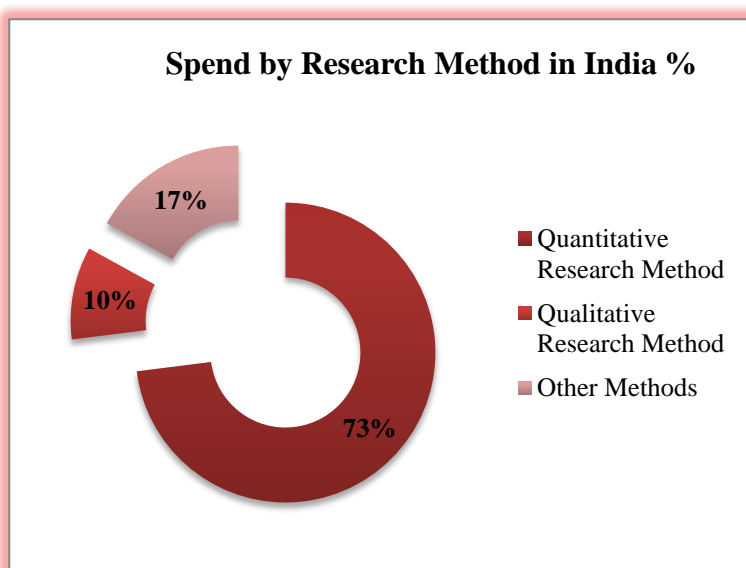
(Source: ESOMAR)

DOMESTIC CLIENTS VERSUS INTERNATIONAL CLIENTS



As per “Global Market Research 2013” of ESOMAR, out of the total turnover of MR Industry in India, 71% of turnover aggregating US \$ 187 million comes from domestic clients and 29% aggregating to US \$ 76 million comes from international clients in the year 2012. The client list consist of entities from varied sectors including IT, Hospitality, Healthcare, Consumer Durables, Consumer Goods, Aviation, Logistics, Automotive and other industries.

SPEND BY RESEARCH METHOD IN INDIA



Out of the total expenditure in market research, 73% of the expenditure is being spent on quantitative research method, whereas 10% of the expenditure is spent on qualitative research method and remaining 17% from other method in the year 2012.

GLOBAL MARKET RESEARCH INDUSTRY

SUMMARY

Global market research turnover increases to US \$ 39,084 million in the year 2012 representing a 3.8% year-over-year increase, though that growth was more modest 0.7% after adjusting for inflation, as per details from an ESOMAR report released in September 2013. Revenue growth rates differed significantly from one region to the next.

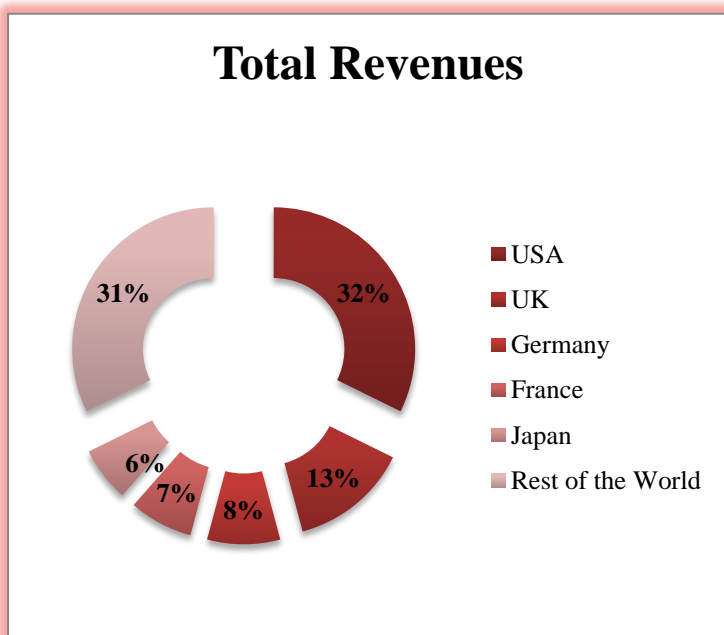
GLOBAL MARKET RESEARCH TURNOVER - CONTINENT WISE

Rank	Continent	Sales in 2012 (million USD)	Share
1	Europe	15,639	40%
2	North America	14,525	37%
3	Asia Pacific	6,314	16%
4	Latin America	1,943	5%
5	Africa	399	1%
6	Middle East	265	1%

As per “Global Market Research 2013” of ESOMAR out of the total turnover of MR Industry across the globe :-

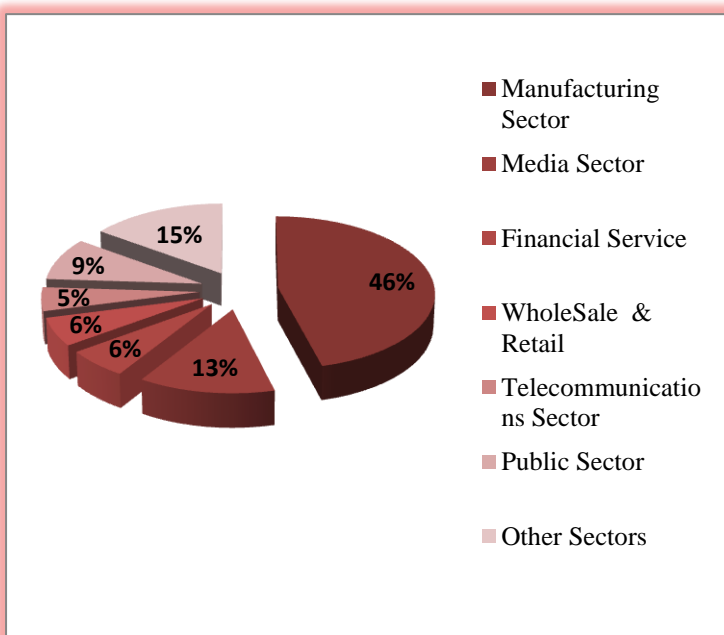
1. Approximately 40% of turnover aggregating US \$ 15,369 million is attributed to Europe which suffered overall net decline of -1.2% of the turnover compared to previous year i.e. 2011 with revenues falling -12.8% after inflation.
2. North American research market attributed approximately 37 % aggregating US \$ 14,525 million has recorded third successive growth with minimal increase of 0.4% compared to last year i.e. 2011.
3. Asia Pacific is the second best performing region for market research industry in the year 2012 with turnover of approximately 16% aggregating US \$ 6,314 with increase of 4.8 % compared to last year. Japan has been one of the reasons for this continent. It also has recorded fastest growth in last five years.
4. The best performing region for market research industry in the year 2012 with regard to increase in turnover compared to last year i.e. 2011 is Latin America continent with growth of 5.6% attributed approximately 5% of the total turnover aggregating US \$ 1,943 million.
5. Africa continent attributed approximately 1% of the total turnover aggregating US \$ 399 million with growth of 3.9% compared to last year i.e.2011, is also the third best region for market research industry
6. Middle East has a turnover decline of -4.3% compared to last year i.e. 2011 attributed approximately 1% aggregating US \$ 265 million in the year 2012.

LARGEST MARKET SHARE IN THE YEAR 2012 – COUNTRY WISE



The five largest research market represents 69% of the global revenues. USA is the single largest industry worldwide with valued at US \$13,756 million on the basis of current estimates. UK is the second largest industry valued at around US \$ 5,076 million. With US \$ 3,321 million Germany is the third largest market worldwide. France and Japan are the fourth and fifth largest worldwide with US \$ 2,568 million & US \$ 2,234 million respectively. Japan has been enjoying the highest increase with 5.1 % after inflation

SOURCES OF RESEARCH TURNOVER GLOBALLY



Out of the total turnover research spend, 46% totaling US \$ 17,979 million spend on Manufacturing Sector. Media is the second largest sector globally in terms of research spends i.e. 13% totaling US \$ 5,080 million. Financial Service and Wholesale & retail share equal research spend 6 % totaling US \$ 2345 million whereas 5% totaling US \$ 1,954 million spend on Telecommunications and 9% totaling US \$ 3517 spend on Public sector and remaining 15% totaling US \$ 5862 are spent on other sectors

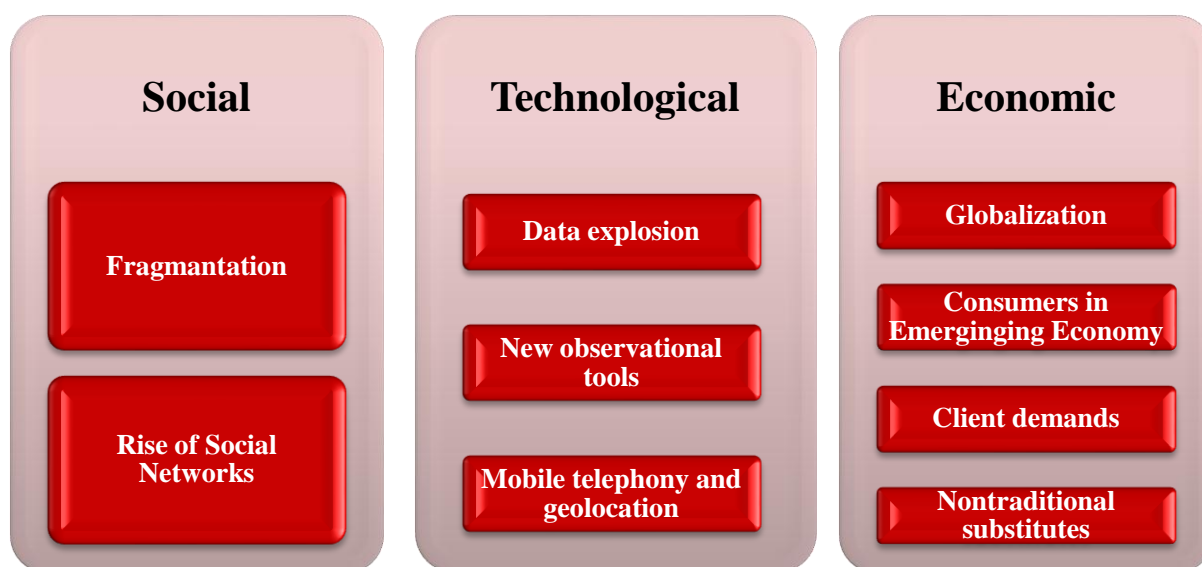
FUTURE OUTLOOK

A significant change within the market research industry is expected which might overtake and reform the traditional marketing research industry. The major two factors hinting towards this change are mentioned below:

Firstly, there is shift in spending towards observational, co-creative, and anticipatory tools, and thus it is expected that a significant reallocation of spending shall take place within the industry.

Secondly, two-thirds of all traditional marketing research is conducted in the five aging industrial democracies of the United States (30%), the United Kingdom (11%), Germany (9%), France (9%), and Japan (6%) (*Source : ESOMAR, 2010*). Eventually, there will be a strong influx of research spending into emerging economies like India and China. The growth of non-interrogatory tools and emerging markets will reshape the industry. Thus, the growth of the Indian market research industry seems very bright as time passes.

KEY DEMAND DRIVERS



SOCIAL DRIVERS

1. Fragmentation

Society is fragmented with varied values, lifestyles, audiences, communication channels, and consumption habits which are very complex. Extreme, individualized choice and demands will be challenge to societies, especially traditional ones, and this could be a boon to marketers and marketing researchers who focused on selling to niches and nano-niches.

2. Rise of social networks

Social networks have been one of the important key driver for the growth of market research industry. With the rise of digital social networks, user-generated content (UGC) and peer-generated tribes in the society, industry evidences tremendous growth. These networks are channels and authorities themselves, and are replacing an era of vertical, top-down communication, with horizontal, peer-to-peer communication.



TECHNOLOGICAL DRIVERS

1. Data explosion

Data explosion is one of the great technological driver of change for the market research industry. The data is collected in the form of customer feedback, syndicated research, transactional data, proprietary research, or observational data in the social media space which is plenty in terms of its volume. Thus, it has caused a need for specialized agencies which can extract the right data for the required purpose which has in turn caused growth in the market research industry as a whole.

2. New observational tools

Observational tools are introduced at the macro-social i.e. social media, data mining, geolocation data and micro-individual i.e. eye tracking, neuro marketing level. A fundamental change in approach or underlying analysis in marketing research industry is expected as the industry as a whole is pushed from an era of asking via surveys and focus groups to an era of observing and listening.

3. Mobile telephony

Mobile telephony is a very strong future driver. It would be a technology-based change agent by itself, but coupled with GPS dependent geolocation. The initial rise of mobile telephony challenged the traditional landline-based telephone survey, transitioning a significant amount of survey work online. Rise of smart phones has ensured the ability of prompt consumer feedback based on their location which could be a quantum leap forward.

ECONOMIC DRIVERS

1. Globalization

Globalization has helped to unlock marketing research talent pools worldwide and it is spread across the globe with integrated, analytical teams. These globally positioned teams will work round the clock and quicken the pace of organizational learning.

2. Consumers in the emerging economies

There is increasing trend in the standard of living of people in the emerging markets resulting in a shift of focus from North America and Western Europe to the emerging markets such as India, China and Brazil for market researchers around the globe. The high consumption and growing economy in the developing countries drives the increase in consumer base and in-turn fuels growth of the market research industry globally.

3. Client demands

There is an increase in demands of clients for a better understanding of emotional triggers and neurological function, stronger models for understanding communication and influence within social networks, and insight management. Thus, it is a strong driver for boom in market research industry.

4. Nontraditional substitutes

There are increasingly sophisticated interrogatory, observational, and concrete tools developing constantly which leads to better faster and smarter research support. Industry is thus into a constant evolution and expansion.



OUR BUSINESS

Our Company, engaged in the business of market research, was incorporated as 'Majestic Research Services and Solutions Private Limited' under the Companies Act, 1956 *vide* Certificate of Incorporation dated May 2, 2012 bearing registration number 063818 issued by the Registrar of Companies, Karnataka. Subsequently, *vide* fresh Certificate of Incorporation dated August 11, 2014, our Company was converted into a public limited company and the name of our Company was changed to 'Majestic Research Services and Solutions Limited' The corporate identity number of our Company is U72200KA2012PLC063818.

Our registered office is situated at 2nd Floor Kalpak Arcade, No. 46/70 Churchstreet Bangalore 560001 and our Corporate office is situated at "Trellis", Plot No.202/203, L.B.S. Marg, Kurla (West), Mumbai – 400070 India.

Our Company is the subsidiary of Majestic Market Research Support Services Limited also referred hereinafter as the "Parent Company". Our Parent Company has a global reach with presence in 18 countries of Middle East and APAC region.

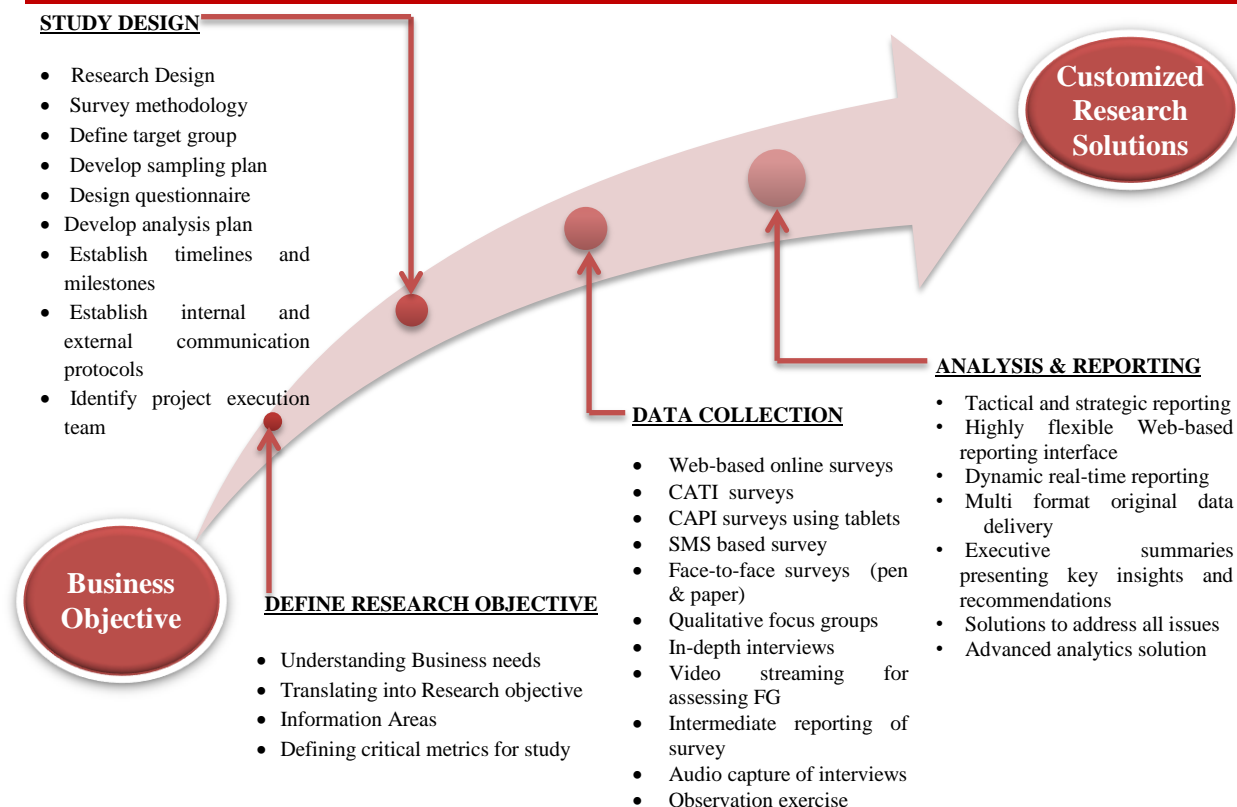
We provide actionable insights to our clients and assist them in making better strategic decisions in their respective lines of business. Our Company is professionally managed, with a Board of Directors comprising of three independent directors and two executive directors which are experienced in the business of our Company. We strive for the following values:

- Integrity: We are committed to act in an ethical, honest manner;
- Respect : We believe that all people should be treated with consideration and dignity;
- Teamwork : We are committed to long term, effective partnerships internally as well as with our clients

Our Company is being equipped with advanced technology and facilities, some of them are mentioned below:

- Large online research panel company
- Offers Video-Streaming worldwide
- Fully equipped Research rooms
- Observation room for at least 15 participants
- Client Lounge for at least 15 clients
- Waiting area for the participants
- Capability to conduct online Focus Groups

OUR RESEARCH APPROACH AND BUSINESS PROCESS



The different stages of our business process of market research are given below:

1. Define Research Objective:

The first stage deals with understanding of the business needs of our esteemed clients and translating their needs into research objective which involves providing a customized service suiting their requirements. It also covers defining of informative areas and critical metrics for study.

2. Study Design:

After defining the research objective, the second stage consists of deriving the study design and survey methodology is what that follows. It includes studies of research designing, designing questionnaires for target group, developing of sample plan, analyzing the plan, establishing timelines and milestones and identifying the project and execution of it.

3. Data Collection:

Data collection stage is the third stage wherein the data is collected by means of - Web-based online surveys, CATI surveys, CAPI surveys using tablets, SMS based survey, Face-to-face surveys (pen & paper), qualitative focus group, in-depth interviews, intermediate reporting of survey, audio capture of interviews.

4. Analysis & Reporting:

This is the final stage where we report to our clients through tactical and strategic reporting, highly flexible web-based reporting interface, real-time reporting, executive summaries

presenting key insights and recommendations, solutions addressing all issues and advanced analytics solution.

OUR SPECTRUM OF SERVICES AND INNOVATIVE RESEARCH TOOLS

As technology and socioeconomic trends change, our company believes in adapting to the new means of gaining customer insights providing better actionable insights and assists the clients in making better strategic decisions.

Some of the research tools are stated below:-



1. Vision Critical Insight Community

- It is strategic research approach that brings together the best people, ideas and practices for the digital age – blending interactive technology, strategic research, and insight communities' expertise.
- It is a cutting-edge tool to engage consumers to provide a continuous conversation/feedback.
- It brings the voice of the consumer into the organization by getting to the heart of how customers think, and why they do the things they do.
- Insight communities can be local or global, targeted or broad, short-term or long-term, and can include hundreds or thousands of people.

2. Eye Tracker

- Eye tracker is a well-established method for pre-testing and analyzing print ads, TV, out-of-home media, direct marketing, online, in game and other visual advertising
- With eye tracking company can measure exactly where people look and illuminate hidden deficiencies that traditional market research methods cannot.



3. SMS Based Survey



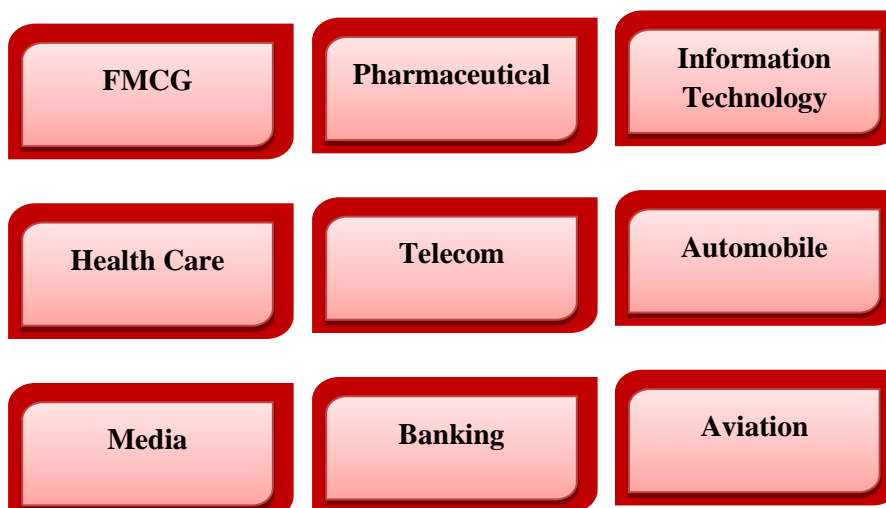
- We offer **SMS based surveys on handheld devices**
- Conduct surveys on mobile devices across locations
- Instant data collection report
- Collate and analyze data in real-time
- Create dashboards

4. Perception Analyzer

- Respondents use wireless, hand-held device to answer questions and give feedback during focus groups, presentations, meetings, etc. A small wireless receiver, called a console is connected to a computer.
- Perception Analyzer software immediately tallies the results. Results are instantly available for personal viewing or to display to respondents and viewers.
- Results collected through the use of this device are available for analysis in crosstab, graphical, and quick frequency formats. It can also be exported to Excel, PowerPoint, SPSS, in HTML, and as JPGs or PDFs for presentations and reports.



SECTORS IN WHICH OUR COMPANY SERVES



OUR COMPETITIVE STRENGTHS

Our Company focuses on serving its clients with a deeper insight to the customer behavior and other services. Customer focus, creativity, quality consciousness, innovative marketing strategies and adherence to fair practices has always been the Company's overall philosophy



1. Innovative Technology:

Our Company has invested significant resources in technological capabilities and has developed a scalable technology system which serves as per the client's requirements and needs.

2. Specialists with industry/sector knowledge:

Our Company focuses on attaining highest level of customer satisfaction. The progress achieved by us is largely due to our ability to address and exceed customer satisfaction. The Promoter and Key Managerial Personnel of the Company have years of expertise and are well acquainted with domestic markets. This helps to us to understand the needs of customers better and design the products to not only meet but beat their expectations.

3. Unique Knowledge Management System:

Our Company has unique knowledge management system for managing knowledge in organization to support creation, capture, storage and dissemination of information which enables us to provide accurate and updated information to our clients. Knowledge is the core of the services that we render. We rely on information technology to manage knowledge and enhance delivery efficiency. Our knowledge management system operates on a virtual private network and integrates data and research created by us and obtained from external sources, which can be accessed from a core database.

4. Senior researchers in the industry:

Our top management has more than decade of experience in the market research field which contributes significantly to the growth of our Company.

5. Multi-Country research capability:



The research capability of our country is not geographically limited to India but also covers other countries across the globe. We also provide global research analysis to the clients in their respective areas of business.

6. Strategic Marketing Consultancy:

Our Company focuses on providing high quality products with zero defect policy to retain existing customers and develop new customer base.

HUMAN RESOURCE

As on March 31, 2014 our Company has 21 employees on payroll. Our manpower is a prudent mix of the experienced and youth personnel which gives us the dual advantage of stability and growth. Our work processes and skilled resources together with our strong management team have enabled us to successfully implement our growth plans.

BUSINESS STRATEGY

Our Company targets to satisfy the clients as per their requirements and needs. The diagram below represents our continuous growth philosophy being implemented on a day-to-day basis.



1. Enhancing Operating Efficiency

Our Company intends to improve operating efficiencies to achieve cost reductions to secure a competitive edge over the peers. We believe that this can be achieved through economies of scale and by channelizing expertise of our Promoter and Key Managerial Persons. Accessibility of relevant and updated information to our research team through our knowledge management system has also helped us to increase our productivity. We intend to continuously update and upgrade our knowledge management system and also intend to continue to improve employee productivity through training and technology.

2. Increase market share in our core business

We focus on developing market skills and relationships by imparting knowledge to employees to give importance to our clients. Our Company continuously explores growth opportunities through the acquisition of new clients and retention of existing clients. To increase our market share, we intend to continue to provide high quality service and improve our brand visibility and penetration through wider marketing initiatives. We believe that our experience and knowledge in India



favorably positions us to continue to explore opportunities in other developing markets. Further, we may explore opportunities to open offices in other cities in India.

3. Focus on consistently meeting Quality Standards

Our Company intends to focus on adhering to global standards in providing market research service. This is necessary so as to make sure that we get retain business with our existing clients. This will also aid us in enhancing our brand image.

COMPETITION

Market research being a global industry, we face competition from various domestic and international players. The industry is also unorganized and fragmented with many small and medium-sized companies and entities.

Some of various organized players include Hansa Research Group Private Limited, Market Xcel Data Matrix Private Limited, TNS India Private Limited etc. On a regional basis, a plethora of peers compete with us in all of our geographic markets. Due to industry's fragmented nature, there is no authentic data available to our Company on total industry size and markets share of our Company *vis-a-vis* the competitors.

MARKETING

Our success lies in the strength of our quality service, needs of the customer and relationship with our clients who have been associated with our Company over the period. Our team through its vast experience and good rapport with clients owing to timely and quality delivery of service plays an instrumental role in creating and expanding a work platform for our Company. To retain our customers, our team, which is supervised by senior personnel having vast experience and focuses on gaining an insight into the additional needs of such clients.

INSURANCE

We do not have any insurance policy nor have we availed of insurance policies for our registered office and our corporate office.

LAND AND PROPERTY

I. Land & Property owned by the Company

Sr. No	Property Kind	Description of Property	Area	Vendors Details	Purchase Consideration	Date of Purchase	Title
	Nil	Nil	Nil	Nil	Nil	Nil	Nil

II. Land and Properties taken on Lease by the Company

Sr No	Location of the property	Document and Date	Licensor /Lessor	Lease Rent/ License Fee	Lease/License period		Purpose
					From	To	
1	Duplex Office Unit No 601 and 701, Trellis	Leave & License Agreement Dated February	M/s Narang and Shah Developers	1 Month rent free March 25, 2014 to February 24	February 25, 2014	February 24, 2019	To run and operate an Office for commercial purpose



Plot No 202	25, 2014	2017 – Rs
203,		106,000 p.m.
LBS Marg,		&
Kurla West ,		February 25,
Mumbai –		2017 to
400070		February 24
Area :2500		2019
sq. ft.		Rs. 121,900
		p.m.

We have not entered into any agreement or arrangement for the registered office of our Company.

INTELLECTUAL PROPERTY

We have applied for the registration of the following trademark under the Trade Marks Act, 1999. The status of our application is as under:

Sr. No.	Trademark Name	Trademark No.	Class	Date of Trademark Registration	Status
1	SENSOMATRIX	2694457	35	Not Applicable	Pending



KEY INDUSTRY REGULATIONS AND POLICIES

The business of our Company requires, at various stages, the sanction of the concerned authorities under the relevant state legislation and local bye-laws. The following description is an overview of certain laws and regulations in India, which are relevant to our Company. Certain information detailed in this chapter has been obtained from publications available in the public domain. The regulations set out below are not exhaustive, and are only intended to provide general information to Applicants and is neither designed nor intended to be a substitute for professional legal advice.

Taxation statutes such as the Income Tax Act, 1961 and labour laws apply to us as they do to any other Indian company. 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, please refer to the chapter titled "Government and Other Approvals" beginning on page number 173 of the Draft Prospectus.

Employment & Labour Related Laws

1) Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("the EPF Act")

The EPF Act is applicable to the establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees' provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund.

2) Employees' State Insurance Act, 1948 (the "ESI Act")

All the establishments to which the ESI Act applies are required to be registered under the ESI Act with the Employees State Insurance Corporation. This Act requires all the employees of the establishments to which this Act applies to be insured in the manner provided there under. Employer and employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the Employee State Insurance department.

3) Payment of Wages Act, 1936

Payment of Wages Act, 1936 contains provisions as to the minimum wages that are to be fixed by the appropriate Governments for the employees, fixation and revision for the minimum wages of the employees, entitlement of bonus to the employees, fixing the payment of wages to workers and ensuring that such payments are disbursed by the employers within the stipulated time frame and without any unauthorized deductions.

4) Minimum Wages Act, 1948

The Minimum Wages Act, 1948 gives power to appropriate government (Central or State) to fix minimum wages to be paid to the persons employed in scheduled or non scheduled employment and the concerned employer is required to pay the minimum wages, fixed by the appropriate government. Such employer is also required to maintain registers and exhibits giving the particulars of wages paid to employees.

5) Payment of Bonus Act, 1965



The Payment of Bonus Act, 1965 imposes statutory liability upon the employers of every establishment covered under this Act to pay bonus to their employees. It further provides for payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity.

Tax Related Legislations

1) Income Tax Act, 1961

Income Tax Act, 1961 is applicable to every Domestic / Foreign Company whose income is taxable under the provisions of this Act or Rules made under it depending upon its “Residential Status” and “Type of Income” involved. Under Section 139(1) of the Income Tax Act, 1961, every Company is required to file its Income tax return for every Previous Year by October 31st of the Assessment Year. Other compliances like those relating to Tax Deduction at Source, Fringe Benefit Tax, Advance Tax, Minimum Alternative Tax and like are also required to be complied by every Company.

2) Shops and establishments laws in various states

Under the provisions of local Shops and Establishments laws applicable in various states, establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. Our Company’s offices have to be registered under the Shops and Establishments laws of the state where they are located.

3) Service Tax

Chapter V of the Finance Act, 1994 as amended, provides for the levy of a service tax in respect of ‘taxable services’, defined therein. The service provider of taxable services is required to collect service tax from the recipient of such services and pay such tax to the Government. Every person who is liable to pay this service tax must register himself with the appropriate authorities. According to Rule 6 of the Service Tax Rules, every assessee is required to pay service tax in TR 6 challan by the 5th / 6th of the month immediately following the month to which it relates. Further, under Rule 7 (1) of Service Tax Rules, the Company is required to file a half yearly return in Form ST 3 by the 25th of the month immediately following the half year to which the return relates.

4) Intellectual Property Laws

In India, trademarks enjoy protection under both statutory and common law. The Trade Marks Act, 1999 protects a distinct “mark”. A trade mark is essentially any mark capable of being represented graphically and distinguishing goods or services of one person from those of others and includes a device, brand, heading, label, ticket, name, signature, word, letter, numeral, shape of goods, packaging or combination of colours or combination thereof. Once a mark is registered, it is valid in India only, for a period of 10 years and can be renewed from time to time in perpetuity. Registration of a trademark grants an owner the right to exclusively use the trademark as a mark of goods and services and prevents the fraudulent use of deceptively similar marks by any third party. The Trade Marks Act also makes special provision for application of marks as, collective marks. The Registrar of Trademarks is the authority responsible for registration of the trademarks, settling opposition proceedings and rectification of the register of trademarks.



OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

Our Company was incorporated as “Majestic Research Services and Solutions Private Limited” under the provisions of the Companies Act, 1956 *vide* Certificate of Incorporation dated May 2, 2012 bearing Registration No. 063818 issued by Registrar of Companies, Karnataka. Subsequently our Company was converted into a public limited company *vide* fresh Certificate of Incorporation dated August 11, 2014 and the name of our Company was changed to “Majestic Research Services and Solutions Limited”. The Corporate Identity Number of our Company is U72200KA2012PLC063818. For further details please refer to chapter titled ‘*Our History and Certain Other Corporate Matters*’ beginning on page 118 of this Draft Prospectus.

CHANGE IN REGISTERED OFFICE

Our Company’s Registered Office is currently situated at 2nd Floor, Kalpak Arcade, Number 46/17, Church Street, Bangalore – 560 001, Karnataka, India.

The details of changes in the address of our Registered Office are set forth below:

From	To	Effective Date	Reason
No. 715, 1st Main, 1st Stage, Indiranagar, Bangalore – 560038, Karnataka, India	2 nd Floor, Kalpak Arcade Number 46/17, Church Street Bangalore – 560 001, Karnataka, India	August 20, 2014	Administrative convenience

KEY EVENTS AND MILESTONES IN THE HISTORY OF OUR COMPANY

Period	Event
May 2, 2012	Incorporation the Company
July 10, 2014 (EGM)	Conversion of Private Company to Public Company

OUR MAIN OBJECTS

The main objects of our Company, as contained in our Memorandum of Association, are as set forth below:

“1. To carry on in India or elsewhere the business to promote, process, prepare, edit, exhibit, make, display, print, convert, buy, sell, run, export, import of all kinds of Information Technology related services, convert data in to information, Web hosting, Internet, Service Provider, Multimedia, all sort of information technology, space communications, satellite communications, communication, radio, communications, telecommunications, telephonic and telegraphic communications, wave communications, under water communications, computer communications, network communications, commercial advertisement, entertainment and other software, Compact discs, audio cassettes, advertising films, Television serials, medical transcription, e-commerce, B2B, in all languages, prevailing in the world and for this purpose to act as distributors, internet site owner, proprietor, copyright owners, video right owners, audio right owners.



2. *To carry on in India or elsewhere the business to promote, process, prepare, edit, exhibit, make, display, print, convert, buy, sell, run, export, import of all kinds of information, marketing, research, maintain the services, relating to Business Process Outsourcing, the operation of the back up office, call centers, content development or animation, data processing, engineering and design services, geographic information center services, human resource services, insurance claim, processing center, legal data base center, medical transcription services center, payroll center, remote maintenance center, revenue accounting services center, support centers and website services, analyst for the data/ information.*
3. *To be a digital marketing intelligence provider to identify prospects online, building reach and retain customers by leveraging the largest sample of online consumer behavior.”*

AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

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

Date of Shareholders' Approval	Amendment
March 12, 2013	The Initial authorized share capital of Rs.50,00,000 (Rupees Fifty lakhs Only) was increased to Rs. 1,00,00,000 (Rupees One Crore Only) consisting of 10,00,000 Equity Shares of Rs. 10 each
July 1, 2013	The authorized share capital was further increased from Rs. 1,00,00,000 (Rupees One Crore Only) consisting of 10,00,000 Equity Shares of Rs. 10 each to Rs. 4,50,00,000 (Rupees Four Crores Fifty Lakhs Only) consisting of 45,00,000 Equity Shares of Rs. 10 each

HOLDING COMPANY OF OUR COMPANY

Our Company has Majestic Market Research Support Services Limited as holding company as on the date of filing of this Draft Prospectus.

SUBSIDIARY COMPANY OF OUR COMPANY

There is no subsidiary of our Company as on this date of filing 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 146 of this Draft Prospectus.

SHAREHOLDERS AGREEMENTS

Our Company has not entered into any shareholders agreement as on date of filing of this Draft Prospectus.

OTHER AGREEMENTS

Our Company has not entered into any agreements except the following:

- a. Agreement dated July 8, 2014 between our Company and Rajendra Kumar Sharma appointing him as Whole-time Director.
- b. Agreement dated July 8, 2014 between our Company and Sarang Panchal appointing him as Managing Director.



STRATEGIC/ FINANCIAL PARTNERS

Our Company does not have any strategic/financial partner as on the date of filing of this Draft Prospectus.

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.



OUR MANAGEMENT

BOARD OF DIRECTORS

Under our Articles of Association we are required to have not less than 3 directors and not more than 15 directors, subject to Sections 149 of the Companies Act, 2013. We currently have five 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/Husbands Name, Designation, Address, Occupation, Nationality, Term and DIN	Date of Appointment	Other Directorships
1.	Name	June 13, 2014	Nil
	Age		
	Father's Name		
	Designation		
	Address		
	Occupation		
	Nationality		
	Term		
	DIN		
2.	Name	June 13, 2014	Nil
	Age		
	Father's Name		
	Designation		
	Address		
	Occupation		
	Nationality		
	Term		
	DIN		
3.	Name	August 11, 2014	Nil
	Age		
	Father's Name		
	Designation		
	Address		
	Occupation		

	Occupation	Professional		
	Nationality	Indian		
	Term	Appointed for period of 5 years w.e.f August 11, 2014		
	DIN	06943207		
4.	Name	Priamvada Princeton	August 11, 2014	Nil
	Age	31 years		
	Father's Name	Princeton Sundariah		
	Designation	Independent Director		
	Address	No. D-2, Samhita Castle, Old Varthur Road, Nagawarapalya, C.V. Raman Nagar post, Bangalore, 560008, Karnataka, INDIA		
	Occupation	Professional		
	Nationality	Indian		
	Term	Appointed for period of 5 years w.e.f August 11, 2014		
	DIN	06895069		
5.	Name	Dinesh Somani	August 20, 2014	Uni Solutions Printers and Logistics Private Limited
	Age	44		
	Father's Name	Laxminarayn Somani		
	Designation	Additional Independent Director		
	Address	D5/10, Janidhi CHS, Bangur Nagar, Goregaon (West), Mumbai – 400 090		
	Occupation	Professional		
	Nationality	Indian		
	Term	Appointed for period of 3 years w.e.f August 20, 2014		
	DIN	03432842		

BRIEF BIOGRAPHIES OF OUR DIRECTORS

- Sarang Jayant Panchal, Managing Director**

Sarang Jayant Panchal, aged 53 years is the Managing Director of our Company since June 13, 2014. He holds a Bachelor's degree in commerce from University of Bombay and Master's degree in Management studies from University of Bombay. Prior to joining our Company, he was associated with Procter & Gamble, Dun & Bradstreet, Nilsen Company. He has more than 25 years of experience in the field of alternative construction, strategy, consulting and ecommerce. He is the guiding force behind the strategic decisions of our Company and has been instrumental in planning and formulating the overall business strategy and developing business relations for our Company.



- **Rajendra Kumar Sharma, Whole-time Director and Chief Financial Officer**

Rajendra Kumar Sharma, aged 41 years is the Whole-time Director and Chief Financial Officer of our Company since June 13, 2014. He holds a Bachelor's degree in Engineering (Electronics and Telecommunication) from University of Mumbai and Master's degree in Management studies from University of Bombay. Prior to joining our Company, he was working with Majestic Market Research Support Services Limited. He has more than 15 years of experience in finance, banking and investments. He is responsible for arranging funds for expansion, monitoring the corporate finance and accounts, ensuring timely completion of internal and statutory audits matters of our Company.

- **Rupesh Pandurang Bhujbal, Independent Director**

Rupesh Pandurang Bhujbal, aged 53 years, is an Independent Director of our Company. He holds a Bachelors' Degree in Science from University of Bombay. He has an aggregate experience of 30 years in the field of marketing. Prior to joining our Company, he was associated with Resins & Plastics Limited. He was appointed as the Independent Director of our Company on August 11, 2014. Our Independent Directors are only entitled to sitting fees for attending meetings of our Board, or of any committee(s) thereof. As such no remuneration / sitting fees was paid to Rupesh Pandurang Bhujbal for the financial year 2013 – 2014, as he was appointed on our Board in the financial year 2014 – 2015.

- **Priamvada Princeton, Independent Director (Woman Director)**

Priamvada Princeton, aged 31 years, is an Independent Director of our Company. She holds a Bachelors' Degree in Law from University of Bangalore. She has an aggregate experience of over 6 years of legal matters. She was appointed as the Independent Director of our Company on August 11, 2014. Our Independent Directors are only entitled to sitting fees for attending meetings of our Board, or of any committee(s) thereof. As such no remuneration / sitting fees was paid to Priamvada Princeton for the financial year 2013 – 2014, as she was appointed on our Board in the financial year 2014 – 2015.

- **Dinesh Laxminarayan Somani, Additional Independent Director**

Dinesh Somani, aged 44 years, is an Independent Director of our Company. He holds a Master's Degree in Business Administration in Marketing Management from University of Mumbai. He has an aggregate experience of over 19 years in the field of printing and logistics. He was appointed as the Independent Director of our Company on August 20, 2014. Our Independent Directors are only entitled to sitting fees for attending meetings of our Board, or of any committee(s) thereof. As such no remuneration / sitting fees was paid to Dinesh Somani for the financial year 2013 – 2014, as he was appointed on our Board in the financial year 2014 – 2015.

CONFIRMATIONS

As on the date of this Draft Prospectus:

1. None of the Directors of the Company are related to each other.
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.

REMUNERATION/COMPENSATION OF DIRECTORS

Non-executive Directors of the Company may be paid 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.

TERMS OF APPOINTMENT OF EXECUTIVE DIRECTORS

Sarang Jayant Panchal, Managing Director

Sarang Jayant Panchal is the Managing Director of our Company. He was appointed as Managing Director by the Board of Directors on June 13, 2014 and confirmed by the shareholders in EGM dated July 7, 2014. The terms of the appointment of Managing Director were laid down in agreement dated July 8, 2014 entered into by and between our Company and Sarang Jayant Panchal. The remuneration payable to Sarang Jayant Panchal is Rs. 4,60,200 per month.

The key terms of appointment of Sarang Jayant Panchal are as follows:

Tenure of Appointment	For a period of 5 (five) years with effect from June 13, 2014 to June 13, 2019 subject to liable by rotation every year in the AGM.																
Salary	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: red; color: white;"> <th style="text-align: center;">Head</th><th style="text-align: center;">Amount (per month)</th></tr> </thead> <tbody> <tr> <td>Basic Salary</td><td style="text-align: right;">1,84,080</td></tr> <tr> <td>House Rent Allowance</td><td style="text-align: right;">73,632</td></tr> <tr> <td>Conveyance Allowance</td><td style="text-align: right;">12,410</td></tr> <tr> <td>Travelling Allowance</td><td style="text-align: right;">800</td></tr> <tr> <td>Medical Allowance</td><td style="text-align: right;">4,654</td></tr> <tr> <td>Other Allowance</td><td style="text-align: right;">1,84,624</td></tr> <tr> <td>Total</td><td style="text-align: right;">4,60,200</td></tr> </tbody> </table>	Head	Amount (per month)	Basic Salary	1,84,080	House Rent Allowance	73,632	Conveyance Allowance	12,410	Travelling Allowance	800	Medical Allowance	4,654	Other Allowance	1,84,624	Total	4,60,200
Head	Amount (per month)																
Basic Salary	1,84,080																
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Conveyance Allowance	12,410																
Travelling Allowance	800																
Medical Allowance	4,654																
Other Allowance	1,84,624																
Total	4,60,200																
Other Terms and Conditions	The total remuneration payable by the Company to Sarang Jayant Panchal excluding the perquisites above shall not exceed the limits prescribed by the applicable provisions of the Companies Act, 2013.																
Termination of Employment	The appointment may be terminated by the Company or Sarang Jayant Panchal by giving notice in writing of not less than three months before such termination. The appointment may also be terminated due to any reason including/ pursuant to, but not limited to, any provisions of the Companies Act, 2013 requiring such termination or requiring the removal of																



Sarang Jayant Panchal as Managing Director of the Company.

Rajendra Kumar Sharma, Whole-Time Director

Rajendra Kumar Sharma is the Whole-Time Director of our Company. He was appointed the Whole-Time Director by Board on June 13, 2014 and was confirmed by the shareholders in EGM dated July 7, 2014. The terms of the appointment of Whole-time Director were laid down in agreement dated July 8, 2014 entered into by and between our Company and Rajendra Kumar Sharma. The remuneration payable to Rajendra Kumar Sharma is Rs. 1,62,000 per month.

The key terms of appointment of Rajendra Kumar Panchal are as follows:

Tenure of Appointment	For a period of 5 (five) years with effect from June 13, 2014 to June 13, 2019 subject to liable by rotation every year in the AGM.	
Salary	Head	Amount (per month)
	Salary	1,25,000
	Perquisites	37,000
	Total	1,62,000
Other Terms and Conditions	The total remuneration payable by the Company to Rajendra Kumar Sharma excluding the perquisites above shall not exceed the limits prescribed by the applicable provisions of the Companies Act, 2013.	
Termination of Employment	The appointment may be terminated by the Company or Rajendra Kumar Sharma by giving notice in writing of not less than three months before such termination. The appointment may also be terminated due to any reason including/ pursuant to, but not limited to, any provisions of the Companies Act, 2013 requiring such termination or requiring the removal of Rajendra Kumar Sharma as Whole-Time Director of the Company.	

None of the present Executive Director(s) who were appointed on June 13, 2014 have received any remuneration during the Financial Years 2012-13 and 2013-14.

SHAREHOLDING OF OUR DIRECTORS IN OUR COMPANY

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	Rajendra Kumar Sharma	9,14,495	30.46%	22.19%
2	Sarang Jayant Panchal	1	0.00%	0.00%
	TOTAL	9,14,496	30.46%	22.19%



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 or any loan or advances provided to anybody corporate including companies, 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 have been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others.

Except as stated in the chapters “*Our Management*” and “*Related Party Transactions*” beginning on page 121 and 144 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 since inception till the date 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*” in the chapter “*Our Business*” beginning on page 108 of the Draft Prospectus, our Directors have not entered into any contract, agreement or arrangements since incorporation 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 SINCE INCORPORATION

Name	Date of appointment	Date of resignation	Reason
Sandip Bhatia	-	July 23, 2014	Resignation
Sarang Jayant Panchal	June 13, 2014	-	Appointment as Managing Director
Rajendra Kumar Sharma	June 13, 2014	-	Appointment as Whole-time Director
Priamvada Princeton	August 11, 2014	-	Appointment as Independent Woman Director
Rupesh Pandurang Bhujbal	August 11, 2014	-	Appointment as Independent Director
Sagar Bait	-	August 20, 2014	Resignation
Dinesh Laxminarayan Somani	August 20, 2014	-	Appointment as Additional Independent Director



Pursuant to a special resolution passed at Extra Ordinary General Meeting of our Company held on July 10, 2014 consent of the members of our Company was accorded to the Board of Directors of our Company pursuant to Section 180 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. 50 crores.

CORPORATE GOVERNANCE

The provisions of the SME listing agreement, to be entered into by our Company with the BSE, will be applicable to our Company immediately upon the listing of our Equity Shares with BSE SME Platform. We have complied with the corporate governance code in accordance with Clause 52 (as applicable) of the SME Listing Agreement, particularly in relation to appointment of Independent Directors to our Board and constitution of the audit committee and shareholders'/ investors' grievance committee. Our Company undertakes to take all necessary steps to continue to comply with all the requirements of Clause 52 of the SME listing agreement.

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 Listing Agreement to be executed with SME and the SEBI Regulations, 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 the SME Listing Agreement. 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 five directors of which two are executive directors and three Independent Non-Executive Directors. The constitution of our Board is in compliance with the requirements of Clause 52 of the SME Listing Agreement.

The following committees have been formed in compliance with the corporate governance norms:

- A. Audit Committee
- B. Stakeholder Relationship Committee
- C. Nomination and Remuneration Committee

A) Audit Committee

Our Company has constituted an audit committee ("***Audit Committee***"), as per the applicable provisions of the Companies Act and Clause 52 of the SME Listing Agreement to be entered with Stock Exchange, vide resolution passed at the meeting of the Board of Directors held on August 20, 2014.

The terms of reference of Audit Committee adheres to the requirements of Clause 52 of the SME Listing Agreement, proposed to be entered into with the Stock Exchange in due course. The committee presently comprises the following three (3) directors:



Name of the Director	Status	Nature of Directorship
Rupesh Bhujbal	Chairman	Independent Director
Priamvada Princeton	Member	Independent Director
Dinesh Somani	Member	Additional Independent Director

Rupesh Bhujbal is the Chairman of the Audit Committee.

Mitti Jain, Company Secretary and Compliance Officer of the Company would act as the Secretary to the Audit Committee.

The terms of reference of Audit Committee comply with the requirements of Clause 52 of the SME Equity Listing Agreement and Section 177 of the Companies Act, 2013. The terms of reference of the Audit Committee are as follows:

1. Oversight of our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
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. Review and monitor the auditors independent and performance, and effectiveness of audit process;
4. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
5. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to, but not restricted to:
 - a. Matters required to be included in the 'Director's Responsibility Statement' to be included in our Board's report in terms of subsection 5 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; and
 - g. Qualifications in the draft audit report.
6. Approval or any subsequent modification of transactions of our Company with related parties;
7. Scrutiny of inter-corporate loans and investments, valuation of undertakings or assets of our Company, wherever it is necessary;
8. Reviewing with the management the half yearly financial statements before submission to the Board for approval;
9. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
10. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
11. 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; discussion with internal auditors of any significant findings and follow-up thereon;
12. Discussion with internal auditors of any significant findings and follow up there on;
13. 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;



14. 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;
15. 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;
16. To review the functioning of the 'whistle blower' mechanism, in case the same is existing;
17. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background of the candidate;
18. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and to carry out any other function statutorily required to be carried out by the Audit Committee as per applicable laws;

The Audit Committee shall mandatorily review the following information:

- a. Management discussion and analysis of financial information and results of operations;
- b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
- c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d. Internal audit reports relating to internal control weaknesses; and
- e. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.

B) Stakeholders Relationship Committee

Our Company has constituted a Stakeholder Relationship Committee to redress complaints of the shareholders. The Shareholders/Investors Grievance Committee was constituted vide resolution passed at the meeting of the Board of Directors held on August 20, 2014.

The Stakeholders Relationship Committee comprises the following Directors:

Name of the Director	Status	Nature of Directorship
Rupesh Pandurang Bhujbal	Chairman	Independent Director
Priamvada Princeton	Member	Independent Director
Dinesh Smani	Member	Additional Independent Director

Rupesh Bhujbal is the Chairman of the Stakeholder Relationship Committee.

Mitti Jain, Company Secretary and Compliance Officer of the Company would act as the Secretary to the Stakeholder Relationship Committee.

The Stakeholder Relationship Committee shall oversee all matters pertaining to investors of our Company. The terms of reference of the Stakeholder Relationship Committee include the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the level and composition of remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of independent directors and the Board;
3. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
4. Devising a policy on Board diversity; and
5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

C) Nomination and Remuneration Committee



The Nomination and Remuneration Committee was constituted pursuant to a resolution of Board of Directors dated August 20, 2014. The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013.

Set forth below are the terms of reference of our Nomination and Remuneration Committee.

1. Consideration and redressal of grievances of the security holders of the Company, including complaints in respect of transfer of shares, non-receipt of declared dividends, balance sheets of the Company, etc.;
2. Approval of transfer or transmission of equity shares, debentures or any other securities;
3. Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
4. Carrying out any other function contained in the equity listing agreements as and when amended from time to time; and
5. 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;
6. References to statutory and regulatory authorities regarding investor grievance;
7. And to otherwise ensure proper and timely attendance and redressal of investor queries and grievance.

The Nomination and Remuneration Committee has been constituted with the following Directors:

Name	Designation	Nature of Directorship
Rupesh Pandurang Bhujbal	Chairman	Independent Director
Priamvada Princeton	Member	Independent Director
Dinesh Somani	Member	Additional Independent Director

Rupesh Bhujbal is the Chairman of the Nomination and Remuneration Committee.

Mitti Jain, Company Secretary & Compliance Officer will act as the secretary of the Nomination and Remuneration Committee.

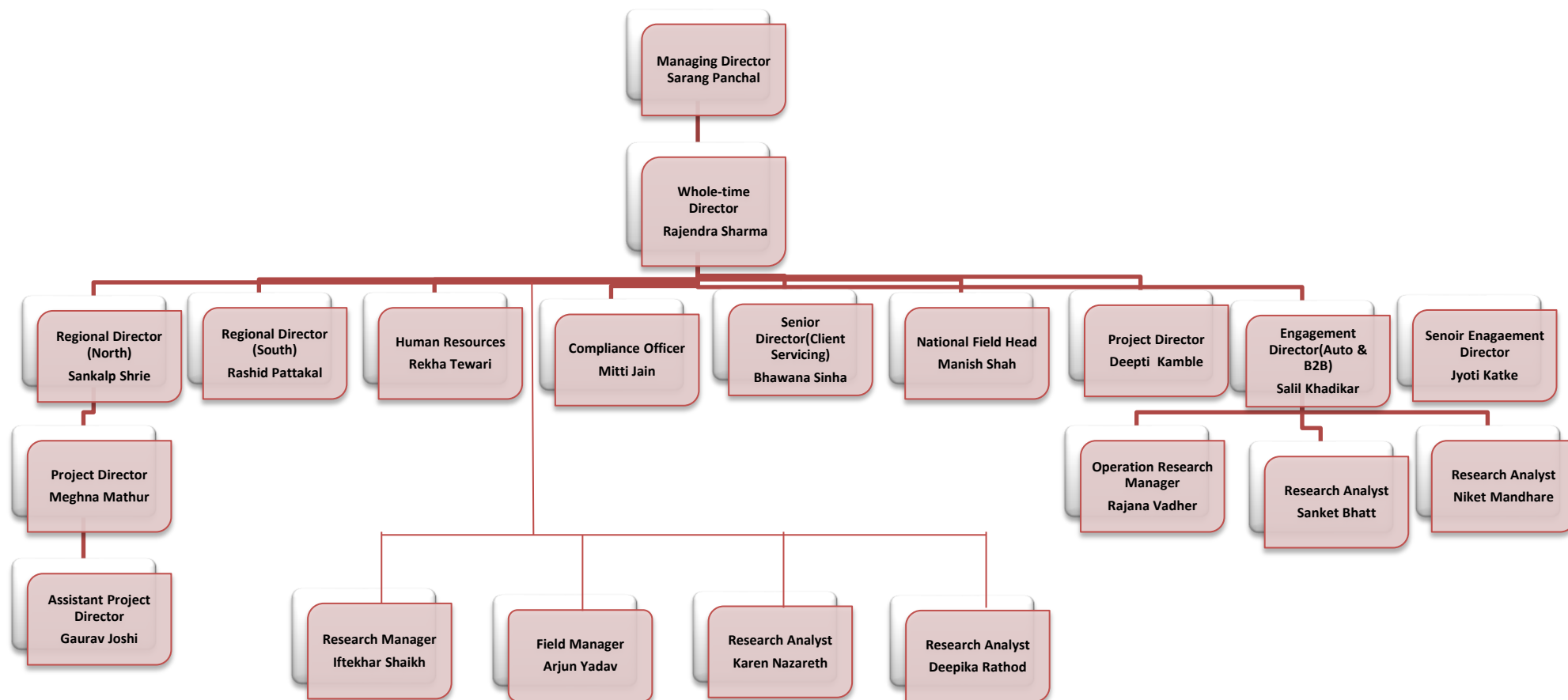
Policy on Disclosures and Internal Procedure for Prevention of Insider Trading

We will comply with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 1992 post listing of our Company's shares on the Stock Exchange.

Mitti Jain, Company Secretary & 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.



ORGANIZATIONAL STRUCTURE





KEY MANAGERIAL PERSONNEL

Our Company is managed by its Board of Directors, assisted by qualified professionals, who are permanent employees of our Company.

None of our Key Managerial Personnel were appointed pursuant to any arrangement or understanding with major shareholders, customers and / or suppliers.

The details of our Key Managerial Personnel are set out below:

Rashid Pattakal, aged 39, is the Director –Client Servicing of our Company. He has joined our Company on September 2, 2013. He has obtained a Master’s degree in Marketing Management from Indira Gandhi National Open University. He has 14 years of experience and prior to joining our Company, was associated with Blueocean Market Intelligence Services Private Limited. The remuneration paid to him in the financial year 2013 – 2014 was Rs. 10,23,807 inclusive of perquisites and other benefits.

Sankalp Shrie, aged 38 years, is the Senior Project Director of our Company. He has joined our Company on April 16, 2014. He has obtained a Master’s degree in Management Studies from Lala Lajpat Rai Institute of Management. He has 13 years of experience and prior to joining our Company, was associated with TNS India Private Limited. Since he has joined our Company on April 16, 2014, no remuneration has been paid to him in the financial year 2013 – 2014.

Rekha Tiwari, aged 31 years, is the Senior Human Resources Manager of our Company. She has joined our Company on April 7, 2014. She has obtained a Master’s degree in Business Administration from Banasthali Vidyapith. She has over 7 years of experience and prior to joining our Company, was associated with People Strong HR Services Private Limited, Karvy Data Management Services Limited and SKS Microfinance Limited. Since Rekha Tiwari has joined our Company on April 7, 2014, no remuneration has been paid to her for the Fiscal 2014.

Mitti Jain, aged 28, is the Company Secretary and Compliance Officer of our Company. Mitti Jain is a qualified company secretary and is an associate member of Institute of Company Secretary of India. Mitti Jain has 2 years of work experience. Prior to joining our Company, she was associated with Adani Enterprises Limited as management trainee. She has joined our Company on August 11, 2014 as a Company Secretary entrusted with the responsibility of handling corporate secretarial functions of our Company. Since Mitti Jain has joined our Company on August 11, 2014, no remuneration has been paid to her for the financial year 2013 – 2014.

Bhawana Sinha, aged 47 years, is the Senior Director – Client Servicing of our Company. She has joined our Company on October 21, 2013. She has obtained a Post Graduate diploma in Business Management from Narsee Monjee Institute of Management Studies. She has 15 years of experience and prior to joining our Company, was associated with Kellogg’s and Unilever. The remuneration paid to her in the financial year 2013 – 2014 was Rs. 7,46,667 inclusive of perquisites and other benefits.

Manish Shah, aged 39 years, is the National Field Head of our Company. He joined our Company on May 2, 2014. He has obtained a Bachelor’s degree in Commerce from Mumbai University. He has



14 years of experience and, prior to joining our Company, was associated with TNS India Private Limited. Since Manish Shah has joined our Company on May 2, 2014, no remuneration has been paid to her for the Fiscal 2014.

Deepti Kamble, aged 37 years, is the Project Director of our Company. She has joined our Company on January 14, 2013. She has obtained a Post Graduate in E-MBA Programme from Asian Management Development Centre of Mumbai's Educational Trust's. She has 8 years of work experience and prior to joining our Company, was associated with AMRB L.L.C, Cairo, Egypt. The remuneration paid to her in the financial year 2013 – 2014 was Rs. 12,00,000 inclusive of perquisites and other benefits.

Salil Khadikar, aged 37 years, is the Engagement Director (Auto & B2B) of our Company. He joined our Company on January 7, 2013. He has obtained a Master's degree in Business Administration from Som-Lalit Institute of Business Management. He has 11 years of experience and prior to joining our Company, was associated with Hindustan Thompson Associates Private Limited. The remuneration paid to him in the financial year 2013 – 2014 was Rs. 14,28,011 inclusive of perquisites and other benefits.

Jyoti Katke, aged 41 years, is the Senior Director- Client Servicing of our Company. She has joined our Company on June 16, 2014. She has obtained a Master's degree in Science from University of Mumbai. She has 16 years of experience and, prior to joining our Company, was associated with Nielsen (India) Private Limited. Since Jyoti Katke has joined our Company on June 16, 2014, no remuneration has been paid to her for the Fiscal 2014.

RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

There is no family relationship between the Key Managerial Personnel of our Company.

RELATIONSHIPS OF DIRECTORS/ PROMOTERS WITH KEY MANAGERIAL PERSONNEL

There is no family relationship between the key managerial personnel, Promoter and Director of our Company. All of Key Managerial Personnel are permanent employee of our Company.

ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS

None of our Directors have 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 except Rajendra Sharma which holds 9,14,495 Equity shares of the company on the date of this Draft Prospectus

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.

CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL



None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

LOANS TO KEY MANAGERIAL PERSONNEL

The Company has not given any loans and advances 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.

CHANGES IN KEY MANAGERIAL PERSONNEL SINCE INCEPTION

The changes in the Key Managerial Personnel since inception are as follows:

Name of Key Managerial Personnel	Designation	Date of Event	Reason
Mitti Jain	Company Secretary and Compliance Officer	August 11, 2014	Appointment
Rashid Pattakal	Director –Client Servicing	September 2, 2013	Appointment
Sankalp Shire	Senior Project Director	April 16, 2014	Appointment
Rekha Tiwari	Senior Human Resources Manager	April 7, 2014	Appointment
Bhawana Sinha	Senior Director – Client Servicing	October 21, 2013	Appointment
Manish Shah	National Field Head	May 2, 2014	Appointment
Deepti Kamble	Project Director	January 14, 2013	Appointment
Salil Khadikar	Engagement Director (Auto & B2B)	January 7, 2013	Appointment
Jyoti Katke	Senior Director (Client Servicing)	June 16, 2014	Appointment
Rajendra Kumar	Chief Financial Officer	August 11, 2014	Appointment

Other than the above changes, there have been no changes to the key managerial personnel of our Company.

ESOP/ESPS SCHEME TO EMPLOYEES

Presently, we do not have any ESOP/ESPS Scheme for employees.

PAYMENT OF BENEFIT TO OUR OFFICERS



Except as disclosed in the heading titled “*Related Party Disclosure*” in the section titled “*Financial Statements*” beginning on page 146 of this Draft Prospectus, no amount or benefit has been paid or given within the three 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 PROMOTER AND PROMOTER GROUP

The Promoters of our Company are:

Individual Promoter:

- Rajendra Kumar Sharma
- Sarang Jayant Panchal

Corporate Promoter:

- Majestic Market Research Support Services Limited

DETAILS OF OUR INDIVIDUAL PROMOTER

1) Rajendra Kumar Sharma



Rajendra Kumar Sharma, aged 41 years is the Whole-time Director and Chief Financial Officer of our Company since June 13, 2014. He holds a Bachelor's degree in Engineering (Electronics and Telecommunication) from University of Mumbai and Master's degree in Management studies from University of Bombay. Prior to joining our Company, he was working with Majestic Market Research Support Services Limited. He has more than 15 years of experience in finance, banking and investments. He is responsible for arranging funds for expansion, monitoring the corporate finance and accounts, ensuring timely completion of internal and statutory audits matters of our Company.

Particulars	Details
Passport No.	HO454929
Voter ID	Not available
Driving License No.	Not available

2) Sarang Jayant Panchal



Sarang Jayant Panchal, aged 53 years is the Managing Director of our Company since June 13, 2014. He holds a Bachelor's degree in commerce from University of Bombay and Master's degree in Management studies from University of Bombay. Prior to joining our Company, he was associated with Procter & Gamble, Dun & Bradstreet, Nilsen Company. He has more than 25 years of experience in the field of alternative construction, strategy, consulting and ecommerce. He is the guiding force behind the strategic decisions of our Company and has been instrumental in planning and formulating the overall business strategy and developing business relations for our Company.

Particulars	Details
Passport No.	Z1778318
Voter ID	Not available
Driving License No.	MH01 20130007836



OUR CORPORATE PROMOTER :

Majestic Market Research Support Services Limited which holds 2,087,500 Equity shares of Rs. 10/- each in the Company constituting 69.54 % of pre-Issue issued, subscribed and paid-up capital of the Company.

DETAILS OF OUR CORPORATE PROMOTER

Particulars	Details
Name	Majestic Market Research Support Services Limited (“MMRSS”)
Corporate Identity Number	U51909MH2003PLC143000
Address of ROC with which the company is registered	100, Everest, Marine Drive Mumbai- 400002.

MMRSS was incorporated as public limited company under the name and style of “Majestic Market Research Support Services Limited” under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated on November 5, 2003 bearing registration No. 143000 and was granted Certificate of Commencement of Business on November 12, 2003. The registered office of MMRSS is situated at No 160A, Prem Chaya Building, LBS Marg, Kurla(West), Mumbai- 400070.

The main object of MMRSS is as follows:

- To carry on in India or abroad the business to operate, promote, process, prepare, edit, exhibit, make, display, print, convert, buy, sell, run, export, import of all kinds of information , marketing, research, maintain the services relating to Business Process Outsourcing (BPO), the operation of the Back-up office, Call centres, Content Development or Animation, Data Processing, Engineering & design services, Geographic Information Centre services, Human resource services, Insurance Claim Processing Centre, Medical Transcription Services Centre, Payroll Centre, Remote Maintenance Centre, Revenue Accounting Services Centre, Support Centres and website services, analyst for the data/information.*
- To carry on in India or abroad the business to operate, promote, process, prepare, edit, exhibit, make, display, print, convert, buy, sell, run, export, import all kinds of IT related services, convert the data into information, Web hosting, Internet Services Provider (ISP), Multimedia, Computer Animation, all sort of Information technology, space communications, satellite communication, radio communications, telecommunications, telephonic & telegraphic communications, wave communications, under water communications, computer communications, network communications, commercial advertising, entertainment and other software, CD and audio cassettes , advertising films, TV serials, medical transcription, E-commerce, B2B in all languages, prevailing in the world and for this purpose to act as distributors, internet site owner, proprietor, copyright owners, video right owners, audio right owners.”*

Financial Information of Majestic Market Research Support Services Limited

Particulars	2013	2012	2011
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Equity Capital	7,500,000	7,500,000	7,500,000
Reserve (Excluding Revaluation Reserve)	19,144,203	15,540,021	11,675,117
Sales	132,941,962	128,302,628	124,717,655
Profit after Tax	3,604,182	3,864,904	4,523,710
Earning Per Share (Basic)	4.81	5.15	6.03
Earning Per Share (Diluted)	4.81	5.15	6.03
Net Asset Value Per share (Rs.)	35.53	30.72	25.57

Latest shareholding pattern of MMRSS as on date of draft prospectus

Sr.No	Name of Shareholders	No of Shares Held	% of Shares Held
1	Sandip Bhatia	749,994	99.9992%
2	S. Devi Bala	1	0.00013%
3	George Paulose	1	0.00013%
4	R. Nandkumar	1	0.00013%
5	Praveen Prabhakar	1	0.00013%
6	Reena Sebastian	1	0.00013%
7	Shruti Vaid	1	0.00013%
Total		7,50,000	100 %

Promoter of Corporate Promoter

Sandip Bhatia is the promoter of MMRSS. There has been a change in control of the our Corporate Promoter due to the transfer of 749,994 Equity Shares aggregating 99.99% of the paid up share capital of MMRSS from Epicentre Research Technologies Bangalore Private Limited to Sandip Bhatia on June 20, 2013. Epicentre Research Technologies Bangalore Private Limited *vide* gift deed dated June 20, 2013 gifted 749,994 equity shares of MMRSS to Sandip Bhatia. As MMRSS is a public unlisted limited company the provisions of SEBI (Substantial Acquisition of shares and Takeover) Regulations, 2011 and Listing Agreement are not applicable.

OTHER UNDERTAKINGS AND CONFIRMATIONS

We confirm that the PAN, Bank account number and passport number of the Individual Promoters and PAN, Bank Account Number, Certificate of Incorporation of the Corporate Promoter and the address of the ROC Office with which the Corporate Promoter is registered have been submitted to the Stock Exchange at the time of filing of the Draft Prospectus with the Stock Exchange.

COMMON PURSUITS OF OUR PROMOTER

There are no common pursuits among the Promoters of our Company or among the Promoter Group Entities that have any conflict of interest with the Company

INTEREST OF THE PROMOTER

Interest in the promotion of Our Company

Our Promoter may be deemed to be interested in the promotion of the Company to the extent of the Equity Shares held by him as well as his relatives and also to the extent of any dividend payable to him and other distributions in respect of the aforesaid Equity Shares. Further, Our Promoter may also



be interested to the extent of Equity Shares held by or subscribed by and allotted to companies and firms in which either he is interested as a director, member or partner. In addition, Our Promoters, Rajendra Kumar Sharma and Sarang Jayant Panchal, may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable under the respective agreements entered into by our Company for their appointment as Whole-time Director and Managing Director respectively and our Articles of Association.

Interest in the property of Our Company

Our Promoters does not have any interest in any property acquired by Our Company since incorporation or proposed to be acquired by our Company.

Interest as Member of our Company

As on the date of this Draft Prospectus, our Promoters holds 100% (approx.) Equity Shares in our Company and is therefore interested to the extent of his shareholding and the dividend declared, if any, by our Company. Except to the extent of shareholding of the Promoter in our Company, our Promoter does not hold any other interest in our Company.

Payment Amounts or Benefit to Our Promoter since incorporation

No payment has been made or benefit given to our Promoter since incorporation except as mentioned / referred to in this chapter and in the section titled ‘*Our Management*’, ‘*Financial Statements*’ and ‘*Capital Structure*’ beginning on pages 121, 146 and 64 respectively of this Draft Prospectus. Further as on the date of this Draft Prospectus, there is no bonus or profit sharing plan for our Promoter.

CONFIRMATIONS

For details on litigations and disputes pending against the Promoter and defaults made by them, please refer to the section titled “*Outstanding Litigation and Material Developments*” on page 171 of this Draft Prospectus. Our Promoters has not been declared a willful defaulter by RBI or any other governmental authority and there are no violations of securities laws committed by our Promoter in the past or are pending against him.

RELATED PARTY TRANSACTIONS

Except as disclosed in the chapter titled “*Related Party Transactions*” beginning on page 144 of this Draft Prospectus, our Company has not entered into any related party transactions with our Promoters.



OUR PROMOTER GROUP

A) As per Regulation 2(1)(zb) of the SEBI (ICDR) Regulation, 2009, apart from Rajendra Kumar Sharma and Sarang Jayant Panchal the following natural persons (being the immediate relatives of our Promoters), shall form part of our Promoter Group:

I. Natural Person who are part of Promoter Group

Name of Promoter	Name of the Relative	Relationship with Promoter
Rajendra Sharma	Sarika Sharma	Spouse
	Vidhyasagar L. Sharma	Father
	Geeta V. Sharma	Mother
	Pavan Kumar Sharma	Brother
	Varsha Sharma	Sister
	-	Son
	Sara Sharma	Daughter
	S. R. Chowdhery	Spouse's Father
	Indrani Chowdhery	Spouse's Mother
	Samrat Chowdhery	Spouse's Brother
	-	Spouse's Sister
Sarang Jayant Panchal	Namrata Asudani	Spouse
	Jayant Panchal	Father
	Usha Panchal	Mother
	Salil Panchal	Brother
	-	Sister
	Nilay Panchal	Son
	Aria Panchal	Daughter
	Dwarkadas Asudani	Spouse's Father
	Indu Asudani	Spouse's Mother
	Hiren Asudani and Gautam Asudani	Spouse's Brother
	-	Spouse's Sister

II. Companies, firms and HUFs which form part of our Promoter Group are as follows:

Name of the Promoter	Name of the Companies/Firms/HUFs
Rajendra Kumar Sharma	None
Sarang Jayant Panchal	M/s. Smart Spaces

B) As per Regulation 2(1)(zb) of the SEBI (ICDR) Regulations, 2009, other than the Corporate Promoter *i.e.*, Majestic Market Research Support Services Limited, the following entities would form part of our Promoter Group



Sr. No	Particulars	
1.	A subsidiary or holding company of such body corporate	NIL
2.	any body corporate in which the promoter holds ten per cent or more of the equity share capital or which holds ten per cent or more of the equity share capital of the promoter;	NIL
3.	any body corporate in which a group of individuals or companies or combinations thereof which hold twenty per cent or more of the equity share capital in that body corporate also holds twenty per cent. or more of the equity share capital of the Issuer	NIL



OUR GROUP ENTITIES

No equity shares of our Group Companies are listed on any stock exchange and it has not made any public or rights issue of securities in the preceding three years.

A. Our Group Entities

We have only one group entity and the details of our Group Entity are provided below:

M/s Smart Spaces

M/s. Smart Spaces is a partnership firm formed under the Partnership Act, 1932 *vide* a partnership deed dated February 10, 2009. M/s. Smart Spaces has its office at Flat No. 1, Sameer Building, Perry Road, Bandra (West), Mumbai - 400 050. M/s. Smart Spaces is currently engaged in manufacturing/trading of shipping/fabricated container, residential and proprietary container designs.

As on the date of the Draft Prospectus, M/s. Smart Spaces has three partners, Michael Andrade, Sarang Jayant Panchal and Gautam Asudani.

Profit and Loss Sharing Ratio

The profit and loss sharing ratio of the partners in the firm is as follows:

Name Of the Partner	Profit And Loss Sharing Ratio
Sarang Jayant Panchal	33.33%
Michael Andrade	33.33%
Gautam Asudani	33.33%
Total	100%

Financial Performance

Particulars	For the years end		
	March 31, 2011	March 31, 2012	March 31, 2013
Partner's capital	1,66,736	1,68,617	1,17,717
Sales and other income	66,71,979	11,44,745	8,00,000
Profit/loss after tax	58,208	1,881	(5,46,384)

CONFIRMATION

Our Promoter 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 securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them. Additionally, none of the Promoter and persons forming part of Promoter Group has been restrained from accessing the capital markets for any reasons by SEBI or any other authorities. Except as disclosed in this chapter, our Group Entity does not have negative net worth as of the date of the respective last audited financial statements.



LITIGATION

For details on litigations and disputes pending against the Promoter and Group entities and defaults made by them, please refer to the chapter titled, '*Outstanding Litigations and Material Developments*' on page 171 of this Draft Red Herring Prospectus.

DISASSOCIATION BY THE PROMOTER IN THE LAST THREE YEAR

Our Promoters has not disassociated themselves from any of the companies/partnership firms during preceding three years.

SALES/PURCHASES BETWEEN OUR COMPANY AND PROMOTER COMPANY & GROUP ENTITIES

There are no sales or purchases between our Company and Group entity which exceeds in value aggregating ten per cent of the total sales or purchases of our Company.

INTERESTS OF OUR PROMOTERS AND GROUP COMPANIES AND ASSOCIATE COMPANIES

All our Promoters and Group Entity and Associate Companies are interested to the extent of their shareholding of Equity Shares from time to time, and in case of our Individual Promoters, also to the extent of shares held by their relatives from time to time, for which they are entitled to receive the dividend declared, if any, by our Company. Our Individual Promoters may also benefit from holding directorship in our Company. Our Individual Promoter may also be deemed to be interested to the extent of remuneration and/or reimbursement of expenses payable to them under the Articles/ terms of appointment. As on the date of this Draft Prospectus, our Promoters together hold 30,01,996 Equity Shares of our Company.

Except as stated hereinabove and as stated in "Annexure XIV - Related Party Transactions" under chapter titled "Financial Statements" beginning on page 146 of this Draft Prospectus, we have not entered into any contract, agreements or arrangements during the preceding two years from the date of this Draft Prospectus in which the Promoters are directly or indirectly interested and no payments have been made to them in respect of these contracts, agreements or arrangements which are proposed to be made to them.

Further, except as stated above and as stated otherwise under the paragraph titled "Shareholding of our Directors" in the chapter titled "Our Management" beginning on page 121 of this Draft Prospectus; in "Annexure XIV - Related Party Transactions" under chapter titled "Financial Statements" beginning on page 146 of this Draft Prospectus, and under the paragraph titled "Interest of Directors" in the chapter titled "Our Management" beginning on page 121, paragraph titled "Our Properties" in the chapter titled "Our Business" beginning on page 108, our Promoters do not have any other interests in our Company as on the date of this Draft Prospectus.

Further, except as disclosed above and in the audited restated consolidated and standalone financial statements of our Company under "Annexure XIV - Related Party Transactions" under chapter titled "Financial Statements" beginning on page 146 of this Draft Prospectus, our Group Companies and associates have no business interest in our Company.

PAYMENT OR BENEFIT TO OUR GROUP ENTITIES

Except as stated in the section titled "*Financial Statements*" on page 146, there has been no payment of benefits to our Group Companies during the past 2 years from the date of this Draft Prospectus.



RELATED PARTY TRANSACTIONS

For details on Related Party Transactions of our Company, please refer to Annexure XIV of restated financial statement under the section titled, '*Financial Statements*' beginning on page 146 of this Draft Prospectus.



DIVIDEND POLICY

Under the Companies Act, 2013, an Indian company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders. Under the Companies Act, 2013 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. Our Company has not paid any dividend since incorporation.

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.



SECTION V-FINANCIAL STATEMENTS

FINANCIAL STATEMENTS AS RESTATED

Independent Auditor's Report for the Restated Financial Statements of Majestic Research Services and Solutions Limited

To

The Board of Directors,

Majestic Research Services & Solutions Limited,

No 715, 1st Main, 1st Stage

Indiranagar, Bangalore,

Karnataka - 560038

Dear Sirs,

1. We have examined the attached Restated Statement of Assets and Liabilities of Majestic Research Services and Solutions Limited, (**the Company**) as at March 31, 2014 and March 31, 2013 and the related Restated Statement of Profit & Loss and Restated Statement of Cash Flow for the financial year ended on March 31, 2014 and March 31, 2013 (collectively the "**Restated Summary Statements**" or "**Restated Financial Statements**"). These Restated Summary Statements have been prepared by the Company and approved by the Board of Directors of the company in connection with the Initial Public Offering (IPO) in SME Platform of BSE Limited ("**BSE**").
2. These Restated Summary Statements have been prepared in accordance with the requirements of:
 - (i) Paragraph B (1) of Part II of Schedule II to the Companies Act, 1956 ("**Act**");
 - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 ("**ICDR Regulations**") issued by the Securities and Exchange Board of India ("**SEBI**") in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time;
 - (iii) The terms of reference to our engagements with the Company letter Dated March 10th, 2014 requesting us to carry out the assignment, in connection with the Draft Prospectus/ Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in SME Platform of BSE Limited ("**IPO**" or "**SME IPO**"); and
 - (iv) The Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India ("**Guidance Note**").
3. The Restated Summary Statements of the Company have been extracted by the management from the Audited Financial Statements of the Company for the financial year/period ended on March 31, 2014 and March 31, 2013 which have been approved by the Board of Directors.
4. In accordance with the requirements of Paragraph B(1) of Part II of Schedule II of Act, ICDR Regulations, Guidance Note and Engagement Letter, we report that:



- (i) The “**Restated Statement of Asset and Liabilities**” as set out in **Annexure I** to this report, of the Company as at March 31, 2014 and March 31, 2013 are prepared by the Company and approved by the Board of Directors. These Statement of Asset and Liabilities, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure IV** to this Report.
 - (ii) The “**Restated Statement of Profit and Loss**” as set out in **Annexure II** to this report, of the Company for the financial year ended on March 31, 2014 and March 31, 2013 are prepared by the Company and approved by the Board of Directors. These Statement of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure IV** to this Report.
 - (iii) The “**Restated Statement of Cash Flow**” as set out in **Annexure III** to this report, of the Company for the financial year ended on March 31, 2014 and March 31, 2013 are prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Restated Summary Statements as set out in **Annexure IV** to this Report.
5. Based on the above, we are of the opinion that the Restated Financial Statements have been made after incorporating:
- a) Adjustments for the changes in accounting policies retrospectively in respective financial years/period to reflect the same accounting treatment as per the changed accounting policy for all reporting periods.
 - b) Adjustments for prior period and other material amounts in the respective financial years/period to which they relate and there are no qualifications which require adjustments.
 - c) There are no extra-ordinary items that need to be disclosed separately in the accounts and qualifications requiring adjustments.
 - d) There were no qualification in the Audit Reports issued by the Statutory Auditors for the financial year ended on March 31, 2014 and March 31, 2013 which would require adjustments in this Restated Financial Statements of the Company.
 - e) These Profits and Losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Policies and Notes to Restated Summary Statements as set out in **Annexure IV** to this report.
6. Audit for the financial year ended March 31, 2014 was conducted by us, and audit for the financial year ended March 31, 2013 was conducted by M/s.Hemanshu J Kamdar & Associates, Chartered Accountants and accordingly reliance has been placed on the financial information examined by them for the said year. The financial report included for these years is based solely on the report submitted by them.



7. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the financial year ended on March 31, 2014 and March 31, 2013 proposed to be included in the Draft Prospectus / Prospectus (“**Offer Document**”).

Annexure of Restated Financial Statements of the Company:-

- i. Summary Statement of Assets and Liabilities, as restated as Annexure I;
 - ii. Summary Statement of Profit and Loss, as restated as Annexure II;
 - iii. Summary Statement of Cash Flow as restated as Annexure III;
 - iv. Significant Accounting Policies in Annexure IV;
 - v. Details of Trade Receivables as Restated enclosed as ANNEXURE V to this report;
 - vi. Details of Short Term Provisions as Restated as appearing in ANNEXURE VI to this report
 - vii. Details of Long Term Loans & Advances as Restated as appearing in ANNEXURE VII to this report;
 - viii. Details of Short Term Loans & Advances as Restated as appearing in ANNEXURE VIII to this report;
 - ix. Details of Other Current Assets as Restated as appearing in ANNEXURE IX to this report;
 - x. Details of Other Current Liabilities as Restated as appearing in ANNEXURE X to this report;
 - xi. Details of Short Term Borrowings as Restated as appearing in ANNEXURE XI to this report
 - xii. Capitalization Statement as Restated as at March 31, 2014 as appearing in ANNEXURE XII to this report;
 - xiii. Statement of Tax Shelters as Restated as appearing in ANNEXURE XIII to this report;
 - xiv. Details of Related Parties Transactions as Restated as appearing in ANNEXURE XIV to this report;
 - xv. Details of Share Capital as Restated as appearing in ANNEXURE XV to this report
 - xvi. Details of Reserves and Surplus as Restated as appearing in ANNEXURE XVI to this report.
 - xvii. Details of Significant Accounting Ratios as Restated as appearing in ANNEXURE XVII to this report
 - xviii. Reconciliation of Restated Profit as appearing in ANNEXURE XVIII to this report.
8. We, R T Jain & Co., Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (“**ICAI**”) and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI (“**Statutory Auditor**”).
9. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.



10. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
12. In our opinion, the above financial information contained in Annexure I to XXII of this report read with the respective Significant Accounting Policies and Notes to Restated Summary Statements as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.
13. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

For R T Jain & Co.

Chartered Accountants

Firm Registration no.103961W

(CA Bankim Jain)

Partner

Membership No.139447

Date: 19th August, 2014

Place: Mumbai



ANNEXURE I: STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(Rs.in Lakhs)

Sr. No	Particulars	As at March 31st ,2013	As at March 31st ,2014
EQUITY AND LIABILITIES			
1)	Shareholders' Funds		
	a. Share Capital	74.50	300.20
	b. Reserves & Surplus	1.41	14.81
2)	Non-Current Liabilities		
	a. Long Term Borrowings	-	-
	b. Deferred Tax Liabilities	0.01	0.90
3)	Current Liabilities		
	a. Short Term Borrowings	-	4.92
	b. Trade Payables	-	82.04
	c. Other Current Liabilities	12.53	16.12
	d. Short Term Provisions	-	1.51
TOTAL (1+2+3)		88.45	420.50
ASSETS			
1)	Non-Current Assets		
	a. Fixed Assets		
	i. Tangible Assets	0.39	7.88
	ii. Intangible Assets	-	6.29
	Net Block	0.39	14.17
	b. Deferred Tax Assets (Net)	-	-
	c. Non-current Investments	-	-
	d. Long Term Loans & Advances	1.69	12.75
	e. Other Non-Current Assets	-	-
2)	Current Assets		
	a. Inventories	-	-
	b. Trade Receivables	12.52	205.38
	c. Cash and Cash Equivalents	0.09	0.12
	d. Short Term Loans & Advances	73.76	180.47
	e. Other Current Assets	-	7.61
TOTAL (4+5)		88.45	420.50



ANNEXURE II: STATEMENT OF PROFIT AND LOSS AS RESTATED

(Rs.in Lakhs)

Sr. No.	Particulars	As at March 31, 2013	As at March 31, 2014
A	INCOME		
	Revenue from Operations	47.93	226.03
	Other Income	-	-
	Total Income (A)	47.93	226.03
B	EXPENDITURE		
	Operating Expenses	19.43	81.75
	Employee benefit expenses	11.24	98.08
	Finance costs	-	0.15
	Depreciation and amortization expense	0.04	4.18
	Other Expenses	15.18	22.25
	Total Expenses (B)	45.89	206.41
C	Profit before tax	2.04	19.62
	Prior period items (Net)	-	-
	Profit before exceptional, extraordinary items and tax (A-B)	2.04	19.62
	Exceptional items	-	-
	Profit before extraordinary items and tax	2.04	19.62
	Extraordinary items	-	-
D	Profit before tax	2.04	19.62
	Tax expense :		
	(i) Current tax	(0.63)	(5.33)
	(ii) Deferred tax	(0.01)	(0.89)
E	Total Tax Expense	(0.64)	(6.22)
F	Profit for the year (D-E)	1.41	13.40
	ACTUAL	1.41	13.40
	Earning per equity share(face value of Rs.10/- each): Basic and Diluted	3.40	1.74



ANNEXURE III: STATEMENT OF CASH FLOW AS RESTATED

(Rs.in Lakhs)

Particulars	As at March 31, 2013	As at March 31, 2014
<u>Cash flow from operating activities:</u>		
Net Profit before tax as per Profit And Loss A/c	2.04	19.62
Adjusted for:		
Depreciation & Amortization	0.04	4.18
Interest & Finance Cost		0.15
Operating Profit Before Working Capital Changes	2.08	23.95
Adjusted for (Increase)/ Decrease:		
Trade Receivables	(12.52)	(192.86)
Loans and advances and other assets	(76.07)	(139.25)
Liabilities & Provisions	12.53	85.63
Cash Generated From Operations	(73.98)	(222.53)
Direct Tax Paid		
Net Cash Flow from/(used in) Operating Activities: (A)	(73.98)	(222.53)
<u>Cash Flow From Investing Activities:</u>		
Purchase of Fixed Assets	(0.43)	(7.91)
Net Cash Flow from/(used in) Investing Activities: (B)	(0.43)	(7.91)
<u>Cash Flow from Financing Activities:</u>		
Proceeds From Share Capital & Share Premium	74.50	225.70
Proceeds from Long Term Borrowing (Net)		
Proceeds from Short-term borrowings	-	4.92
Interest & Financial Charges		(0.15)



Net Cash Flow from/(used in) Financing Activities (C)	74.50	230.47
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	0.09	0.03
Cash & Cash Equivalents As At Beginning of the Year		0.09
Cash & Cash Equivalents As At End of the Year	0.09	0.12



ANNEXURE – IV

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

A. Basis of preparation of Financial Statements:

- a) These financial statements have been prepared to comply with all material respect with all the applicable Accounting Standards notified under section 211 (3C) of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956 read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
- b) The financial statements are prepared under the historical cost convention and on the accounting principles of going concern. The Company follows the accrual system of accounting where income & expenditure are recognized on accrual basis.
- c) Accounting policies not specifically referred to are consistent and in consonance with generally accepted accounting policies.

B. Use of Estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect amounts in the financial statements and reported notes thereto. Actual results could differ from these estimates. Differences between the actual result and estimates are recognized in periods in which the results are known/ materialised.

C. Fixed Assets:

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation and impairment loss, if any. The cost of an asset comprises of its purchase price (net of cenvat / duty credits availed wherever applicable) and any directly attributable cost of bringing the assets to working condition for its intended use. Expenditure on additions, improvements and renewals is capitalized and expenditure for maintenance and repairs is charged to profit and loss account.

D. Depreciation:

Depreciation on fixed assets is provided on written down value (WDV) at the rates prescribed in schedule XIV of the Companies Act, 1956.

E. Valuation of Inventories:

There are no inventories as the company is into service sector.

F. Foreign Currency Transactions

Initial Recognition: Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.

Conversion: At the year end, monetary items denominated in foreign currencies other than those covered by forward contracts are converted into rupee equivalents at the year-end exchange rates.



Exchange Differences: All exchange differences arising on settlement/conversion of foreign currency transactions are recognized in the statement of profit and loss.

G. Revenue Recognition:

Sale of services is recognized on completion of service to be rendered to the customer. Revenue from partly complete contracts is recognized on percentage completion method.

H. Earnings Per Share

Basic earnings per share is computed by dividing the net profit after tax for the year after prior period adjustments attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

I. Taxation & Deferred Tax

Provision for Current Tax is made in accordance with the provision of Income Tax Act, 1961. Deferred tax is recognized on timing differences between taxable & accounting income / expenditure that originates in one period and are capable of reversal in one or more subsequent period(s).

J. Contingent Liabilities / Provisions

Contingent liabilities are not provided in the accounts and are disclosed separately in notes on accounts.

K. Impairment of Assets

The company assesses at each balance sheet date whether there is any indication due to external factors that an asset or group of assets comprising a cash generating unit (CGU) may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the CGU, to which the asset belongs is less than the carrying amount of the asset or the CGU as the case may be, the carrying amount is reduced to its recoverable amount and the reduction is treated as impairment loss and is recognized in the statement of profit and loss. If at any subsequent balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is re assessed and the asset is reflected at recoverable amount subject to a maximum of depreciated historical cost and is accordingly reversed in the statement of profit and loss.

L. Share Issue Expenditure

Expenses incurred in connection with proposed issue of equity shares will be written off against securities premium to be received on the proposed issue.

NOTES TO ACCOUNTS ON RESTATED FINANCIAL STATEMENT:

1. Auditors Remuneration include

(Rs.in Lakhs)

Particulars	Year Ended March 31	
	2013	2014



Audit Fees	0.40	0.30
Tax Audit Fees	0.10	0.20
Total	0.50	0.50

2. Deferred Tax Liability / (Assets)

As required by Accounting Standard 22 on “Accounting for Taxes on Income”, Deferred Tax comprises of the following items:

(Rs.in Lakhs)

Particulars	Year Ended March 31	
	2013	2014
In respect of Depreciation	0.03	2.92
Tax Rate	30.90%	30.90%
Net Deferred Tax Liability / (Asset)	0.01	0.90

ANNEXURE – V: DETAILS OF TRADE RECEIVABLES AS RESTATED

(Rs.in Lakhs)

Particulars	As at March 31, 2013	As at March 31, 2014
<u>Unsecured, considered good</u>		
Less than six months	12.52	193.46
More than six months	-	11.92
TOTAL	12.52	205.38

ANNEXURE – VI: DETAILS OF SHORT TERM PROVISIONS AS RESTATED

(Rs.in Lakhs)

Particulars	As at March 31, 2013	As at March 31, 2014
Others		
Provision for Income Tax	-	1.51
TOTAL	-	1.51

ANNEXURE – VII: DETAILS OF LONG TERM LOANS & ADVANCES

(Rs.in Lakhs)

Particulars	As at March 31, 2013	As at March 31, 2014
<u>Unsecured considered good</u>		
Advance Income Tax	1.69	1.69
Security Deposit		10.60
Deposit with Revenue Authorities		0.46
TOTAL	1.69	12.75



ANNEXURE – VIII : DETAILS OF SHORT TERM LOANS & ADVANCES

(Rs.in Lakhs)

Particulars	As at March 31, 2013	As at March 31, 2014
Advance to supplier	10.05	-
Advance for expenses	63.71	68.11
Advance to Related Parties	-	3.86
Advance to Others	-	108.50
TOTAL	73.76	180.47

ANNEXURE – IX: DETAILS OF OTHER CURRENT ASSETS AS RESTATED

(Rs.in Lakhs)

Particulars	As at March 31, 2013	As at March 31, 2014
Prepaid expenses	-	2.61
Share Issue Expense	-	5.00
TOTAL	-	7.61

ANNEXURE – X: DETAILS OF OTHER CURRENT LIABILITIES AS RESTATED

(Rs.in Lakhs)

Particulars	As at March 31, 2013	As at March 31, 2014
<u>Other payables</u>		
Creditors for expenses	8.60	10.61
Creditors for capital goods	-	2.47
Statutory dues	3.93	3.04
TOTAL	12.53	16.12

ANNEXURE – XI: DETAILS OF SHORT TERM BORROWINGS AS RESTATED

(Rs.in Lakhs)

Particulars	As at March 31, 2013	As at March 31, 2014
<u>Secured</u>		
From Related Parties	-	4.92
TOTAL	-	4.92

ANNEXURE – XII: CAPITALISATION STATEMENT AS AT 31st March 2014

(Rs.in Lakhs)

Particulars	Pre Issue	Post Issue
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Borrowings		
Short term debt (A)	4.92	4.92
Long Term Debt (B)	-	-
Total debts (C)	4.92	4.92
Shareholders' funds		
Equity share capital	300.20	412.20
Reserve and surplus - as restated	14.81	45.61
Total shareholders' funds	315.01	457.81
Long term debt / shareholders' funds		
	-	-
Total debt / shareholders' funds	0.02	0.01

ANNEXURE – XIII: STATEMENT OF TAX SHELTERS

(Rs.in Lakhs)

Particulars	Year ended March 31, 2013	Year ended March 31, 2014
Profit before tax as per books (A)	2.04	19.62
Tax Rate (%)	30.9%	30.9%
Tax at notional rate on profits	0.63	6.06
Adjustments :		
Permanent Differences(B)		
Expenses disallowed under Income Tax Act, 1961	-	0.51
Total Permanent Differences(B)	-	0.51
Income considered separately (C)		
Total Income considered separately (C)	-	-
Timing Differences (D)		
Difference between tax depreciation and book depreciation	(0.03)	(0.03)
Difference due to expenses allowable/ disallowable u/s 43B	-	-
Total Timing Differences (D)	(0.03)	(0.03)
Net Adjustments E = (B+C+D)	(0.03)	(0.03)
Tax expense / (saving) thereon	(0.01)	(0.74)
Income from Other Sources	-	-
Income from Other Sources (F)	-	-
Taxable Income/(Loss) (A+E+F)	2.01	17.24
Taxable Income/(Loss) as per MAT	2.04	19.62
Income Tax as returned/computed	0.63	5.33
Tax paid as per normal or MAT	Normal	Normal



ANNEXURE – XIV: RELATED PARTY TRANSACTION

(Rs In Lakhs)

Name	Nature of Transaction	Amount of transaction in 2012-13	Amount Outstanding as on 31.03.13 (Payable)/ Receivable	Amount of Transaction in 2013-14	Amount Outstanding as on 31.03.14 (Payable)/ Receivable
MMRSS Ltd.	Sales	14.30	-	-	-
(Parent Company)	Project Expenses	10.97	-	-	-
	Loan given		-	1.76	1.76
Focus Suites Solutions & Services Pvt. Ltd (Group Company)	Sales	12.21	-		
	Project Expenses	6.50	-	79.80	(79.80)
	Loan taken	-	-	4.65	4.65)
Genpop Consumer Research Pvt. Ltd (Group Company)	Loan taken	-	-	0.27	(0.27)
Sandip Bhatia (Director)	Loan given	-	-	2.10	2.10

ANNEXURE – XV: DETAILS OF SHARE CAPITAL

(Rs.in Lakhs)

Particulars	As at March 31, 2013	As at March 31, 2014
Equity Share Capital		
Authorised Share capital		
4,500,000 Equity Share of Rs. 10/- each	100.00	4.50
(Previous Year: 1,000,000 Equity Share of Rs. 10/- each)		
Issued, Subscribed & Fully Paid Up Share Capital		
Equity Shares of Rs. 10/- each	74.50	300.20
(3,002,000 Equity Share (Previous Year 745,000) of Rs.10/- each issued, subscribed and fully paid)		
TOTAL	74.50	300.20



RECONCILIATION OF NUMBER OF SHARES OUTSTANDING AT THE END OF YEAR

Particulars	As at March 31, 2013	As at March 31, 2014
Equity shares at the beginning of the year	-	7,45,000.00
Add Shares Allotted during the Year	7,45,000.00	22,57,000.00
Equity shares at the end of the year	7,45,000.00	30,02,000.00



DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% OF THE AGGREGATE SHARES IN THE COMPANY

Name of Shareholder	As at 31st March, 2013		As at 31st March, 2014	
	No. of Shares	%	No. of Shares	%
Sandip Bhatia	745,000	99.87	913,500.00	0.30
Majestic Market Research Support & Services Limited	-	-	2,087,500.00	0.70

ANNEXURE – XVI: RESERVES & SURPLUS

(Rs.in Lakhs)

Particulars	As at March 31, 2013	As at March 31, 2014
Profit & Loss Account		
Opening Balance	-	1.41
Add: Profit for the year	1.41	13.40
Closing Balance	1.41	14.81
TOTAL	1.41	14.81

ANNEXURE – XVII: DETAILS OF SIGNIFICANT ACCOUNTING RATIOS

(Rs.in Lakhs)

Particulars	As at March 31, 2013	As at March 31, 2014
Restated PAT as per P& L Account	1.41	13.40
Weighted Average Number of Equity Shares at the end of the Year	0.41	7.70
Net Worth	75.91	315.01
Earnings Per Share Basic & Diluted	3.40	1.74
Return on Net Worth (%)	0.02	0.04
Net Asset Value Per Share (Rs)	183.49	40.92
Nominal Value per Equity share (Rs.)	10.00	10.00

ANNEXURE – XVIII: RECONCILIATION OF RESTATED PROFIT

(Rs.in Lakhs)

Adjustments	As at March 31, 2013	As at March 31, 2014
Net profit/(Loss) after Tax as per Audited Profit & Loss Account	1.41	13.40
Adjustments for:		
Expense Not Allowed	-	-



Deferred Tax Liability / Asset Adjustment	(0.01)	(0.89)
Provision for Professional Tax	-	-
Taxes adjusted in Current period	-	-
Net Profit/ (Loss) After Tax as Restated	1.40	12.51



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 for the years ended 2014 and 2013, prepared in accordance with the Companies Act 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" on page 146 of this Draft Prospectus beginning.

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*" on pages 16 and 15, of this Draft Prospectus beginning respectively.

Our Company was incorporated on May 05, 2012 and has completed more than two years since incorporation. The Management's Discussion and Analysis of Financial Condition and Results of Operations, reflects the analysis and discussion of our financial condition and results of operations for years ended March 31, 2014 and March 31, 2013.

Overview

Our Company is a Market Research Company which was incorporated as 'Majestic Research Services and Solutions Private Limited' under the Companies Act, 1956 pursuant to a Certificate of Incorporation dated May 2, 2012 bearing corporate identity number U72200KA2012PLC063818 issued by the Registrar of Companies, Karnataka. Subsequently, *vide* fresh Certificate of Incorporation dated August 11, 2014, our Company was converted into a public limited company and the name of our Company was changed to 'Majestic Research Services and Solutions Limited'.

Our registered office is situated at 2nd, Floor, Kalpak Arcade, Number 46/17, Church Street, Bangalore – 560 001, Karnataka.

Our Corporate office is situated at "Trellis", Plot No.202/203, L.B.S. Marg, Kurla (West), Mumbai – 400070. India

Our Company is also known as "MRSS India" and is the subsidiary of Majestic Market Research Support Services Limited, also referred hereinafter as the "Parent Company", Asia's largest full service, independent Market Research Institute. The Parent Company has a global reach with presence in 18 countries of Middle East and APAC region. Our Parent Company has over a decade of



rich market research experience across sectors working with leading multinational companies is an instrumental in bringing innovative technology to India. Our Parent Company also has membership of ESOMAR and Market Research Association (MRA).

Based on our long term effective partnership with our clients; providing actionable insights and assist them in making better strategic decisions for their marketing initiatives; helping our clients to be more successful.

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, 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. We have passed the shareholder's resolution for conversion of our Company from private to public company *vide* meeting dated July 10, 2014 and Registrar of Companies, Karnataka issued fresh Certificate of Incorporation dated August 11, 2014.
2. Sandip Bhatia, Director of the Company has resigned on July 23, 2014.
3. Sagar Bait, Director of the Company has resigned on August 20, 2014.
4. We have appointed Sarang Jayant Panchal as the Managing Director of the Company with effect from June 13, 2014 for a period of five years subject to approval at every AGM.
5. We have appointed Rajendra Kumar Sharma as the Whole-time Director of the Company with effect from June 13, 2014 for a period of five years subject to approval at every AGM.
6. We have appointed Rupesh Pandurang Bhujbal and Priamvada Princeton as Independent Directors on the Board of our Company with effect from August 11, 2014.
7. We have appointed Dinesh Somani as Independent Directors on the Board of our Company with effect from August 20, 2014.
8. We have appointed Rajendra Kumar Sharma as Chief Financial Officer of the Company with effect from August 11, 2014.
9. We have appointed Mitti Jain as Company Secretary and Compliance Officer of the Company with effect from August 11, 2014.
10. We have passed a special resolution on July 10, 2014 authorizing the Board of Directors to borrow funds for the purpose of business of the Company upto an amount of Rs. 50 Crores.
11. We have passed a special resolution on July 10, 2014 to authorizing the Board of Directors to raise funds by making an initial public offering upto Rs. 6 Crores.

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 16 of this Draft Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:



- Evolving clients requirements;
- Regulations affecting market research industry;
- Ability to manage human resource, working capital and logistics;
- Inability to upgrade latest technological available in market;
- Changes, if any, in the regulations / regulatory framework / economic policies in India;
- Our inability to compete effectively in the present market may lead to lower market share or reduced operating margins;
- Delays or defaults in client payments could result in a reduction of our profits;
- Agreements such as lease / rent agreements for properties not owned by the Company may cause disruption in the operations;
- Increase in employee costs may have a material adverse impact on our results of operations.

DISCUSSION ON RESULT OF OPERATION

The following discussion on results of operations should be read in conjunction with the audited financial results of our Company for years ended March 31, 2014 and March 31, 2013.

OVERVIEW OF REVENUE & EXPENDITURE

Revenues

Income from operations:

Our Income from operations consists of revenue from sale of inner garments.

Other Income:

Our other income includes miscellaneous receipts etc.

(Rs. In Lakhs, except as provided)

Particulars	As at March 31, 2014	As at March 31, 2013
Income		
Revenue from Operation	226.03	47.93
Increase/Decrease in %	371.58 %	NA
Other Income	Nil	Nil
Increase/Decrease in %	-	-
Total Revenue	226.03	47.93

Expenditure

Our Company's operating expenditure consists of following:

Employee Benefits Expenses

Our employee benefits cost primarily consists of salaries, wages and bonuses paid to our employees, staff welfare expenses and director's remuneration.

Financial Cost

Our financial cost includes bank interest, bank charges and interest paid to others.



Depreciation

Depreciation includes depreciation on office equipment's, etc.

Other Expenses

Other expenses include administration expenses, office expenses, designing charges, job work charges, rent, electricity, miscellaneous expenses, preliminary expenses writer off etc.

Statement of profits and losses

The following table sets forth, for the fiscal years indicated, certain items derived from our Company's audited restated financial statements, in each case stated in absolute terms and as a percentage of total sales and/or total revenue

(Rs. In Lakhs, except as provided)

Particulars	As at March 31, 2014	As at March 31, 2013
Income		
Revenue from Operation	226.03	47.93
Increase/Decrease in %	371.58 %	NA
Other Income	Nil	Nil
Increase/Decrease in %	-	-
Total Revenue (A)	226.03	47.93
Expenses		
Operating Expense	81.75	19.43
As a % of Total Revenue	36.17%	40.54%
Employee Benefit Expenses	98.08	11.24
As a % of Total Revenue	43.39%	23.45%
Finance Costs	0.15	-
As a % of Total Revenue	0.07%	NA
Depreciation & Amortization Expenses	4.18	0.04
As a % of Total Revenue	1.85%	0.08%
Other Expenses	22.25	15.18
As a % of Total Revenue	9.84%	31.67%
Total Expenses (B)	206.41	45.89
As a % of Total Revenue	91.32%	95.74%
Profit/(Loss) before exceptional and extraordinary items and tax (C)	19.62	2.04
Exceptional Items (D)	-	-
Profit before tax (C-D)	19.62	2.04
PBT Margin	8.68%	4.26%
Tax Expense:		
(1) Current tax	(5.33)	(0.63)



(2) Deferred tax	(0.89)	(0.01)
(3) Fringe Benefit Tax	-	-
(4) Short/(Excess) provision for earlier years	-	-
Total Tax Expense	(6.22)	0.64)
As a % of Total Revenue	-2.75%	-1.34%
Profit/(Loss) for the year/ period	13.40	1.41
PAT Margin	5.93%	2.94%

Fiscal year ended March 31, 2014 compared with the fiscal year ended March 31, 2013

Total Income

(Rs. in lakhs)

Particulars	FY13	FY14	Variance (%)
Total Income	47.93	226.03	371.58

Total revenue increased by Rs. 178.10 lakhs from Rs. 47.93 lakhs in the fiscal year ended March 31, 2013 to Rs. 226.03 lakhs in the fiscal year ended March 31, 2014 showing an increase of 371.58% approximately

Total Expense

(Rs. in lakhs)

Particulars	FY13	FY14	Variance (%)
Total Expense	45.89	206.41	349.79%

Total Expenditure increased by Rs. 160.52 Lakhs, or 349.79 %, from Rs. 45.89 Lakhs in the fiscal year ended March 31, 2013 to Rs. 206.41 Lakhs in the fiscal year ended March 31, 2014, showing an increase of 349.79% approximately Overall expenditure has increased mainly because of the increase in Operating expense, Finance Costs, Employee Benefit Expenses.

Operating Expense

(Rs. in lakhs)

Particulars	FY13	FY14	Variance (%)
Operating Expense	19.73	81.75	314.34%

Operating expense increased by Rs. 62.02 Lakhs from Rs. 19.73 Lakhs in the fiscal year ended March 31, 2013 to Rs. 81.75 Lakhs in the fiscal year ended March 31, 2014, showing an increase of 314.34% approximately. The increased operating cost has been allocated on the increased turnover of the Company.

Employee Benefit Expenses

(Rs. in lakhs)

Particulars	FY13	FY14	Variance (%)
Employee Benefit Expenses	11.24	98.08	772.60

Employee Benefit Expenses in terms of value and percentage increased by Rs. 86.84 Lakhs from Rs. 11.24 Lakhs in the fiscal year ended March 31, 2013 to Rs. 98.08 Lakhs in the fiscal year ended



March 31, 2014 showing an increase of 772.60% approximately. The reason for increase for the same is that the company recruited more employees to support growing operations of the Company.

Finance Costs

(Rs. in lakhs)

Particulars	FY13	FY14	Variance (%)
Finance Cost	-	0.15	-

Finance Costs in terms of value increased to Rs. 0.15 Lakhs in the fiscal year ended March 31, 2014. The reason for increase for the same is that the company has increased its borrowing to support the growth of the business.

Depreciation

(Rs. in lakhs)

Particulars	FY13	FY14	Variance (%)
Depreciation and Amortization Expense	0.04	4.18	10350%

Depreciation for the period 2014 has increased to Rs. 4.18 lakhs as compared to Rs. 0.04 lakhs for the

Other Expense

(Rs. in lakhs)

Particulars	FY13	FY14	Variance (%)
Other Expense	15.18	22.25	46.57

Other Expense by Rs. 7.07 Lakhs, from Rs. 15.18 Lakhs in the fiscal year ended March 31, 2013 to Rs. 22.25 Lakhs in the fiscal year ended March 31, 2014, showing an increase of 46.57%

Net Profit after Tax and Extraordinary items

(Rs. in lakhs)

Particulars	FY13	FY14	Variance (%)
Net Profit	1.42	13.40	850.35%

Net profit has increased by Rs. 11.99 lakhs, from Rs.1.42 Lakhs in the fiscal year ended March 31, 2013 to Rs. 13.40 Lakhs in the fiscal year ended March 31, 2014.

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 chapters titled “Risk Factors” beginning on pages 16 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.



3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations

Other than as described in the chapter titled “*Risk Factors*” beginning on pages 16 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 demand/supply situation, government policies and prices quoted by service providers.

5. The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased prices

Increases in revenues are by and large linked to increases in volume of business activity carried out by the Company.

6. Total turnover of each major industry segment in which the issuer company operates.

The Company is operating in Market Research Industry. Relevant industry data, as available, has been included in the chapter titled “*Our Industry*” beginning on page 94 of this Draft Prospectus.

7. Status of any publicly announced new products or business segments

Our Company has not announced any new product and segment, other than through the 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 suppliers or customers

The percentage contribution to our Company’s revenues by top five and top ten clients for the FY 2014 is as follows:

Clients	Contribution (%)
Top 5 (%)	75.79%
Top 10 (%)	96.24%

10. Competitive Conditions

We face competition from existing and potential competitors which is common for any business. We have over a period of time have developed certain competitive strengths which have been discussed in section titled “*Our Business*” on page 108 of this Draft Prospectus.



FINANCIAL INDEBTEDNESS

There are no secured and unsecured loans availed by the Company as on March 31, 2014.



SECTION VI-LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated below there are no outstanding litigations, suits, criminal or civil prosecutions, proceedings or tax liabilities against/by our Company, our Directors, our Promoter and Group Entities and there are no defaults, nonpayment of statutory dues, over-dues to banks/financial institutions, defaults against banks/financial institutions by our 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 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 paragraph Schedule V of the Companies Act) other than unclaimed liabilities of our Company and no disciplinary action has been taken by SEBI or any stock exchange against our Company, our Promoter, our Directors and Group Entities.

Further, except as stated herein, there are no past cases in which penalties have been imposed on our Company, the Promoter, the Directors or the Group Entities, and there is no outstanding litigation against any other Company whose outcome could have a material adverse effect on the position of our Company. Further, there are no cases of litigations, defaults etc. in respect of Companies/firms/Ventures with which the Promoter were associated in the past but are no longer associated, in respect of which the name(s) of the Promoter continues to be associated.

Further, apart from those as stated below, there are no show-cause notices / claims served on our Company, our Promoter, our Directors or Group Entities from any statutory authority / revenue authority that would have a material adverse effect on our business.

LITIGATION INVOLVING OUR COMPANY

Nil

LITIGATION INVOLVING OUR GROUP ENTITY M/s SMART SPACES

Cases by/against our Group Entity M/s Smart Spaces

NIL

LITIGATION INVOLVING OUR PROMOTERS

Cases by/against Rajendra Kumar Sharma

Nil

Cases by/against Sarang Jayant Panchal

Nil

Cases by/against Majestic Market Research Services Solutions Limited



Nil

LITIGATION INVOLVING OUR DIRECTORS

Cases by/against Sarang Jayant Panchal

Nil

Cases by/against Rajendra Kumar Sharma

Nil

Cases by/against Priamvada Princeton

Nil

Cases by/against Rupesh Pandurang Bhujba

Nil

Cases by/against Dinesh Somani

Nil

AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS

As on March 31, 2014 Company does not owe a sum exceeding Rs. 1 lakh to any small scale undertaking which is outstanding for more than 30 days.

OTHER MATERIAL INFORMATION

There is no outstanding litigation, suits, criminal or civil prosecutions, statutory or legal proceedings including those for economic offences, tax liabilities, prosecution under any enactment in respect of Schedule V of the Companies Act, show cause notices or legal notices pending involving our Company and our Promoter / Directors / Group Company whose outcome could affect the operations or finances of our Company.

There are no adverse findings involving our Company or any persons / entities connected with our Company as Promoter / Directors / Group Company as regards non-compliance with securities law.

There is no disciplinary action taken by SEBI or stock exchanges against our Company or any persons / entities connected with our Company as Promoter / Directors / Group Company.

There are no proceedings initiated against our Company or any persons / entities connected with our Company as Promoter / Directors / Group Company for any economic offences.

MATERIAL DEVELOPMENTS

Except as described in this Draft Prospectus, to our knowledge, there have been no material developments, since the date of the last audited balance sheet



GOVERNMENT AND OTHER STATUTORY APPROVALS

APPROVALS FOR THE ISSUE

Corporate Approvals

1. Our Board has, pursuant to a resolution passed at its meeting held on July 9, 2014 authorized the Issue.
2. Our shareholders have pursuant to a resolution passed at their meeting dated July 10, 2014 under Section 62 (1) (c) of the Companies Act, 2013, authorized the Issue.

Approvals from Stock Exchange

1. The Company has obtained approval from SME platform of the Bombay Stock Exchange of India Limited *vide* letter dated [•] to use the name of the Stock Exchange in the Draft Prospectus for listing of Equity Shares on the Stock Exchange.

INCORPORATION DETAILS

1. Corporate Identity Number: U72200KA2012PLC063818
2. Certificate of Incorporation dated May 02, 2012, issued by the Registrar of Companies, Karnataka
3. Fresh Certificate of Incorporation dated August, 11 2014 issued by the Registrar of Companies, Karnataka consequent upon change of name of our Company upon conversion to public limited company.

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:

1. Under Direct And Indirect Tax Laws

Sr. No.	Nature of Approval/ License	Registration No.
1.	Permanent Account Number	AAHCM9028Q
2.	Tax Deduction Account Number	BLRM19172G
3.	Service Tax Registration	AAHCM9028QSD001
4.	Profession Tax Registration Certificate	27675269735P
5.	Professional Tax Enrollment Certificate	99172135722P

2. Other Registration And Licenses

Sr. No.	Nature of Approval/ License	Authority	Particulars of License / Approvals	Valid upto
1	Shops and Establishments Certificate (Maharashtra)	Inspector under the Bombay Shops and Establishments Act, 1948	760387932/COMME RCIAL II Ward L	December 31, 2014



3. Applications made by the Company:

Our Company has made an application having acknowledgement no. 1427925645 for allotment of registration number to the Employee's Provident Fund Organisation.

4. Approvals/ Licenses to be applied

We are yet to apply for the following licenses and/ or approvals which will be applied for in due course:

Sr. No.	Nature of License / Approvals	Authority
1.	ESIC – Certificate	Dy. Director, E.S.I. Corporation, Sub. Regional Office
2.	Shops and Commercial Establishments Registration Certificate for Registered Office in Bangalore	Inspector under the Karnataka Shops and Commercial Establishments Act, 1961

5. Trademarks

We have applied for the registration of the following trademark under the Trade Marks Act, 1999. The status of our application is as under:

Sr. No.	Trademark Name	Trademark No.	Class	Date of Trademark Registration	Status
1.	SENSOMATRIX	2694457	35	Not applicable	Pending



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 July 09, 2014 and by the shareholders of our Company by a special resolution, pursuant to Section 62 of the Companies Act, 2013 passed at the EGM of our Company held on July 10 2014, at registered office of the Company.

We have received in-principle approval from the Stock Exchange for the listing of our Equity Shares pursuant to letter no [•].

PROHIBITION BY SEBI, RBI OR OTHER GOVERNMENTAL AUTHORITIES

Our Company, our Promoter, our Directors, our Promoter Group and our Group Entity, 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 Promoter, our Directors or persons in control of our Company are/ were associated as promoter, 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 Promoter, or the relatives (as defined under the Companies Act) of our Promoter or Group Entity have been identified as willful 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 accordance with regulation 106M (1) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital does not exceed Rs. 1,000 lakhs. Our Company also complies with the eligibility conditions laid by the SME Platform of BSE for listing of our Equity Shares.

We confirm that:

1. In accordance with regulation 106(P) of the SEBI (ICDR) Regulations, this Issue will be hundred percent underwritten and that the LM will underwrite at least 15% of the total issue size. For further details pertaining to underwriting please refer to chapter titled “*General Information*” beginning on page 55 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, than 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 under section 40 of the Companies Act, 2013

3. In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have not filed any Draft Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Lead Manager submits the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.
4. In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the LM will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Issue. For further details of the market making arrangement see chapter titled “General Information” beginning on page 55 of this Draft Prospectus.
5. The Company has Net Tangible assets of at least Rs. 1 crore as per the latest audited financial results.
6. The Net worth (excluding revaluation reserves) of the Company is at least Rs. 1 crore as per the latest audited financial results.
7. The Company has track record of distributable profits in terms of sec. 205 of Companies Act or at least two years out of immediately preceding three financial years and each financial year has a period of at least 12 months except period ended on March 31, 2013 since the company got incorporated on May 2, 2012. Extraordinary income is not considered for the purpose of calculating distributable profits.
8. The distributable Profit, Net tangible Assets and Net worth of the Company as per the restated financial statements for the year ended March 31, 2014 and March 31, 2013 is as set forth below:-

(Rs. In Lakhs)

Particulars	March 31, 2014	March 31, 2013
Distributable Profit*	13.40	1.41
Net tangible Assets**	309.61	75.92
Net Worth***	315.01	75.91

**"Distributable profits" have been computed in terms section 205 of the Companies Act, 1956 and does not include extraordinary income.*

***"Net Tangible Assets" are defined as the sum of fixed assets (including capital work in-progress and excluding revaluation reserve) investments, current assets (excluding deferred tax assets) less current liabilities (excluding deferred tax liabilities) and secured as well as unsecured long term liabilities excluding intangible assets as defined in Accounting Standard 26 (AS 26) issued by the Institute of Chartered Accountants of India.*



***"Net Worth" has been computed as the aggregate of equity share capital and reserves (excluding revaluation reserves) and after deducting miscellaneous expenditure not written off, if any.

9. The Post-issue paid up capital of the Company shall be at least Rs. 1 Crore. The Post-issue paid up capital after this issue will be 4,12,20,000.
10. The Company shall mandatorily facilitate trading in demat securities and has already entered into an agreement with both the depositories.
11. The Company has not been referred to Board for Industrial and Financial Reconstruction.
12. No petition for winding up is admitted by a court of competent jurisdiction against the Company.
13. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past two years against the Company.
14. The Company has a website <http://www.mrssindia.com>

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 MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED HAS 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 MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS



THIS PURPOSE, THE LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, HAS FURNISHED TO STOCK EXCHANGE/SEBI A DUE DILIGENCE CERTIFICATE DATED AUGUST 25, 2014 IN ACCORDANCE WITH THE SEBI (MERCHANT BANKERS) REGULATIONS, 1992.

“WE, THE UNDER NOTED LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE STATE AS FOLLOWS:

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT 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 BOARD 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, 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 HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.**
- 5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE**



PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT 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 PROMOTERS 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 PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY /SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – NOT APPLICABLE**
- 8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE 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 AS PER THE PROVISIONS OF SUB-SECTION (3) SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE 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**
- 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.

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, PROMOTERS EXPERIENCE, ETC.

15.WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, 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 BANKERS 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 BANKER 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.
- (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 PROVISOR 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, 35, 36 and 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 manager 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, Karnataka in terms of Section 26 of Companies Act, 2013 along with notified provisions of Section 32 and 33 of the Companies Act, 2013.

DISCLAIMER STATEMENT FROM OUR COMPANY AND THE LEAD MANAGER

Our Company, our Directors and the Lead Manager 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, <http://www.mrssindia.com> would be doing so at his or her own risk.

Caution



The Lead Manager accepts no responsibility, save to the limited extent as provided in the Agreement for Issue Management entered into among the Lead Manager and our Company dated August 20, 2014, the Underwriting Agreement dated August 20, 2014 entered into among the Underwriter and our Company and the Market Making Agreement dated August 20, 2014 entered into among the Market Maker, Lead Manager and our Company.

Our Company and the Lead Manager 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.*

The Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our Company and associates of our Company in the ordinary course of business and may in future engage in the provision of services for which they may in future receive compensation. Pantomath Capital Advisors Private Limited is not an ‘associate’ of the Company and is eligible to Lead Manager this Issue, under the SEBI (Merchant Bankers) Regulations, 1992.

Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter 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 Manager 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 MANAGER

For details regarding the price information and track record of the past issue handled by M/s Pantomath Capital Advisors Private Limited, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please refer “Annexure A” to this Draft Prospectus and the website of the Lead Manager at www.pantomathgroup.com

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 FPIs, Eligible NRIs,, 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 Mumbai 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 BSE for its observations and BSE 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, legislations and Draft Prospectus in each jurisdiction, including India.

DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSE

As required, a copy of this Draft Prospectus shall be submitted to BSE. The disclaimer clause as intimated by BSE to us, post scrutiny of this Draft Prospectus, shall be included in the Prospectus prior to RoC filing.

FILING

The Draft Prospectus has not been filed with SEBI, nor SEBI has issued any observation on the Offer Document in terms of Regulation 106(M)(3). However, a copy of the Prospectus shall be filed with SEBI at the Southern Regional Office of SEBI at The Regional Manager, SEBI, Overseas Towers, 7th Floor, 756-L, Anna Salai, Chennai: 600002. Tel : +91-44- 28880222 / 28526686 Fax: +91-44 - 28880333 E-mail : sebisro@sebi.gov.in. A copy of the Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 will be delivered to the RoC situated at “E” wing, 2nd Floor, Kendriya Sadana, Koramangala, Bangalore – 560034, Karnataka Website: www.mca.gov.in.

LISTING



In terms of Chapter XB of the SEBI (ICDR) Regulations, there is no requirement of obtaining in-principle approval from SME Platform of BSE. However application will be made to the SME Platform of BSE for obtaining permission to deal in and for an official quotation of our Equity Shares. BSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The SME Platform of BSE has given its in-principal approval for using its name in our 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 SME Platform of BSE, 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 working 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 as per 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 SME Platform of the BSE mentioned above are taken within twelve Working Days from the Issue Closing Date

CONSENTS

Consents in writing of: (a) the Directors, the Promoter, the Company Secretary & Compliance Officer, the Statutory Auditors, the Banker to the Company; and (b) Lead manager, Underwriters, Market Makers Registrar to the Issue, Escrow Collection Bank, Banker(s) to the Issue, to act in their respective capacities have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under sections 26 and 32 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of this Prospectus for registration with the RoC. Our Statutory 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 shall not be withdrawn up to the time of delivery of the Prospectus for filing with the RoC.

EXPERT TO THE ISSUE

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

- 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, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. For details of total expenses of the Issue, refer to chapter “Objects of the Issue” beginning on page 77 of the Draft Prospectus.

DETAILS OF FEES PAYABLE

Fees Payable to the Lead Manager



The total fees payable to the Lead Manager will be as per the Mandate Letter issued by our Company to the Lead Manager.

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 to the Issue dated August 20, 2014 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 refund orders or allotment advice by registered post/ speed post/ under certificate of posting.

Fees Payable to Others

The total fees payable to the, Auditor and Advertiser, *etc.* will be as per the terms of their respective engagement letters if any.

UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

The underwriting commission and selling commission for this Issue is as set out in the Underwriting Agreement to enter into between our Company and the Lead Manager. Payment of underwriting commission, brokerage and selling commission would be in accordance with applicable laws.

PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE THE INCORPORATION

We have not made any previous rights and/or public issues since Incorporation, 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 64 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 370 (1B) OF THE COMPANIES ACT, 1956 WHICH MADE ANY CAPITAL ISSUE DURING THE LAST THREE YEARS:

None of the equity shares of our Group Entities are listed on any recognized stock exchange. 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 year from the last date of dispatch of the letters of allotment, demat credit and refund orders 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 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 center 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 August 20, 2014 For further details, please refer to the chapter titled “*Our Management*” beginning on page 121 of this Draft Prospectus.

Our Company has appointed Mitti Jain as Company Secretary and Compliance Officer and she may be contacted at the following address:

Majestic Research Services and Solutions Limited

2nd, Floor, Kalpak Arcade
Number 46/17, Church Street
Bangalore – 560 001, Karnataka
Tel: (91) 80 41757500
Fax: (91) 80 41757500
Email: info@mrssindia.com
Website: www.mrssindia.com



Investors can contact the 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 or refund orders, *etc.*

CHANGES IN AUDITORS DURING THE LAST TWO FINANCIAL YEARS

Following changes in Auditors have been done in last two financial years

Name of Auditor	Date of Appointment	Date of Resignation	Year of Audit
M/s. Hemanshu J Kamdar and Associates	May 16, 2012	-	FY 2013
M/s. Hemanshu J Kamdar and Associates	September 30, 2013	January 1, 2014	-
M/s. R.T. Jain & Co.	January 28, 2014	-	FY 2014

CAPITALISATION OF RESERVES OR PROFITS

Save and except as stated in the chapter titled “*Capital Structure*” beginning on page 64 of this Draft Prospectus, our Company has not capitalized its reserves or profits at any time since inception.

REVALUATION OF ASSETS

Our Company has not revalued its assets since incorporation.

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 Promoter and/or Directors have any direct or indirect interest in any payment made there under.

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, 2013, SEBI (ICDR) Regulations, 2009, our Memorandum and Articles, the terms of this Draft Prospectus, Application Form, the Revision Form (if any), 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 as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, SME platform of BSE, RoC, RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Please note that, in terms of SEBI circular CIR/CFD/DIL/1/ 2011 dated April 29, 2011, QIB Applicants, Non- Institutional applicants and other Applicants whose Application amount exceeds Rs. 2 lakhs can participate in the Issue only through the ASBA process. The Retail Individual Applicants can participate in the Issue either through the ASBA process or the non ASBA process. ASBA Applicants should note that the ASBA process involves Application procedures that may be different from the procedure applicable to non ASBA process.

RANKING OF EQUITY SHARES

The Equity Shares being offered shall be subject to the provisions of the Companies Act 1956, Companies Act, 2013 (to the extent notified), our Memorandum and 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 231 of this Draft Prospectus.

MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act 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. For further details, please refer to the chapter titled ‘*Dividend Policy*’ on page 145 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.12.75 per Equity Share. The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the chapter titled ‘*Basis for Issue Price*’ beginning on page 83 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, the shares of a body corporate can be 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 investors have an opinion either to receive the security certificate or to hold the securities with depository. The trading of the Equity Shares will happen in the minimum contract size of 10,000 Equity Shares and the same may be modified by the SME Platform of BSE 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 10,000 Equity Shares subject to a minimum allotment of 10,000 Equity Shares to the successful Applicants.

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 the monies collected shall be refunded within 15 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 and the Companies (Share Capital and Debentures) Rules, 2014, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, 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 and the Companies (Share Capital and Debentures) Rules, 2014, 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 the Registered Office of our Company or to the Registrar and Transfer Agents of our Company. In accordance with the rule 19(5) of The Companies (Share Capital and Debentures) Rules, 2014, 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:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board of Directors of the Company may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with. Since the allotment of Equity Shares in the Issue will only be in dematerialized mode, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant. .

APPLICATION PERIOD

Applicants may submit their application only in the application period. The issue opening date is [•] and the issue closing date is [•].

MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond fifteen days after the Issuer becomes liable to pay the amount, the Issuer shall pay interest prescribed under Section 40 of the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014.

MIGRATION TO MAIN BOARD

Our company may migrate to the Main Board of BSE from the SME Exchange at a later date subject to the following condition and/or such other conditions as applicable from time to time:

- a) If the Paid up Capital of our Company is likely to increase above Rs. 25 crores 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 Promoter 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 BSE 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 Promoter 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 SME Platform of BSE (SME Exchange) with compulsory Market Making through registered Market Makers of the SME Exchange for a minimum period of three years from the date of listing of shares offered through this Draft Prospectus. For further details of the Market Making arrangement, see chapter titled “*General Information*” beginning on page 55 of this Draft Prospectus.

ARRANGEMENTS FOR DISPOSAL OF ODD LOTS

The trading of the Equity Shares will happen in the minimum contract size of 10,000 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 SME platform of BSE.

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 64 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 231 of this Draft Prospectus.

OPTION TO RECEIVE EQUITY SHARES IN DEMATERIALIZED FORM

As per Section 29(1) of the Companies Act 2013, every Company making public offer shall issue securities only in dematerialized form only. Further, as per SEBI's circular RMB (compendium) series circular no. 2 (1999-2000) dated February 16, 2000, it has been decided by the SEBI that trading in securities of companies making an initial public offer shall be in dematerialized form only. Accordingly, the Equity Shares on Allotment will be traded only on the dematerialized segment of the SME Exchange.

NEW FINANCIAL INSTRUMENTS

The Issuer Company is not issuing any new financial instruments through this Issue.

JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Mumbai, Maharashtra, 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) (1) of Chapter X-B of SEBI (ICDR) Regulations, whereby, an issuer whose post-issue face value capital does not exceed 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 SME Platform of BSE). 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 188 and 195 of this Draft Prospectus.

FOLLOWING IS THE ISSUE STRUCTURE:

Public Issue of 11,20,000 Equity Shares of face value of Rs. 10/- each fully paid (the 'Equity Shares') for cash at price of Rs 12.75 per equity share, including a share premium of Rs 2.75 per equity share aggregating Rs 142.80 lakhs.

The Issue comprises of a Net Issue to Public of 10,50,000 Equity Shares ('the Net Issue') and a reservation of 70,000 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	10,50,000 Equity Shares	70,000 Equity Shares
Percentage of Issue Size available for allocation	93.75% of the Issue size 25.47% of The Post Issue Paid up Capital	6.25% of the Issue size 1.70% of The Post Issue Paid up Capital
Basis of Allotment	Proportionate subject to minimum allotment of 10,000 Equity Shares and further allotment in multiples of 10,000 Equity Shares each. For further details please refer to the " <i>Basis of Allotment</i> " under the title " <i>Issue Procedure</i> " beginning on page 195 of this Draft Prospectus.	Firm Allotment
Mode of Application	For QIB and NII Applicants the application must be made compulsorily through the ASBA Process. The Retail Individual Applicant may apply through the ASBA or the Physical Form.	Through ASBA Process Only
Minimum Application Size	For QIB and NII: Such number of Equity Shares in multiples of 10,000 Equity Shares such that the Application Value exceeds Rs. 2,00,000/-	70,000 Equity Shares



Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
	For Retail Individuals: 10,000 Equity Shares	
Mode of Allotment	Dematerialized Form	Dematerialized Form
Trading Lot	10,000 Equity Shares	10,000 Equity Shares, However the Market Makers 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	

*50% of the shares offered are reserved for Applications below Rs. 2 lakh and the balance for higher amount applications.

ISSUE OPENING DATE	[•]
ISSUE CLOSING DATE	[•]

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centers mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue Closing Date when applications will be accepted only between 10.00 a.m. to 3.00 p.m. (Indian Standard Time) or such other extended time as may be permitted by BSE. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).



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 (the “General Information Document”) 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, 1956, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Regulations. The General Information Document has been updated to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.*

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 Manager would not be liable for any amendment, modification or change in applicable law, which may occur after the date of this Draft Prospectus. 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 the Prospectus.

Fixed Price Issue Procedure

The Issue is being made under Regulation 106(M)(1) of Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 via Fixed Price Process. Applicants are required to submit their Applications to the Selected Branches / Offices of the Escrow Bankers to the Issue who shall duly submit to them the Registrar of the Issue. In case of QIB Applicants, the Company in consultation with the Lead Manager 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.

Investors should note that the Equity Shares will be allotted to all successful Applicants only in dematerialized form. Applicants will not have the option of being Allotted Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchange.

Application Form

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Draft Prospectus. Upon completing and submitting the Application Form to the Bankers, the Applicant is deemed to have authorized our Company to make the necessary changes in the Prospectus and the Application Form as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the Applicant.

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. Upon completing and submitting the Application Form for ASBA Applicants to the SCSB, the ASBA Applicant is deemed to have authorized our Company to make the necessary changes in the Prospectus and the ASBA as would be required for filing the Prospectus



with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the ASBA Applicant.

The prescribed colour of the Bid-cum-Application Form for the various categories is as follows:

Category	Colour
Resident Indians and Eligible NRIs applying on a non-repatriation basis (ASBA as well as non ASBA Applicants)	White
Eligible NRIs, FPIs their Sub-Accounts (other than Sub-Accounts which are foreign corporates or foreign individuals) or FVCIs, QFIs applying on a repatriation basis (ASBA as well as non ASBA Applicants)	Blue

In accordance with the SEBI (ICDR) Regulations, 2009 in public issues w.e.f. May 1, 2010 all the investors can apply through ASBA process and w.e.f May 02, 2011, the Non-Institutional applicants and the QIB Applicants have to compulsorily apply through the ASBA Process.

Who can apply?

In addition to the category of Applicants set forth under “– *General Information Document for Investing in Public Issues – Category of Investors Eligible to Participate in an Issue*”, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporates or foreign individuals only under the Non Institutional Investors (NIIs) category;
- Scientific and/or industrial research organisations authorised in India to invest in the Equity Shares.

Participation by associates/ affiliates of Lead Manager

The Lead Manager shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Manager may purchase the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Application by eligible NRIs

Eligible NRIs are permitted to participate in the Issue only on a non-repatriation basis. NRI may obtain copies of Bid cum Application Form from the offices of the LM and the SCSBs. Only Applications accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs (applying on a non-repatriation basis) should make payments through Indian Rupee Drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in Non-Resident External (“NRE”) Accounts or Foreign Currency Non-Resident (“FCNR”) Accounts, maintained with banks authorised to deal in foreign exchange in India, along with documentary



evidence in support of the remittance, or out of a Non-Resident Ordinary (“NRO”) Account. Payment by drafts should be accompanied by a bank certificate confirming that the draft has been issued by debiting an NRE or FCNR or NRO Account.

Applications by Mutual Funds

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.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company’s paid-up share capital carrying voting rights.

Application 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 Bid cum Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

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-Cum-Bidding Form. Failing this, our Company reserves the right to reject any Applicant without assigning any reasons thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000 (the ‘IRDA Investment Regulations’), are broadly set forth below:

1. *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;
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 Unit Linked Insurance Plans); and
2. *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 Unit Linked Insurance Plans).

Payment instructions

In terms of RBI circular no. DPSS.CO.CHD.No./133/04.07.05/2013-14 dated July 16, 2013, non-CTS cheques are processed in three CTS centres in separate clearing session. This separate clearing session will operate thrice a week up to April 30, 2014, thereafter twice a week up to October 31, 2014 and once a week from November 1, 2014 onwards. In order to enable listing and trading of Equity Shares within 12 Working Days of the Issue Closing Date, investors are advised to use CTS cheques or use the ASBA facility to make payment. Investors are cautioned that Bid cum Application Forms accompanied by non-CTS cheques are liable to be rejected due to any delay in clearing beyond six Working Days from the Issue Closing Date.

Pre- Issue Advertisement



Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in: (i) [●] edition of English national newspaper [●]; (ii) [●] edition of Hindi national newspaper [●]; and (iii) [●] edition of Kannada newspaper [●], each with wide circulation.

Payment into Escrow Account

1. The payment instruments for payment into the Escrow Account(s) should be drawn in favour of:
 - a. In case of Resident Retail Applicants: “Majestic Research Services and Solutions Limited- R”
 - b. In case of Non Resident Retail Applicants: “Majestic Research Services and Solutions Limited- NR”

Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who—

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or***
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or***
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,***

shall be liable for action under Section 447.”

Undertakings by the Company

We undertake as follows:

1. That the complaints received in respect of the Issue shall be attended to expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at all the stock exchanges where the Equity Shares are proposed to be listed within seven Working Days of finalization of the Basis of Allotment or twelve (12) Working Days from the Issue Closing Date, whichever is earlier;
3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar to the Issue by us;
4. That where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 12 days of the Issue Closing Date, as the case may be, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
5. That our Promoters’ contribution in full has already been brought in;
6. That the certificates of the securities/ refund orders to the non-resident Indians shall be dispatched within specified time;
7. That no further issue of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or until the Application monies are refunded on account of non-listing,



under-subscription etc.; and

8. That, adequate arrangements shall be made to collect all Applications Supported by Blocked Amount and to consider them similar to non-ASBA applications while finalizing the Basis of Allotment.

Utilization of the Issue proceeds

The Board of Directors of our Company certifies that:

1. all monies received out of the Issue shall be transferred to a separate Bank Account other than the bank account referred to in Sub-Section (3) of Section 40 of the Companies Act, 2013;
2. details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the Issue proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
3. details of all unutilized monies out of the Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and
4. Our Company shall comply with the requirements of Clause 52 of the SME Listing Agreement in relation to the disclosure and monitoring of the utilisation of the proceeds of the Issue.

Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received.

The Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily.



General Information Document for Investing in Public Issues

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Bidders/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Red Herring Prospectus/Prospectus before investing in the Issue.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken *inter-alia* through Fixed Price Issues. The purpose of the “General Information Document for Investing in Public Issues” is to provide general guidance to potential Applicants in IPOs, on the processes and procedures governing IPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“**SEBI ICDR Regulations, 2009**”)

Applicants should note that investment in equity and equity related securities involves risk and Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue; are set out in the Prospectus filed by the Issuer with the Registrar of Companies (“**RoC**”). Applicants should carefully read the entire Prospectus and the Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the Prospectus, the disclosures in the Prospectus shall prevail. The Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the **LM(s)** to the Issue and on the website of Securities and Exchange Board of India (“**SEBI**”) at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Applicants may refer to the section “Glossary and Abbreviations”.

SECTION 2: BRIEF INTRODUCTION TO IPOs ON SME EXCHANGE

2.1 INITIAL PUBLIC OFFER (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009, if applicable. For details of compliance with the eligibility requirements by the Issuer, Applicants may refer to the Prospectus.

The Issuer may also undertake IPO under of chapter XB of the SEBI (ICDR) Regulations, wherein as per,

- Regulation 106M (1): An issuer whose post-issue face value capital does not exceed ten crore rupees shall issue its specified securities in accordance with provisions of this Chapter.
- Regulation 106M (2): An issuer, whose post issue face value capital, is more than ten crore



rupees and upto twenty five crore rupees, may also issue specified securities in accordance with provisions of this Chapter.

The present Issue being made under Regulation 106M (1) of Chapter XB of SEBI (ICDR) Regulation.

2.2 OTHER ELIGIBILITY REQUIREMENTS

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 1956 (the “Companies Act”), The Securities Contracts (Regulation) Rules, 1957 (the “SCRR”), industry-specific regulations, if any, and other applicable laws for the time being in force. Following are the eligibility requirements for making an SME IPO under Regulation 106M (1) of Chapter XB of SEBI (ICDR) Regulation:

- (a) In accordance with regulation 106(P) of the SEBI (ICDR) Regulations, Issue has to be 100% underwritten and the LM has to underwrite at least 15% of the total issue size.
- (b) In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, total number of proposed allottees in the Issue shall be 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 the company becomes liable to repay it, than the 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 under section 73 of the Companies Act, 1956
- (c) In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, Company is not required to file any Offer Document with SEBI nor has SEBI issued any observations on the Offer Document. The Lead Manager shall submit the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.
- (d) In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the LM has to ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Issue.
- (e) The Issuer shall not have Net Tangible assets of at least Rs. 1 crore as per the latest audited financial results.
- (f) The Net worth (excluding revaluation reserves) of the Issuer shall be atleast Rs. 1 crore as per the latest audited financial results.
- (g) The Issuer should have a track record of distributable profits in terms of section 205 of Companies Act for two out of immediately preceding three financial years or it should have networth of atleast Rs. 3 Crores.
- (h) The Post-issue paid up capital of the Issuer shall be at least Rs. 1 Crore.
- (i) The Issuer shall mandatorily facilitate trading in demat securities.
- (j) The Issuer should not been referred to Board for Industrial and Financial Reconstruction.
- (k) No petition for winding up is admitted by a court of competent jurisdiction against the Issuer.
- (l) No material regulatory or disciplinary action should have been taken by any stock exchange or regulatory authority in the past three years against the Issuer.
- (m) The Company should have a website

Issuer shall also comply 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 this Issue.



Thus Company is eligible for the Issue in accordance with regulation 106M (1) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital does not exceed Rs. 1,000 lakhs. Company also complies with the eligibility conditions laid by the SME Platform of BSE for listing of our Equity Shares.

2.3 TYPES OF PUBLIC ISSUES – FIXED PRICE ISSUES AND BOOK

BUILT ISSUES

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process (“**Book Built Issue**”) or undertake a Fixed Price Issue (“**Fixed Price Issue**”). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Draft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Issue Opening Date, in case of an IPO and at least one Working Day before the Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities. Applicants should refer to the Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.4 ISSUE PERIOD

The Issue may be kept open for a minimum of three Working Days (for all category of Applicants) and not more than ten Working Days. Applicants are advised to refer to the Application Form and Abridged Prospectus or Prospectus for details of the Issue Period. Details of Issue Period are also available on the website of Stock Exchange(s).

2.5 MIGRATION TO MAIN BOARD

SME Issuer may migrate to the Main Board of SE from the SME Exchange at a later date subject to the following:

- (a) If the Paid up Capital of the Company is likely to increase above Rs. 25 crores 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 Promoter 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), the Company shall apply to SE 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 the company is more than 10 crores but below Rs. 25 crores, the 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 Promoter 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.

2.6 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price Issues is as follows





SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.

Subject to the above, an illustrative list of Applicants is as follows:

- 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);
- FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI
- Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- 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 IRDA; Provident Funds and 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 or by Department of Posts, India;
- Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws

As per the existing regulations, OCBs cannot participate in this Issue.

SECTION 4: APPLYING IN THE ISSUE

Fixed Price Issue: Applicants should only use the specified Application Form either bearing the



stamp of Collection Bank(s) or SCSBs as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Branches of Collection Banks or Designated Branches of the SCSBs, at the registered office of the Issuer and at the office of LM. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Applicants should ensure that they apply in the appropriate category. The prescribed color of the Application Form for various categories of Applicants is as follows:

Category	Colour of the Application
Resident Indian, Eligible NRIs applying on a non repatriation basis	White
NRIs, FVCIs, FPIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporate(s) or foreign individuals applying under the QIB), on a repatriation basis	Blue
dAnchor Investors (where applicable) & Applicants applying in the reserved category	Not Applicable

Securities Issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Applicants will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to allotment.

4.1 INSTRUCTIONS FOR FILING THE APPLICATION FORM (FIXED PRICE ISSUE)

Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the Prospectus and the Application Form are liable to be rejected.

Instructions to fill each field of the Application Form can be found on the reverse side of the Application Form. Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below.

The samples of the Application Form for resident Applicants and the Application Form for non-resident Applicants are reproduced below:



R Application Form

COMMON APPLICATION FORM FOR ASBA / NON-ASBA		MAJESTIC RESEARCH SERVICES AND SOLUTIONS LIMITED - PUBLIC ISSUE - R		FOR RESIDENT INDIAN & OVERSEAS APPLICANTS APPLYING ON NON-REPATRIATION BASIS	
To, The Board of Directors MAJESTIC RESEARCH SERVICES AND SOLUTIONS LIMITED INC195R01012		FIXED PRICE SME ISSUE		Date: _____	
1. NAME & CONTACT DETAILS OF SOLE/JOINT APPLICANT		2. PAN OF SOLE/JOINT APPLICANT			
Mr. / Ms. _____ Age _____ Address _____ Tel. No. (with STD code) / Mobile _____		_____			
3. INVESTOR'S DEPOSITARY ACCOUNT DETAILS <input type="checkbox"/> NISOL <input type="checkbox"/> CDSL		4. INVESTOR STATUS			
Per NISOL enter 8 Digit DP ID followed by 8 Digit Client ID / Per CDSL enter 16 Digit Client ID.		<input type="checkbox"/> Individual - ID <input type="checkbox"/> Hindu Undivided Family* - HUF <input type="checkbox"/> Bodies Corporate - CO <input type="checkbox"/> Banks & Financial Institutions - FI <input type="checkbox"/> Mutual Funds - MF <input type="checkbox"/> National Investment Funds - NIF <input type="checkbox"/> Insurance Funds - IF <input type="checkbox"/> Insurance Companies - IC <input type="checkbox"/> Venture Capital Funds - VC <input type="checkbox"/> Others (Please Specify) - OTH			
5. APPLICATION DETAILS No. of Equity Shares of Rs.10/- each applied at the Issue Price i.e. at Rs. 12.75/- per share* (In Figure) _____ (In Words) _____		6. CATEGORY <input type="checkbox"/> Retail Individual <input type="checkbox"/> Non-Retail Individual <input type="checkbox"/> QIB			
* Please note that Applications must be made in minimum of 1000 shares and further multiples of 1000 shares according to.		* NIF must apply only through NIP (Application by NIP must be made in parallel channel)			
7. PAYMENT DETAILS (Provide Sub (i) any one of payment option & or B follow)					
Amount Paid (Rs. in Figure) _____ (Rs. in words) _____					
<input type="checkbox"/> (a) CHEQUE / DEMAND DRAFT (DD)					
Cheque / DD No. _____ Date: ____/____/____ Bank A/c No. _____					
Cheque on (Bank Name & Branch) _____ Bank Name & Branch _____					
<input type="checkbox"/> (b) ASBA					
Bank A/c No. _____					
Bank Name & Branch _____					
ON THE BASIS OF JOINT APPLICANT (S), HEREBY CONFIRM THAT (WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THE APPLICATION FORM AND THE ATTACHED FORMS AND HEREBY ASSESS AND CONFIRM THE TRUTH AND ACCURACY OF THE INFORMATION PROVIDED HEREIN. (WE) ON BEHALF OF JOINT APPLICANT (S), HEREBY CONFIRM THAT (WE) HAVE READ THE INSTRUCTIONS FOR FILING OF THE APPLICATION FORMS GIVEN OVERALL.					
8. A. SIGNATURE OF SOLE / JOINT APPLICANT		8. B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (As per the ASBA Bank Account Holder's (S) Declaration Form) (For submission to SCSS to start the process necessary to make the Application in the bank)		9. BANK BRANCH'S STAMP	
Date: _____ 2014		1) _____ 2) _____ 3) _____		_____	
10. RESIDENT INDIAN & OVERSEAS APPLICANTS		11. NON-RESIDENT INDIAN & OVERSEAS APPLICANTS		12. RESIDENT INDIAN & OVERSEAS APPLICANTS	
Residential from Mr./Ms. _____ Address _____ Telephone / Mobile _____ (Email) _____		No. of Equity Shares applied for _____ in Figure _____ in words _____ Cheque / Demand Draft (DD) _____ Instruments No. (ASBA Bank A/c No.) _____ Cheque on (Bank Name & Branch) _____		Bank's Stamp & Signature _____	
13. MAJESTIC RESEARCH SERVICES AND SOLUTIONS LIMITED - PUBLIC ISSUE - R		14. Acknowledgement Slip for SCSS		15. Application Form No.	
DP ID (CDSL) _____ PAN _____		_____		_____	
Name of Sole / First Applicant _____		Stamp & Signature of SCSS _____		Name of Sole / First Applicant _____	
Amount Paid (Rs.) _____		_____		_____	
Cheque / DD (ASBA Bank A/c No.) _____		_____		_____	
Bank & Branch _____		_____		_____	
16. Acknowledgement Slip for Applicant		17. Application Form No.		18. Application Form No.	



NR Application Form

COMMON APPLICATION FORM FOR ASBA / NON-ASBA		MAJESTIC RESEARCH SERVICES AND SOLUTIONS LIMITED - PUBLIC ISSUE - NR		FOR SRA, PRA, PVO ETC. APPLYING ON A REGISTRATION BASIS	
To, The Board of Directors MAJESTIC RESEARCH SERVICES AND SOLUTIONS LIMITED		FIXED PRICE SME ISSUE INR196R01012		Date : _____	
Application Form No.					
BROKERS / AGENT'S STAMP & CODE		SUB-BROKER'S / SUB-AGENT'S STAMP & CODE		1. NAME & CONTACT DETAILS OF SOLE / FIRST APPLICANT	
				Mr. / Ms. _____ Age _____	
BANK BRANCH STAMP & CODE		BANK BRANCH SERIAL NO.		Address _____	
				(Email) _____	
REGISTRAR'S SERIAL NO.				Tel. No. (with STD code) / Mobile _____	
				2. PAN OF SOLE / FIRST APPLICANT	

3. BANKING & ACCOUNT DETAILS		<input type="checkbox"/> SAVING <input type="checkbox"/> CURR.		4. INVESTOR STATUS	
Per NDSL under 8 Digit DP ID followed by 8 Digit Client ID / Per CDSL under 16 Digit Client ID.				<input type="checkbox"/> Non-Resident Indian (Regulator Issues) NI	
				<input type="checkbox"/> Foreign Institutional Investor FI	
				<input type="checkbox"/> Foreign Venture Capital Investor FVC	
				<input type="checkbox"/> FI (Sub Account Corporate/Individual) FI SA	
				<input type="checkbox"/> Other (Please Specify) OTH	
5. APPLICATION DETAILS		6. CERTIFICATION			
No. of Equity Shares of Rs.10/- each applied at the Issue Price i.e. of Rs. 12.75/- per share *		<input type="checkbox"/> Partial Institutional			
(In Figure) _____ (In Words) _____		<input type="checkbox"/> Non-Institutional			
		<input type="checkbox"/> QIB			
* Please note that Applications must be made in minimum of 1000 shares and further multiple of 1000 shares accordingly.					
7. PAYMENT DETAILS (Please Tick (✓) any one of payment option & see 8 below)					
PAYMENT OPTION - Full Payment					
Amount Paid (Rs. in Figure) _____ (Rs. in words) _____					
<input type="checkbox"/> (a) CHEQUE / DEMAND DRAFT (DD)					
Cheque / DD No. _____ Date: ____/____/____ Bank A/c No. _____					
Cheque / DD Issued on (Bank Name & Branch) _____ Bank Name & Branch _____					
<input type="checkbox"/> (b) RTGS					
RTGS ID No. _____					
RTGS Amount (Rs. in Figure) _____ (Rs. in words) _____					
RTGS Issued on (Bank Name & Branch) _____ Bank Name & Branch _____					
<small>(IN CASE OF JOINT APPLICANTS, PLEASE HEREBY CERTIFY THAT WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THE APPLICATION FORM AND THE LISTED FORMS AND HEREBY AGREE AND CONSENT THE INVESTOR (APPLICANT) TO BE SOLELY RESPONSIBLE FOR JOINT APPLICANTS. IF ANY HEREBY CERTIFY THAT WE HAVE READ THE INSTRUCTIONS FOR FILING UP THE APPLICATION FORMS AND DEMAND DRAFTS.</small>					
8. SIGNATURE OF SOLE / FIRST APPLICANT		9. SIGNATURE OF ASBA (BANK ACCOUNT HOLDING) (FOR CDSL BANK ACCOUNTS ONLY) OR CDSL (FOR CDSL) (The signature for CDSL is to be affixed as per the instructions for filing up the application in the form)		10. SIGNATURE OF REGISTRAR	
Date: _____ 2014		1) _____ 2) _____ 3) _____		Signature of Registrar _____	
				Name of Registrar _____	
				Address of Registrar _____	
				Tel. No. (with STD code) / Mobile _____	
				(Email) _____	
				Bank Name & Branch _____	
				Bank A/c No. _____	
				Cheque / DD No. _____	
				Date of Cheque / DD _____	
				Cheque / DD Issued on (Bank Name & Branch) _____	
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4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/ FIRST APPLICANT

Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

- (a) **Mandatory Fields:** Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/ mobile number fields are optional. Applicants should note that the contact details mentioned in the Application Form may be used to dispatch communications(including refund orders and letters notifying the unblocking of the bank accounts of ASBA Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Application Form may be used by the Issuer, the members of the Syndicate, the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- (b) **Joint Applications:** In the case of Joint
- (c) **t Applications,** the Applications should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders All payments may be made out in favor of the Applicant whose name appears in the Application Form or the Revision Form and all communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- (d) **Impersonation:** Attention of the Applicants is specifically drawn to the provisions of sub section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

‘Any person who:

- **makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, its securities; or**
- **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**
- **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 the said Act.’

- (e) **Nomination Facility to Applicant:** Nomination facility is available in accordance with the provisions of Section 109A of the Companies Act. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Applicants should inform their respective DP.

4.1.2 FIELD NUMBER 2: PAN NUMBER OF SOLE /FIRST APPLICANT

- (a) PAN (of the sole/ first Applicant) provided in the Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories’ records.
- (b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Applications on behalf of the Central or State Government, Applications by officials appointed by the courts and Applications by Applicants residing in Sikkim (“PAN Exempted Applicants”). Consequently, all Applicants, other than the PAN Exempted Applicants, are required to disclose their PAN in the Application Form, irrespective of the Application Amount. An Application Form



without PAN, except in case of Exempted Applicants, is liable to be rejected. Applications by the Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

- (c) The exemption for the PAN Exempted Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.
- (d) Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- (e) Applications by Applicants whose demat accounts have been ‘suspended for credit’ are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/ DP/22/2010. Such accounts are classified as “Inactive demat accounts” and demographic details are not provided by depositories.

4.1.3 FIELD NUMBER 3: APPLICANTS DEPOSITORY ACCOUNT DETAILS

- (a) Applicants should ensure that DP ID and the Client ID are correctly filled in the Application Form. The DP ID and Client ID provided in the Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Application Form is liable to be rejected.**
- (b) Applicants should ensure that the beneficiary account provided in the Application Form is active.
- (c) Applicants should note that on the basis of DP ID and Client ID as provided in the Application Form, the Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for giving refunds and allocation advice (including through physical refund warrants, direct credit, NECS, NEFT and RTGS), or unblocking of ASBA Account or for other correspondence(s) related to an Issue.
- (d) Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants’ sole risk.

4.1.4 FIELD NUMBER 4: APPLICATION DETAILS

- (a) The Issuer may mention Price in the draft Prospectus. However a prospectus registered with RoC contains one price.
- (b) Minimum And Maximum Application Size
 - i. For Retail Individual Applicants
The Application must be for a minimum of 2,000 Equity Shares. As the Application Price payable by the Retail Individual Applicants cannot exceed Rs. 2,00,000, they can make Application for only minimum Application size i.e. for 2,000 Equity Shares.
 - ii. 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. 200,000 and in multiples of 2,000 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.

- (c) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to Collection Bank(s) or SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.
- (d) Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:
 - i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FPI sub-accounts, Applications bearing the same PAN may be treated as multiple applications by an Applicant and may be rejected.
 - ii. For applications from Mutual Funds and FPI sub-accounts, submitted under the same PAN, as well as Applications on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.
- (e) The following applications may not be treated as multiple Applications:
 - i. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Net Issue portion in public category.
 - ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Application has been made.
 - iii. Applications by Mutual Funds, and sub-accounts of FPIs (or FPIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4.1.5 FIELD NUMBER 5: CATEGORY OF APPLICANTS

- i. The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Application, allocation and allotment in the Issue are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).
- ii. An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, applicants may refer to the Prospectus.
- iii. The SEBI ICDR Regulations, 2009 specify the allocation or allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. For details pertaining to allocation and Issue specific details in relation to allocation, applicant may refer to the Prospectus.

4.1.6 FIELD NUMBER 6: INVESTOR STATUS

- (a) Each Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue is in compliance with the investment restrictions under applicable law.
- (b) Certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or hold Equity Shares exceeding certain limits specified under



applicable law. Applicants are requested to refer to the Prospectus for more details.

- (c) Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Application Form and Non-Resident Application Form.
- (d) Applicants should ensure that their investor status is updated in the Depository records.

4.1.7 FIELD 7: PAYMENT DETAILS

- (a) All Applicants are required to make payment of the full Amount (net of any Discount, as applicable) along-with the Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Amount in the Application Form and the payment shall be made for an Amount net of Discount. Only in cases where the Prospectus indicates that part payment may be made, such an option can be exercised by the Applicant.
- (b) RIIs and/or Reserved Categories applying in their respective reservation portion can apply, either through the ASBA mechanism or by paying the application amount through a cheque or a demand draft (“Non-ASBA Mechanism”).
- (c) Application Amount cannot be paid in cash, through money order or through postal order or through stock invest.

4.1.7.1 Instructions for non-ASBA Applicants:

- (a) Non-ASBA Applicants may submit their Application Form with the Collection Bank(s).
- (b) For Applications made through a Collection Bank(s): The Applicant may, with the submission of the Application Form, draw a cheque or demand draft for the application amount in favor of the Escrow Account as specified under the Prospectus and the Application Form and submit the same to the escrow Collection Bank(s).
- (c) If the cheque or demand draft accompanying the Application Form is not made favoring the Escrow Account, the form is liable to be rejected.
- (d) Payments should be made by CTS 2010 compliant cheque, or demand draft drawn on any bank (including a co-operative bank), which is situated at, and is a member of or sub-member of the bankers’ clearing house located at the centre where the Application Form is submitted. Non CTS 2010 cheques/bank drafts drawn on banks not participating in the clearing process may not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected.
- (e) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Applicants until the Designated Date.
- (f) Applicants are advised to provide the number of the Application Form and PAN on the reverse of the cheque or bank draft to avoid any possible misuse of instruments submitted.

4.1.7.2 Payment instructions for ASBA Applicants

- (a) ASBA Applicants may submit the Application Form in physical mode to the Designated Branch of an SCSB where the Applicants have ASBA Account.
- (b) ASBA Applicants may specify the Bank Account number in the Application Form. The Application Form submitted by an ASBA Applicant and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.



- (c) Applicants should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;
- (d) Applicants shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- (e) From one ASBA Account, a maximum of five Application Forms can be submitted.
- (f) ASBA Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- (g) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.
- (h) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and may upload the details on the Stock Exchange Platform.
- (i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.
- (j) Upon submission of a completed Application Form each ASBA Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.
- (k) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.
- (l) SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB; else their Applications are liable to be rejected.

4.1.7.3 Unblocking of ASBA Account

- (a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected ASBA Applications, if any, along with reasons for rejection and details of withdrawn or unsuccessful Applications, if any, to enable the SCSBs to unblock the respective bank accounts.
- (b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful ASBA Application to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.



- (c) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within 12 Working Days of the Issue Closing Date.

4.1.7.4 Discount (if applicable)

- (a) The Discount is stated in absolute rupee terms.
- (b) RIIs, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, applicants may refer to the Prospectus.
- (c) The Applicants entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Application Amount less Discount (if applicable).

4.1.7.5 Additional Payment Instructions for NRIs

The Non-Resident Indians who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of applications by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

4.1.8 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

- (a) Only the First Applicant is required to sign the Application Form. Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- (b) If the ASBA Account is held by a person or persons other than the ASBA Applicant., then the Signature of the ASBA Account holder(s) is also required.
- (c) In relation to the ASBA Applications, signature has to be correctly affixed in the authorization/undertaking box in the Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the application amount mentioned in the Application Form.
- (d) Applicants must note that Application Form without signature of Applicant and /or ASBA Account holder is liable to be rejected.

4.1.9 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

- (a) Applicants should ensure that they receive the acknowledgment duly signed and stamped by an Escrow Collection Bank or SCSB, as applicable, for submission of the Application Form.
- (b) All communications in connection with Applications made in the Issue should be addressed as under:
 - i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, refund orders, the Applicants should contact the Registrar to the Issue.
 - ii. In case of ASBA applications submitted to the Designated Branches of the SCSBs, the Applicants should contact the relevant Designated Branch of the SCSB.
 - iii. Applicant may contact the Company Secretary and Compliance Officer or LM(s) in case of any other complaints in relation to the Issue.
- (c) The following details (as applicable) should be quoted while making any queries -
 - i. full name of the sole or First Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application.
 - ii. In case of Non-ASBA applications cheque or draft number and the name of the



issuing bank thereof

- iii. In case of ASBA applications, ASBA Account number in which the amount equivalent to the application amount was blocked.

For further details, Applicant may refer to the Prospectus and the Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM



- (a) During the Issue Period, any Applicant (other than QIBs and NIIs, who can only revise their application amount upwards) who has registered his or her interest in the Equity Shares for a particular number of shares is free to revise number of shares applied using revision forms available separately.
- (b) RII may revise their applications till closure of the Issue period or withdraw their applications until finalization of allotment.
- (c) Revisions can be made only in the desired number of Equity Shares by using the Revision Form.
- (d) The Applicant can make this revision any number of times during the Issue Period. However, for any revision(s) in the Application, the Applicants will have to use the services of the SCSB through which such Applicant had placed the original Application.

A sample Revision form is reproduced below:

Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:




Revision For – R

COMMON REVISION FORM FOR ASBA / MO-ASBA		MAJESTIC RESEARCH SERVICES AND SOLUTIONS LIMITED - PUBLIC ISSUE - R		FOR RESIDENT INDIANS & GRS, ELIGIBLE NRIs APPLYING ON NON-RESIDENTIAL BASIS	
		To, The Board of Directors MAJESTIC RESEARCH SERVICES AND SOLUTIONS LIMITED		Application Form No. _____	
BROKER'S / AGENT'S STAMP & CODE		SUB-BROKER'S / SUB-AGENT'S STAMP & CODE		1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT	
BANK BRANCH STAMP & CODE		BANK BRANCH SERIAL NO.		Mr. / Ms. _____ Tel. No. (with STD code) / Mobile _____	
REGISTRAR'S SERIAL NO.		INE196R01012		2. PAN OF SOLE/FIRST APPLICANT _____	
				3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS: NSDL _____ CDSL _____ For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID _____	
4. PROM (as per last Application or Revision)					
FOR FIRST EQUITY FIVE YEAR APPLICATION					
Options					
No. of Equity Shares applied (Application must be in multiples of 10000 equity shares) (In Figures)					
Price per Equity Share ₹ 15.75/-					
Issue Price					
Discount, if any					
Net Price					
Option 1					
Option 2					
Option 3					
5. TO (Preferred Application)					
Options					
No. of Equity Shares applied (Application must be in multiples of 10000 equity shares) (In Figures)					
Price per Equity Share ₹ 15.75/-					
Issue Price					
Discount, if any					
Net Price					
Option 1					
Option 2					
Option 3					
6. PAYMENT DETAILS (Please tick (-) any one of payment option A or B below)					
Additional Amount Paid (₹ in figures) _____ (₹ in words) _____					
<input type="checkbox"/> (A) CHEQUE / DEMAND DRAFT (DD)					
<input type="checkbox"/> (B) ASBA					
Cheque / DD No. _____ Dated: ____/____/____					
Bank A/c No. _____					
Drawn on (Bank Name & Branch) _____					
Bank Name & Branch _____					
7. SIGNATURE OF SOLE / FIRST APPLICANT					
8. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S)					
BROKER'S / SCSS BRANCH'S STAMP					
Date: _____, 2014					
TEAR HERE					
		MAJESTIC RESEARCH SERVICES AND SOLUTIONS LIMITED - PUBLIC ISSUE - R		Acknowledgment Slip for Syndicate Member / SCSS	
Application Form No. _____		Application Form No. _____		Application Form No. _____	
Additional Amount Paid (₹ in figures) _____		Bank & Branch _____		Stamp & Signature of Banker _____	
Cheque / DD/ASBA Bank A/c No. _____		Received from Mr./Ms. _____		Telephone / Mobile _____	
Email _____		TEAR HERE		Stamp & Signature of SCSS _____	
Name of Sole / First Applicant _____		Application Form No. _____		Application Form No. _____	
Option 1		Option 2		Option 3	
No. of Equity Shares		Issue Price		Additional Amount Paid (₹)	
Cheque / DD/ASBA Bank A/c No. _____		Bank & Branch _____		Acknowledgment Slip for Applicant	
Application Form No. _____		Application Form No. _____		Application Form No. _____	



Revision Form - NR

COMMON REVISION FORM FOR ASBA / NON-ASBA		MAJESTIC RESEARCH SERVICES AND SOLUTIONS LIMITED - PUBLIC ISSUE - NR		FOR NRs, PEs, FPIs (ETC.) APPLYING FOR NON-REGISTRATION (ASBA)	
		To: The Board of Directors MAJESTIC RESEARCH SERVICES AND SOLUTIONS LIMITED		Date: _____	
BROKER'S / AGENT'S STAMP & CODE		SUB-BROKER'S / SUB-AGENT'S STAMP & CODE		Application Form No. _____	
BANK BRANCH STAMP & CODE		BANK BRANCH SERIAL NO.		1. NAME & CONTACT DETAILS OF SOLICIT/ FIRST APPLICANT	
REGISTRAR'S SERIAL NO.		INC19SR01012		MR / M/s. _____	
				2. PAN OF SOLICIT/ FIRST APPLICANT	
				3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL	
				For NSDL, enter ID of DP followed by 8 digit Client ID for CDSL, enter 10 digit Client ID	
				4. FROM (as per last Application or Revision)	
				5. TO (Forward Application)	
				6. PAYMENT DETAILS (Please tick (-) any one of payment option A or B below)	
				Additional Amount Paid (if in figure) _____ (if in words) _____	
				<input type="checkbox"/> (A) CHEQUE / DEMAND DRAFT (DD)	
				<input type="checkbox"/> (B) ASBA	
				Cheque / DD No. _____ Date: _____ Bank No. _____	
				Drawn on (Bank Name & Branch) _____ Bank Name & Branch _____	
				7. SIGNATURE OF SOLICIT/ FIRST APPLICANT	
				8. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S)	
				BROKER'S / BSEB BRANCH'S STAMP (Acknowledgment stamp of Application in Stock Exchange System)	
				9. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S)	
				10. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S)	
				11. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S)	
				12. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S)	
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				18. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S)	
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				32. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S)	
				33. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S)	
				34. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S)	
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				39. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S)	
				40. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S)	
				41. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S)	
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				72. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S)	
				73. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S)	
				74. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S)	
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				81. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S)	
				82. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S)	
				83. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S)	
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				90. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S)	
				91. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S)	
				92. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S)	
				93. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S)	
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				97. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S)	
				98. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S)	
				99. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S)	
				100. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S)	



4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST APPLICANT, PAN OF SOLE/FIRST APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE APPLICANT

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 FIELD 4 & 5: APPLICATION REVISION 'FROM' AND 'TO'

- (a) Apart from mentioning the revised number of shares in the Revision Form, the Applicant must also mention the details of shares applied for given in his or her Application Form or earlier Revision Form.
- (b) In case of revision of applications by RIIs, Employees and Retail Individual Shareholders, such Applicants should ensure that the application amount should exceed Rs. 2,00,000/- due to revision and the application may be considered, subject to eligibility, for allocation under the Non-Institutional Category.

4.2.3 FIELD 6: PAYMENT DETAILS

- (a) With respect to the applications, other than applications submitted by ASBA Applicants, any revision of the application should be accompanied by payment in the form of cheque or demand draft for the amount, if any, to be paid on account of the upward revision of the application.
- (b) All Applicants are required to make payment of the full application amount along with the Revision Form.
- (c) In case of applications submitted by ASBA Applicant, Applicant may Issue instructions to block the revised amount in the ASBA Account, to Designated Branch through whom such Applicant had placed the original application to enable the relevant SCSB to block the additional application amount, if any.

4.2.4 FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS

Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 SUBMISSION OF REVISION FORM/ APPLICATION FORM

4.3.1 Applicants may submit completed application form / Revision Form in the following manner:-

Mode of Application	Submission of Application Form
Non-ASBA Application	Collection Centres of Escrow Banks
ASBA Application	To the Designated branches of the SCSBs where the ASBA Account is maintained

Applicants should submit the application forms/ Revision Form directly to the escrow collection banks/ASBA Bankers, as applicable.

SECTION 5: ISSUE PROCEDURE IN FIXED PRICE ISSUE

5.1 APPLICANTS MAY NOTE THAT THERE IS NO BID CUM APPLICATION FORM IN A FIXED PRICE ISSUE

As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through SCSB and/or Bankers to the Issue.

ASBA Applicants may submit an Application Form either in physical form to the Designated Branches of the SCSBs or in the electronic form to the SCSB or the Designated Branches of



the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only (“ASBA Account”). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Issue Opening Date.

In a fixed price Issue, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

5.2 GROUNDS OF REJECTIONS

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid 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;
- 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 2,000;
- 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 Stockinvest/ money order/ postal order/ cash;
- 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 Prospectus and as per the instructions in the 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 where clear funds are not available in the Escrow Account as per the final certificate from the Escrow Collection Bank(s);
- 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 not duly signed by the sole Applicant;



- 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, unless the extended time is permitted by BSE

For details of instructions in relation to the Application Form, Applicants may refer to the relevant section the GID.

SECTION 6: ISSUE PROCEDURE IN BOOK BUILT ISSUE

This being Fixed Price Issue, this section is not applicable for this Issue.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

7.1 BASIS OF ALLOTMENT

Allotment will be made in consultation with the SME Platform of BSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth hereunder:

- (a) 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).
- (b) 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).
- (c) For applications where the proportionate allotment works out to less than 2,000 equity shares the allotment will be made as follows:
 - i. Each successful Applicant shall be allotted 2,000 equity shares; and
 - ii. 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.
- (d) If the proportionate allotment to an Applicant works out to a number that is not a multiple of 2,000 equity shares, the Applicant would be allotted Shares by rounding off to the nearest multiple of 2,000 equity shares subject to a minimum allotment of 2,000 equity shares.
- (e) 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 or 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 Applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 2,000 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.

- (f) The above proportionate allotment of Shares in an Issue that is oversubscribed shall be subject to the reservation for Retail individual Applicants as described below:
- i. As the retail individual investor category is entitled to more than fifty per cent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
 - ii. The balance net offer of shares to the public shall be made available for allotment to
 - individual applicants other than retails individual investors and
 - other investors, including corporate bodies/ institutions irrespective of number of shares applied for.
 - iii. 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 BSE.

The Executive Director / Managing Director of BSE - the Designated Stock Exchange in addition to Lead Manager 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.

7.2 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

- (a) **Designated Date:** On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares (other than ASBA funds with the SCSBs) from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Bankers to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the applicants shall also be made from the Refund Account as per the terms of the Escrow Agreement and the Prospectus.
- (b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Applicants **are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.**
- Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.
- (c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- (d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Applicants Depository Account will be completed within 12 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within two Working Days from the date of Allotment, after the funds are transferred from the Escrow Account to the Public Issue Account on the Designated Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING



The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 12 Working Days of the Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 12 Working Days of the Issue Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Prospectus. The Designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalised.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Prospectus.

If such money is not repaid within eight days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of the Companies Act, and as disclosed in the Prospectus.

8.2.2 MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer becomes liable to pay the amount, the Issuer shall pay interest prescribed under section 73 of the Companies Act, 1956 (or the Company shall follow any other substitutional or additional provisions as has been or may be notified under the Companies Act, 2013).

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be refunded forthwith.

8.3 MODE OF REFUND

- (a) **In case of ASBA Applications:** Within 12 Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application and also for any excess amount blocked on Application.
- (b) **In case of Non-ASBA Applications:** Within 12 Working Days of the Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Applicants and also for any excess amount paid on Application, after adjusting for allocation/allotment to Applicants.
- (c) In case of non-ASBA Applicants, the Registrar to the Issue may obtain from the depositories the Applicants’ bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Applicants in their Application Forms for refunds. Accordingly, Applicants are advised to immediately update their details as appearing on the records of their DPs. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Applicants’ sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Applicants for any losses caused to



them due to any such delay, or liable to pay any interest for such delay.

- (d) In the case of applications from Eligible NRIs and FPIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Issuer may not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

8.3.1 Mode of making refunds for Applicants other than ASBA Applicants

The payment of refund, if any, may be done through various modes as mentioned below:

- (a) **NECS** - Payment of refund may be done through NECS for Applicants having an account at any of the centers specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the Applicant as obtained from the Depository;
- (b) **NEFT** - Payment of refund may be undertaken through NEFT wherever the branch of the Applicants' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Applicants have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Applicants through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;
- (c) **Direct Credit** - Applicants having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;
- (d) **RTGS** - Applicants having a bank account at any of the centers notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS; and
- (e) For all the other Applicants, including Applicants who have not updated their bank particulars along with the nine-digit MICR code, the refund orders may be dispatched through speed post or registered post for refund orders. Such refunds may be made by cheques, pay orders or demand drafts drawn on the Refund Bank and payable at par at places where applications are received.

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers etc. Applicants are requested to contact their respective Banks.

8.3.2 Mode of making refunds for ASBA Applicants

In case of ASBA Applicants, the Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA applications or in the event of withdrawal or failure of the Issue.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum if refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the 12 Working days of the Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Issue Closing Date, if Allotment is not made.



SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

Term	Description
Allotment/ Allot/ Allotted	The allotment of Equity Shares pursuant to the Issue to successful Applicants
Allottee	An Applicant to whom the Equity Shares are Allotted
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI ICDR Regulations, 2009.
Anchor Investor Portion	Up to 30% of the QIB Category which may be allocated by the Issuer in consultation with the , to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors
Application Form	The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue
Application Supported by Blocked Amount/(ASBA)/A SBA	An application, whether physical or electronic, used by Bidders/Applicants to make a Bid authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the ASBA Applicant
ASBA Application	An Application made by an ASBA Applicant
ASBA Applicant	Prospective /Applicants in the Issue who apply through ASBA
Banker(s) to the Issue/ Escrow Collection Bank(s)/ Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Escrow Account(s) may be opened, and as disclosed in the Prospectus and Bid cum Application Form of the Issuer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Applicants under the Issue



Term	Description
Application	An indication to make an offer during the Issue Period by a prospective pursuant to submission of Application Form or during the Anchor Investor Issue Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price including all revisions and modifications thereto.
Issue Closing Date	The date after which the SCSBs may not accept any Application for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation Applicants may refer to the Prospectus for the Issue Closing Date
Issue Opening Date	The date on which the SCSBs may start accepting application for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/ bidders may refer to the Prospectus for the Issue Opening Date
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants(can submit their application inclusive of any revisions thereof. The Issuer may consider closing the Issue Period for QIBs one working day prior to the Issue Closing Date in accordance with the SEBI ICDR Regulations, 2009. Applicants may refer to the Prospectus for the Issue Period
Application Amount	The value indicated in Application Form and payable by the Applicant upon submission of the Application, less discounts (if applicable).
Application Form	The form in terms of which the Applicant should make an offer to subscribe for or purchase the Equity Shares and which may be considered as the application for Allotment for the purposes of the Prospectus, whether applying through the ASBA or otherwise.
Applicant	Any prospective investor (including an ASBA Applicant) who makes an application pursuant to the terms of the Prospectus and the Application Form. In case of issues undertaken through the fixed price process, all references to an Applicant should be construed to mean an Bidder/ Applicant
Book Building Process/ Book Building Method	The book building process as provided under SEBI ICDR Regulations, 2009
Lead Manager(s)/Lead Manager/ LM	The Lead Manager to the Issue as disclosed in the Prospectus and the Bid Application Form of the Issuer.
Business Day	Monday to Friday (except public holidays)
CAN/Confirmation	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which may be Allotted, after approval of



Term	Description
of Allotment Note	Basis of Allotment by the Designated Stock Exchange
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Companies Act	The Companies Act, 1956 and The Companies Act, 2013 (to the extent notified)
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Bidders/Applicants including the Bidder/Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by the ASBA Bidders/Applicants applying through the ASBA and a list of which is available on- http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account or the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Applicants in the Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale
Designated Stock Exchange	The designated stock exchange as disclosed in the Prospectus of the Issuer
Discount	Discount to the Issue Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations, 2009.
Draft Prospectus	The draft prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoter. For further details /Applicant may refer to the Prospectus
Equity Shares	Equity shares of the Issuer



Term	Description
Escrow Account	Account opened with the Escrow Collection Bank(s) and in whose favour the Applicants (excluding the ASBA /Applicants) may Issue cheques or drafts in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement to be entered into among the Issuer, the Registrar to the Issue, the Lead Manager(s), the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the A applicant Amounts and where applicable, remitting refunds of the amounts collected to the Applicants (excluding the ASBA Applicants) on the terms and conditions thereof
Escrow Collection Bank(s)	Refer to definition of Banker(s) to the Issue
FCNR Account	Foreign Currency Non-Resident Account
Applicant	The Applicant whose name appears first in the Application Form or Revision Form
FPI(s)	Foreign Portfolio Investor
Fixed Price Issue/ Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issue	Public Issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Issuer/ Company	The Issuer proposing the initial public offering/further public offering as applicable
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Prospectus. The Issue Price may be decided by the Issuer in consultation with the Book Running Lead Manager(s)
Maximum RII Allottees	The maximum number of RIIs who can be allotted the minimum Application Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Application Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf



Term	Description
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Issue	The Issue less Market Maker Reservation Portion
Non-Institutional Investors or NIIs	All Applicants, including sub accounts of FPIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than Rs. 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the Prospectus and the Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs registered with SEBI and FVCIs registered with SEBI
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Offer for Sale	Public offer of such number of Equity Shares as disclosed in the RHP/Prospectus through an offer for sale by the Selling Shareholder
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Prospectus	The prospectus to be filed with the RoC in accordance with Section 60 of the Companies Act 1956 read with section 32 of Companies Act 2013, containing the Issue Price, the size of the Issue and certain other information



Term	Description
Public Issue Account	An account opened with the Banker to the Issue to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date
QIB Category Qualified Institutional Buyers or QIBs	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis As defined under SEBI ICDR Regulations, 2009
RTGS	Real Time Gross Settlement
Refund Account(s) Refund Bank(s)	The account opened with Refund Bank(s), from which refunds (excluding refunds to ASBA Bidders/ Applicants), if any, of the whole or part of the Application Amount may be made Refund bank(s) as disclosed in the Prospectus and Bid cum Application Form of the Issuer
Refunds through electronic transfer of funds	Refunds through NECS, Direct Credit, NEFT, RTGS or ASBA, as applicable
Registrar to the Issue/RTI	The Registrar to the Issue as disclosed in the Prospectus and Bid cum Application Form
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI ICDR Regulations, 2009
Retail Individual Investors / RIIs	Investors who applies or for a value of not more than Rs. 200,000.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies for a value of not more than Rs. 200,000.
Retail Category	The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum bid lot, subject to availability in RII category and the remaining shares to be allotted on proportionate basis.
Revision Form	The form used by the Applicant in an issue to modify the quantity of Equity Shares in an Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Self Certified Syndicate Bank(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on http:



Term	Description
or SCSB(s)	//www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
SME IPO	Initial public offering as chapter XB of SEBI (ICDR) Regulation
SME Issuer	The Company making the Issue under chapter XB of SEBI (ICDR) Regulation
Stock Exchanges/SE	The stock exchanges as disclosed in the Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Underwriters	The Lead Manager(s)
Underwriting Agreement	The agreement dated entered into between the Underwriters and our Company



RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. 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 1 of 2014, with effect from April 17, 2014 ("**Circular 1 of 2014**"), 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, Circular 1 of 2014 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 prior approval of FIPB or RBI, subject to fulfillment 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 sectorial limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. 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 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 PROVISIONS OF THE ARTICLES OF ASSOCIATION

Pursuant to Schedule II to the Companies Act and the SEBI Regulations, the main provisions of our Articles relating, *inter alia*, to 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.

Authorized Capital.	<p>CAPITAL</p> <p>3. a) The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time</p> <p>b) The minimum paid up Share capital of the Company shall be Rs.5,00,000/- or such other higher sum as may be prescribed in the Act from time to time.</p> <p>The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Act</p>
Increase of capital by the Company how carried into Effect	<p>4. The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Act.</p>
New Capital same as existing capital	<p>5. Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.</p>
Non Voting Shares	<p>6. The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.</p>
Redeemable	<p>7. Subject to the provisions of the Act and these Articles, the Board of</p>



Preference Shares	Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.
Voting rights of preference shares	8. The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.
Provisions to apply on issue of Redeemable Preference Shares	<p>9. On the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions-shall take effect:</p> <p>(a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption;</p> <p>(b) No such Shares shall be redeemed unless they are fully paid;</p> <p>(c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed;</p> <p>(d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and</p> <p>(e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital</p>
Reduction of capital	<p>10. The Company may (subject to the provisions of sections 52, 55, 56, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce</p> <p>(a) the share capital;</p> <p>(b) any capital redemption reserve account; or</p> <p>(c) any security premium account</p> <p>In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.</p>
Debentures	<p>11. Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise.</p> <p>Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting</p>



	by a Special Resolution.
Issue of Sweat Equity Shares	12. The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.
ESOP	13. The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.
Buy Back of shares	14. 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.
Consolidation, Sub-Division and Cancellation	15. Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which 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.
Issue of Depository Receipts	16. Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.
Issue of Securities	17. Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.
MODIFICATION OF CLASS RIGHTS	
Modification of rights	18. If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting. Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.
New Issue of Shares not to affect rights attached to existing shares of that class.	19. The rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.
Shares at the	20. Subject to the provisions of Section 62 of the Act and these Articles, the



disposal of the Directors.	shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.
Power to issue shares on preferential basis.	21. The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.
Directors may allot shares as full paid-up	24. Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.
Deposit and call etc. to be a debt payable immediately	25. The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.
Liability of Members.	26. Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof.
Registration of Shares.	27. Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.
RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT	
	28. The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Sections 39 of the Act
CERTIFICATES	
Share Certificates.	29. (a) Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for Registration of transfer, transmission, sub-division,

consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a 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 of shares to one of several joint holders shall be sufficient delivery to all such holder. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.

(b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act.

(c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.

The first named joint holder deemed Sole holder.	31. (a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint- holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.
Maximum number of joint holders.	(b) The Company shall not be bound to register more than three persons as the joint holders of any share.
Instalment on shares to be duly paid.	33. If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by instalment, every such instalment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.
UNDERWRITING AND BROKERAGE	
Commission	34. Subject to the provisions of Section 40 (6) of the Act, the Company may at

	any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.
Brokerage	35. The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.
CALLS	
Directors may make calls	37. (1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board. (2) A call may be revoked or postponed at the discretion of the Board. (3) A call may be made payable by instalments.
Notice of Calls	38. Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.
Calls to carry interest.	42. If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 21% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.
LIEN	
Company to have Lien on shares.	47. The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.
As to enforcing lien by sale.	48. For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfilment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the



	<p>shares comprised in any such transfer. Upon any such sale as the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.</p>
Application of proceeds of sale.	<p>49. The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.</p>
FORFEITURE AND SURRENDER OF SHARES	
If call or instalment not paid, notice may be given.	<p>50. If any Member fails to pay the whole or any part of any call or instalment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or instalment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or instalment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or instalment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.</p>
On default of payment, shares to be forfeited.	<p>52. If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or instalments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.</p>
Notice of forfeiture to a Member	<p>53. When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.</p>
Forfeited shares to be property of the Company and may be sold etc.	<p>54. Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.</p>
Members still liable to pay money owing at time of forfeiture and interest.	<p>55. Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, instalments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture,</p>

	but shall not be under any obligation to do so.
Effect of forfeiture.	56. The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.
Cancellation of share certificate in respect of forfeited shares.	59. Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, 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, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.
Surrender of shares.	62. The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.
TRANSFER AND TRANSMISSION OF SHARES	
Execution of the instrument of shares.	63. (a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee. (b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.
Transfer Form.	64. The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof. The instrument of transfer shall be in a common form approved by the Exchange; The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof. The instrument of transfer shall be in a common form approved by the Exchange;
Transfer not to be registered except on production of instrument of transfer.	65. The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.
Directors may refuse to register	66. Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register—

transfer.	(a) any transfer of shares on which the company has a lien.
Notice of refusal to be given to transferor and transferee.	67. If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.
Closure of Register of Members or debenture holder or other security holders.	69. The Board of Directors shall have power on giving not less than seven days previous notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.
Application for transfer of partly paid shares.	71. Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.
Recognition of legal Representative.	<p>73. (a) On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his his nominee or nominees or legal representatives where he was a sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares.</p> <p>(b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India.</p> <p>Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate</p> <p>(c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.</p>
Titles of Shares of deceased Member	74. The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 of the Companies Act.
Registration of	76. Subject to the provisions of the Act and these Articles, any person

persons entitled to share otherwise than by transfer. (Transmission clause).	becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.
Refusal to register nominee.	77. Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.
Board may require evidence of Transmission.	78. Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.
Form of transfer Outside India.	80. In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in SH-4 of the Companies (Share Capital and Debentures) Rules, 2014, hereof as circumstances permit.
No transfer to insolvent etc.	81. No transfer shall be made to any minor, insolvent or person of unsound mind.
NOMINATION	
Nomination	<p>82. i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination.</p> <p>ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014.</p> <p>iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.</p> <p>iv) If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.</p>
Transmission of Securities	83. A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-

by Nominee	<p>(i) to be registered himself as holder of the security, as the case may be; or</p> <p>(ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made;</p> <p>(iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be;</p> <p>(iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.</p> <p>Provided further 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 or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.</p>
84. DEMATERIALISATION OF SHARES	
Dematerialization of Securities	85. Subject to the provisions of the Act and Rules made thereunder the Company may offer its members facility to hold securities issued by it in dematerialized form.
JOINT HOLDER	
Joint Holders	86. Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.
Joint and several liabilities for all payments in respect of shares.	87. (a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.
Title of survivors.	(b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person.
Receipt of one sufficient	(c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share.
Delivery of certificate and giving of notices to first named holders.	(d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the holders.
SHARE WARRANTS	
Power to issue share warrants	88. The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons 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 persons 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.
Deposit of share warrants	<p>89. (a) 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 call in 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 Share included in the deposit warrant.</p> <p>(b) Not more than one person shall be recognized as depositor of the Share warrant.</p> <p>(c) The Company shall, on two day's written notice, return the deposited share warrant</p>
Privileges and disabilities of the holders of share warrant	<p>90. (a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company.</p> <p>(b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.</p>
CONVERSION OF SHARES INTO STOCK	
Conversion of shares into stock or reconversion.	<p>92. The Company may, by ordinary resolution in General Meeting.</p> <p>a) convert any fully paid-up shares into stock; and</p> <p>b) re-convert any stock into fully paid-up shares of any denomination.</p>
Transfer of stock.	<p>93. The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit, provided that, the Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.</p>
Rights of stock holders	<p>94. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.</p>
BORROWING POWERS	
Power to borrow.	<p>96. Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, anybody corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company's Bankers</p>



	in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose.
Issue of discount etc. or with special privileges.	97. Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.
Securing payment or repayment of Moneys borrowed.	98. The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charge, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.
Mortgage of uncalled Capital.	100. If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.
Indemnity may be given.	101. Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.
MEETINGS OF MEMBERS	
Distinction between AGM & EGM.	102. All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.
Extra-Ordinary General Meeting by Board and by requisition	103. (a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of Members.
When a Director or any two Members may call an Extra Ordinary General Meeting	103. (b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.



Meeting not to transact business not mentioned in notice	104. No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.
Chairman of General Meeting	105. The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair then the Members present shall elect one of the members to be the Chairman of the meeting.
Chairman with consent may adjourn meeting.	<p>107. (a) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall if so directed by the meeting, adjourn the meeting from time to time and from place to place.</p> <p>(b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.</p> <p>(c) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.</p> <p>(d) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.</p>
Chairman's casting vote	108. In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.
In what case poll taken without adjournment.	109. Any poll duly demanded on the election of Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.
Demand for poll not to prevent transaction of other business.	110. The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.
VOTES OF MEMBERS	
Members in arrears not to vote.	111. No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien.
Number of votes each member entitled.	112. Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the



	Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.
Casting of votes by a member entitled to more than one vote.	113. On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.
Vote of member of unsound mind and of minor	114. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor 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.
Postal Ballot	115. Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.
E-Voting	116. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
Votes of joint members.	117. (a) 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. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof. (b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
Votes may be given by proxy or by representative	118. Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles
Representation of a body corporate.	119. A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.
Votes in respect of shares of deceased or insolvent members.	121. Any person entitled under Article 73 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.
No votes by proxy on show of hands.	122. No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case



	such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.
Appointment of a Proxy.	123. 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.
Form of proxy.	124. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
Validity of votes given by proxy notwithstanding death of a member.	125. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.
Time for objections to votes	126. 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.
Chairperson of the Meeting to be the judge of validity of any vote.	127. Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.
DIRECTORS	
Number of Directors	128. Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution
Qualification Shares	129. A Director of the Company shall not be bound to hold any Qualification Shares in the Company.
Nominee Directors.	<p>130. (a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement</p> <p>(b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled.</p>

	<p>(c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board.</p> <p>(d) The Nominee Director/s shall, notwithstanding anything to the Contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.</p>
Appointment of Alternate Director.	131. The Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic reappointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.
Additional Director	132. Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.
Director's power to fill casual vacancies.	133. Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold 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 by him.
Sitting Fees.	134. Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.
PROCEEDING OF THE BOARD OF DIRECTORS	
Meetings of Directors.	<p>136. (a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit.</p> <p>(b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.</p>
Chairperson	<p>137. (a) The Directors may from time to time elect from among their members a Chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of the Directors then present to preside at the meeting.</p> <p>(b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time.</p>
Questions at Board meeting how decided.	138. Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman will have a second or casting vote.



Continuing directors may act notwithstanding any vacancy in the Board	139. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
Directors may appoint committee.	140. Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee 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 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.
Committee Meetings how to be governed.	141. 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 preceding Article.
Chairperson of Committee Meetings	142. (a) A committee may elect a Chairperson of its meetings. (b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
Meetings of the Committee	143. (a) A committee may meet and adjourn as it thinks fit. (b) 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 Chairperson shall have a second or casting vote.
RETIREMENT AND ROTATION OF DIRECTORS	
Power to fill casual vacancy	145. Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.
POWERS OF THE BOARD	
Powers of the Board	146. The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.
Certain powers of the Board	147. Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say



To acquire any property, rights etc.	(1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.
To take on Lease.	(2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.
To erect & construct.	(3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.
To pay for property.	(4) At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.
To insure properties of the Company.	(5) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.
To open Bank accounts.	(6) To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.
To secure contracts by way of mortgage.	(7) To secure the fulfilment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.
To accept surrender of shares.	(8) To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.
To appoint trustees for the Company.	(9) To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.
To conduct legal proceedings.	(10) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any



	<p>difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon.</p>
Bankruptcy & Insolvency	<p>(11) To act on behalf of the Company in all matters relating to bankruptcy insolvency.</p>
To issue receipts & give discharge.	<p>(12) To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.</p>
To invest and deal with money of the Company.	<p>(13) Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.</p>
To give Security by way of indemnity.	<p>(14) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;</p>
To determine signing powers.	<p>(15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.</p>
Commission or share in profits.	<p>(16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.</p>
Bonus etc. to employees.	<p>(17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.</p>
Transfer to Reserve Funds.	<p>18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the deprecation fund, in the business of the company or in the purchase or repayment of debentures or debenture stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the</p>

	same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.
To appoint and remove officers and other employees	(19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.
To appoint Attorneys.	(20) At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.
To enter into contracts.	(21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.
To make rules.	(22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.
To effect contracts etc.	(23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.
To apply & obtain concessions licenses etc.	(24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.
To pay commissions or interest.	25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents.



To redeem preference shares.	(26) To redeem preference shares.
To assist charitable or benevolent institutions.	(27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.
	<p>(28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.</p> <p>(29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.</p>
	(30) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.
	<p>(31) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.</p> <p>(32) To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.</p> <p>(33) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.</p> <p>(34) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.</p> <p>(35) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.</p>



(36) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.

(37) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.

(38) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.

MANAGING AND WHOLE-TIME DIRECTORS

Powers to appoint Managing/Wholetime Directors.

148. a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.

b) The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.

Remuneration of Managing or Wholetime Director.

149. The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.

Powers And Duties Of Managing Director or Whole-time Director.

150. (1) Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board.

(2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers.



(3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles.

(4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.

(5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.

Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer

151. a) Subject to the provisions of the Act,—
i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

b) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

THE SEAL

The seal, its custody and use.

152. (a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.

(b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India.

DIVIDEND AND RESERVES

Division of profits.

154. (1) 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.

(2) 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.

(3) 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.
The company in General Meeting may declare Dividends.	155. The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.
Transfer to reserves	156. a) 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. b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
Interim Dividend.	157. 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.
No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.	162. No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.
CAPITALIZATION	
Capitalization.	168. (1) The Company in General Meeting may, upon the recommendation of the Board, resolve: (a) that it is desirable to capitalize 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) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions. (2) The sums 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 unpaid 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-clause (i) and partly in that specified in sub-clause (ii).

(3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares.

(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

WINDING UP

175. 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.



SECTION IX-OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company) which are or may be deemed material have been entered or are to be entered into by our Company:

1. Issue Agreement dated August 20, 2014 between our Company and the Lead Manager.
2. Agreement dated August 20, 2014 between our Company and the Registrar to the Issue.
3. Escrow agreement dated August 20, 2014 among our Company, the Lead Manager, the Escrow Collection Banks, and the Registrar to the Issue.
4. Underwriting agreement dated August 20, 2014 between our Company, Lead Manager and Market Maker.
5. Market Making Agreement dated August 20, 2014 between our Company, the Lead Manager and the Market Maker.
6. Agreement among NSDL, our Company and the Registrar to the Issue dated [●]
7. Agreement among CDSL, our Company and the Registrar to the Issue dated [●]

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 July 9, 2014 authorizing the Issue.
3. Special Resolution of the shareholders passed at the Extra Ordinary General Meeting dated July 10, 2014 authorizing the Issue.
4. Statement of Tax Benefits dated August 19, 2014 issued by our Statutory Auditors, M/s. R.T. Jain & Co.
5. Report of the Statutory Auditors, M/s. R.T. Jain & Co. on the Restated Financial Statements for the Financial Year ended as on March 31, 2014 and March 2013, of our Company.
6. Consents of Directors, Company Secretary and Compliance Officer, Statutory Auditors, Underwriter, Market Maker, Bankers to our Company, the Lead Manager, Registrar to the Issue, Bankers to the Issue/Escrow Collection Banks, Refund Banker to the Issue, to act in their respective capacities.
7. Copy of approval from BSE *vide* letter dated [●] to use the name of BSE in this offer document for listing of Equity Shares on SME Platform of BSE.
8. Due Diligence Certificate dated [●] to Stock Exchange from the Lead Manager.

These contracts, copies of which will be attached to the copy of Prospectus to be delivered to the RoC for registration and also the documents for inspection referred to hereinabove, may be inspected at the Registered Office of our Company located at 2nd, Floor, Kalpak Arcade, Number



46/17, Church Street, Bangalore – 560 001, Karnataka, from date of filing the Prospectus with RoC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

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, without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.



DECLARATION

We, the under signed, hereby certify and declare that, all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the regulations / guidelines issued by SEBI, 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, 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	Signature
Sarang Jayant Panchal <i>Managing Director</i>	Sd/-
Rajendra Kumar Sharma <i>Whole-time Director & Chief Financial Officer</i>	Sd/-
Rupesh Pandurang Bhujbal <i>Independent Director</i>	Sd/-
Priamvada Princeton <i>Independent Director</i>	Sd/-
Dinesh Somani <i>Additional Independent Director</i>	Sd/-

Signed by Company Secretary and Compliance Officer of the Company

Sd/-

Mitti Jain

*Company Secretary and
Compliance Officer*

Date: August 25, 2014Place: Bangalore



Annexure A

DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED

Sr. No	Issue Name	Issue Size (Cr)	Issue Price (Rs.)	Listing date	Opening price on listing date	Closing price on listing date	% change in price on listing date (closing) vs issue price	Benchmark index on listing date (closing)	Closing price as on 10 th calender day from listing day	Benchmark index as on 10 th calender day from listing day (closing)	Closing price as on 20 th calender day from listing day (closing)	Benchmark index as on 20 th calender day from listing day (closing)	Closing price as on 30 th calender day from listing day	Benchmark index as on 30 th calender day from listing day (closing)
1	Si. Vi. Shipping Corporation Limited	6.855	25.00	March 06, 2014	26.10	26.10	4.40	21,513.87	30.15	21,832.61	35.00	22,095.30	35.00 *	22,359.50
	Women's Next Loungeries Limited	6.50	65.00	April 21, 2014	67.00	67.50	3.85	22,764.83	70.00	22,403.89	70.00	23,551.00	71.00	24,298.02

Sources: All share price data is from www.bseindia.com



* The script of Si. Vi. Shipping Corporation Limited was listed on March 06, 2014. Hence prices on 10th, 20th or 30th calendar day are not available.

** The script of Women's Next Loungeries Limited was listed on April 21, 2014. Hence prices on 20th calendar day are not available.

Note:-

1. The BSE Sensex is considered as the Benchmark Index
2. Price on BSE is considered for all of the above calculations
3. In case 10th/20th/30th day is not a trading day, closing price on BSE of the next trading day has been considered

SUMMARY STATEMENT OF DISCLOSURE

Financial year	Total no. of IPO	Total funds raised (Rs. Cr)	Nos of IPOs trading at discount on listing date			Nos of IPOs trading at Premium on listing date			Nos of IPOs trading at discount on 30 th Calender day from listing date			Nos of IPOs trading at premium on 30 th Calender day from listing date		
			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%
13-14	1	6.855	-	-	-	-	-	1*	-	-	-	-	1*	-
14-15	1	6.500	-	-	-	-	-	1**	-	-	-	-	-	1**

*The script of Si. Vi. Shipping Corporation Limited was listed on March 06, 2014.

**The script of Women's Next Loungeries Limited was listed on April 21, 2014.