DRAFT RED HERRING PROSPECTUS
Dated: February 15, 2018
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
Please read Section 32 of the Companies Act, 2013
100% Book Built Offer

FLEMINGO TRAVEL RETAIL LIMITED

Our Company was originally incorporated as 'DFS India Private Limited' at Mumbai, Maharashtra, India as a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation dated December 15, 2007 issued by the Registrar of Companies, Maharashtra at Mumbai ("**RoC**"). The name of our Company was subsequently changed to 'Flemingo Travel Retail Private Limited' pursuant to a resolution passed by the shareholders of our Company on November 16, 2017. A fresh certificate of incorporation consequent to such change of name was issued by the RoC on November 17, 2017. Thereafter, our Company was converted into a public limited company pursuant to the approval of the shareholders of our Company at an extra-ordinary general meeting held on December 1, 2017. Consequently, the name of our Company was changed to 'Flemingo Travel Retail Limited' and a fresh certificate of incorporation was issued by the RoC on December 6, 2017. For further details regarding changes in the name and registered office of our Company, see "*History and Certain Corporate Matters*" on page 166.

Corporate Identity Number: U51410MH2007FLC176802
Registered Office: Chhatrapati Shivaji International Airport, New Terminal 2, Sahar Road, Andheri (East) Mumbai-400 099, Maharashtra, India; **Tel**: +91 22 6520 1272; **Fax**: +91 22 6685 9848
Corporate Office: Time Square Building, 401, 4th Floor, A, Andheri - Kurla Road, C-Wing, Chimatpada, Marol, Andheri East, Mumbai – 400 059, Maharashtra, India; **Tel**: + 91 22 6677 2401; **Fax**: + 91 22 6677 2422
Contact Person: Suvarna Bhatjiwale, Company Secretary and Compliance Officer; **Tel**: + 91 22 6626 9919/6520 1280; **Fax**: + 91 22 6677 2422
E-mail: compliance@mumbaidutyfree.net; **Website**: www.flemingotravelretail.com

OUR PROMOTERS: ATUL VINI AHUJA AND FLEMINGO INTERNATIONAL (BVI) LIMITED

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹10 EACH (THE "EQUITY SHARES") OF OUR COMPANY FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE, INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE, (THE "OFFER PRICE") AGGREGATING UP TO ₹ [●] MILLION, COMPRISING OF A FRESH ISSUE OF [●] EQUITY SHARES ("FRESH ISSUE") AGGREGATING UP TO ₹ 24,230 MILLION AND AN OFFER FOR SALE OF UP TO 1,129,500 EQUITY SHARES BY FLEMINGO DUTY FREE SHOP MUMBAI PRIVATE LIMITED, AGGREGATING UP TO ₹ [●] MILLION (THE "OFFER FOR SALE" AND TOGETHER WITH THE FRESH ISSUE, THE "OFFER") IN ITS CAPACITY OF A SELLER OF THE EQUITY SHARES IN THE OFFER AND IS HEREINAFTER REFERRED TO AS THE "SELLING SHAREHOLDER". THE OFFER WOULD INCLUDE A RESERVATION OF UP TO 150,000 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION FOR SUSBCRIPTION BY ELIGIBLE EMPLOYEES (WHICH SHALL NOT EXCEED 5% OF THE POST-OFFER EQUITY SHARE CAPITAL OF OUR COMPANY) (THE "EMPLOYEE RESERVATION PORTION"). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER SHALL CONSTITUTE [●]% AND [●]%, RESPECTIVELY OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

OUR COMPANY MAY, IN CONSULTATION WITH THE BRLMS, CONSIDER A PRIVATE PLACEMENT OF UP TO 5,900,000 EQUITY SHARES FOR CASH CONSIDERATION AGGREGATING UP TO ₹ 5,000 MILLION, AT ITS DISCRETION IN FAVOUR OF CERTAIN INVESTORS, PRIOR TO FILING OF THE RED HERRING PROSPECTUS WITH THE ROC ("PRE-IPO PLACEMENT") AT A PRICE AS THE BOARD MAY DETERMINE IN ACCORDANCE WITH THE COMPANIES ACT, AND OTHER APPLICABLE LAWS. IF THE PRE-IPO PLACEMENT IS COMPLETED, THE NUMBER OF EQUITY SHARES ISSUED PURSUANT TO THE PRE-IPO PLACEMENT WILL BE REDUCED FROM THE FRESH ISSUE, SUBJECT TO A MINIMUM OFFER SIZE OF 10% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY BEING OFFERED TO THE PUBLIC.

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY AND THE SELLING SHAREHOLDER, IN CONSULTATION WITH THE BRLMS, AND WILL BE ADVERTISED IN [●] EDITIONS OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), [●] EDITIONS OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER) AND [●] EDITIONS OF [●] (A WIDELY CIRCULATED MARATHI NEWSPAPER, MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA, WHERE OUR REGISTERED OFFICE IS SITUATED), AT LEAST FIVE WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED ("SEBI ICDR REGULATIONS") AND SUCH ADVERTISEMENT SHALL BE MADE AVAILABLE TO BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE", AND TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR THE PURPOSES OF UPLOADING ON THEIR RESPECTIVE WEBSITES.

THE FACE VALUE OF THE EQUITY SHARES IS ₹10 EACH AND THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES

In case of a revision to the Price Band, the Bid/Offer Period shall be extended for at least three additional Working Days after revision of the Price Band, subject to the Bid/Offer Period not exceeding a total of 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and by indicating the change on the websites of the BRLMs, and at the terminals of the members of the Syndicate.

In terms of Rule 19(2)(b)(iii) of the Securities Contracts (Regulation) Rules, 1957, as amended ("**SCRR**") read with Regulation 41 of the SEBI ICDR Regulations, the Net Offer is being made for at least 10% of the post-Offer paid up Equity Share capital of our Company. Further, the Offer is being made through the Book Building Process, in compliance with Regulation 26(2) of the SEBI ICDR Regulations, wherein at least 75% of the Net Offer shall be Allotted on a proportionate basis to Qualified Institutional Buyers ("**QIBs**") ("**QIB Portion**"), provided that our Company and the Selling Shareholder, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors, on a discretionary basis ("**Anchor Investor Portion**"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the QIB Portion shall be available for allocation on a proportionate basis to QIBs, subject to valid Bids being received from them at or above the Offer Price. If at least 75% of the Net Offer cannot be Allotted to QIBs, the entire application money shall be refunded forthwith. Further, not more than 15% of the Net Offer will be available for allocation on a proportionate basis to Non-Institutional Investors and not more than 10% of the Net Offer will be available for allocation to Retail Individual Investors, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. All Bidders (except Anchor Investors) shall mandatorily participate in this Offer only through the Application Supported by Blocked Amount ("**ASBA**") process, and shall provide details of their respective bank account in which the Bid amount will be blocked by the SCSBs. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. For details, see "*Offer Procedure*" on page 294.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of the Issuer, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹10 each and the Floor Price and Cap Price are [●] times and [●] times of the face value of the Equity Shares, respectively. The Offer Price is [●] times the face value of the Equity Shares. The Offer Price (as determined and justified by our Company and the Selling Shareholder, in consultation with the BRLMs, in accordance with the SEBI ICDR Regulations, and as stated in "*Basis for Offer Price*" on page 106) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does the SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. **Specific attention of the investors is invited to "*Risk Factors*" on page 16**.

OUR COMPANY'S AND SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Further, the Selling Shareholder accepts responsibility for and confirms only the statements specifically made by the Selling Shareholder in this Draft Red Herring Prospectus, to the extent of information specifically pertaining to the Selling Shareholder and the Equity Shares being offered by it in the Offer for Sale, are true and correct in all material aspects and are not misleading in any material respect. The Selling Shareholder, does not assume any responsibility for any other statements, including without limitation, any and all of the statements made by or in relation to our Company in this Draft Red Herring Prospectus.

LISTING

The Equity Shares proposed to be offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received in-principle approvals from BSE and NSE for listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively. For the purposes of this Offer, [●] is the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and the Prospectus shall be delivered for registration to the RoC in accordance with Section 26(4) of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/Offer Closing Date. See "*Material Contracts and Documents for Inspection*" on page 364.

BOOK RUNNING LEAD MANAGERS					REGISTRAR TO THE OFFER
ICICI Securities Limited ICICI Centre H. T. Parekh Marg Churchgate, Mumbai – 400 020 Maharashtra, India **Tel**: +91 22 2288 2460 **Fax**: +91 22 2282 6580 **Email**: flemingo.ipo@icicisecurities.com **Investor Grievance E-mail**: customercare@icicisecurities.com **Website**: www.icicisecurities.com **Contact Person**: Rupesh Khant / Rishi Tiwari **SEBI Registration No**: INM000011179	**Axis Capital Limited** 1st Floor, Axis House C-2, Wadia International Centre P.B. Marg, Worli, Mumbai 400 025 Maharashtra, India **Tel**: +91 22 4325 2183 **Fax**: +91 22 4325 3000 **E-mail:** flemingo.ipo@axiscap.in **Investor Grievance E-mail**: complaints@axiscap.in **Website:** www.axiscapital.co.in **Contact Person:** Simran Gadh **SEBI Registration No**: INM000012029	**Credit Suisse Securities (India) Private Limited** 10th Floor, Ceejay House, Plot F, Shivsagar Estate, Dr. Annie Besant Road, Worli, Mumbai-400 018, Maharashtra, India **Tel**: +91 22 6777 3885 **Fax**: +91 22 6777 3820 **E-mail**: list.flemingotravelretailipo@credit-suisse.com **Investor Grievance E-mail**: list.igcellmer-bnkg@credit-suisse.com **Website**: https://www.credit-suisse.com/in/en/investment-banking/regionalpresence/asia-pacific/india/ipo.html **Contact Person:** Rachit Sabharwal **SEBI Registration No**: INM000011161	**HSBC Securities and Capital Markets (India) Private Limited** 52/60, Mahatma Gandhi Road Fort, Mumbai – 400 001 Maharashtra, India **Tel**: +91 22 2268 1560 **Fax**: +91 22 6653 6207 **Email**: ftrlipo@hsbc.co.in **Investor Grievance E-mail**: investorgrievance@hsbc.co.in **Website**: www.hsbc.co.in/1/2/corporate/Equitiesgloablinvestmentbanking **Contact Person**: Tanvi Jain **SEBI Registration No**: INM000010353	**YES Securities (India) Limited** IFC, Tower 1 & 2, Unit no. 602 A, 6th Floor, Senapati Bapat Marg, Elphinstone (West), Mumbai-400 013 Maharashtra, India **Tel**: +91 22 3012 6919 **Fax**: +91 22 2421 4508 **E-mail**: flemingoipo@yessecuritiesltd.in **Investor grievance E-mail**: igc@yessecuritiesltd.in **Website**: www.yesinvest.in **Contact Person**: Mukesh Garg / Pratik Pednekar **SEBI Registration No**: MB/INM000012227	**Link Intime India Private Limited** C-101, 1st Floor, 247 Park Lal Bahadur Shastri Marg Vikhroli (West), Mumbai – 400 083 Maharashtra, India **Tel**: +91 22 4918 6200 **Fax**: +91 22 4918 6195 **Email**: flemingo.ipo@linkintime.co.in **Investor grievance e-mail**: flemingo.ipo@linkintime.co.in **Website**: www.linkintime.co.in **Contact Person**: Shanti Gopalkrishnan **SEBI Registration No**: INR000004058

BID/OFFER PERIOD*

BID/OFFER OPENS ON*	**[●]**	**BID/OFFER CLOSES ON****	**[●]**

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

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SECTION I - GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meanings ascribed to such terms herein, and references to any legislation, act, regulation, rule, guideline, policy, circular, notification or clarification will include any amendments or re-enactments thereto, from time to time. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given in this section shall prevail.

Notwithstanding the foregoing, terms in "Main Provisions of the Articles of Association", "Statement of Tax Benefits", "Objects of the Offer", "Industry Overview", "Our Business", "Management's Discussion and Analysis of Financial Condition and Results of Operations", "Risk Factors", "Key Industry Regulations and Policies in India", "Financial Statements", "Outstanding Litigation and Other Material Developments" and "Part B" of "Offer Procedure", will have the meaning ascribed to such terms in those respective sections.

Company Related Terms

Term	Description
"the Company", "our Company" and the "Issuer"	Flemingo Travel Retail Limited, a company incorporated in India under the Companies Act, 1956, with its Registered Office situated at Chhatrapati Shivaji International Airport, New Terminal 2, Sahar Road, Andheri (East) Mumbai-400 099, Maharashtra, India
"we", "us" and "our"	Unless the context otherwise indicates or implies, refers to our Company together with our Subsidiaries on a consolidated basis (on or after February 28, 2017. Prior to February 28, 2017, our Company did not have any subsidiaries)
AoA/Articles of Association/Articles	The articles of association of our Company, as amended from time to time
Audit Committee	The audit committee of our Company, constituted in accordance with Regulation 18 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013, as described in "*Our Management*" on page 179
Auditors/Statutory Auditors	The statutory auditor of our Company, being S R B C & CO LLP, Chartered Accountants
Baltona/PHZ Baltona SA	Przedsiębiorstwo Handlu Zagranicznego Baltona S.A.
Board/Board of Directors	The board of directors of our Company, or a duly constituted committee thereof
Chacalli	CDD Holdings B.V.
Corporate Office	The corporate office of our Company is located at Time Square Building, 401, 4th Floor, A, Andheri - Kurla Road, C-Wing, Chimatpada, Marol, Andheri East, Mumbai – 400 059, Maharashtra, India
CCDs	13% compulsorily convertible debentures of ₹ 100 each, issued by our Company to DFS Venture Singapore
Corporate Social Responsibility Committee	The corporate social responsibility committee of our Company, constituted in accordance with Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, as described in "*Our Management*" on page 179
DFS Singapore	DFS Singapore (Pte.) Ltd
DFS Venture Singapore	DFS Venture Singapore (Pte.) Limited
Director(s)	The director(s) on our Board
Equity Shares	The equity shares of our Company of face value of ₹ 10 each
ESOP 2018	The employee stock option plan of our Company, namely 'Flemingo Retail Employee Stock Option Plan 2018'
Flemingo Airport Retail	Flemingo Airport Retail Limited
Flemingo Burundi	Flemingo International Limited, S.A.
Flemingo BVI	Flemingo International Limited, British Virgin Islands
Flemingo Cruise	Flemingo Cruise Travel Retail Limited (earlier known as 'Flemingo Aviation and Infrastructure Services Limited')
Flemingo India	Flemingo Dutyfree Shop Private Limited
Flemingo India SPA	Share purchase agreement dated February 9, 2018 entered into between our Company, Flemingo International, Flemingo India, Viren Ahuja, Arjun Ahuja, Karan Ahuja and Symbolic
Flemingo International/Corporate Promoter	Flemingo International (BVI) Limited
Flemingo Rwanda	Flemingo International Rwanda Limited
Flemingo UK	Flemingo International (UK) Limited

Term	Description
Flemingo UK SPA	Share purchase agreement dated February 9, 2018 entered into between our Company, Flemingo International, Flemingo UK and Flemingo Cruise
our Group	Our Company, the Subsidiaries, the Target Companies and the Target Companies' respective direct and indirect subsidiaries
Group Companies	The group companies of our Company, as covered under the applicable accounting standards and other companies as considered material by our Board, if any, in accordance with the Materiality Policy. For further details, see "*Our Group Companies*" on page 200
Harding Brothers Group	Harding Brother Holdings Limited and its direct and indirect subsidiaries
Harding Retail	Harding Brothers Retail Limited
Independent Director(s)	The Independent Directors of our Company, in terms of Section 2(47) and Section 149(6) of the Companies Act, 2013
Indian Target Companies	Flemingo India and its direct and indirect subsidiaries
individual Promoter	Atul Vini Ahuja
IPO Committee	The committee of our Company, constituted pursuant to a resolution passed by our Board on January 31, 2018 to facilitate the process of the Offer, as described in "*Our Management*" on page 179
IRIS Ekspres	İris Ekspres Gümrüksüz Satış Mağazaları Ticaret Anonim Şirketi
Key Management Personnel/KMP	Key management personnel of our Company in terms of Regulation 2(1)(s) of the SEBI ICDR Regulations, together with the key managerial personnel of our Company in terms of Section 2(51) of the Companies Act, 2013 and as described in "*Our Management*" on page 179
material subsidiaries of our Target Companies	Przedsiębiorstwo Handlu Zagranicznego, Baltona S.A., IRIS Ekspres Gumruksuz Satis Magazalari Ticaret Anonim Sirketi, Turkey, Flemingo Duty Free (Private) Limited, Sri Lanka, Flemingo International Limited, British Virgin Islands and Harding Brothers Retail Limited
Materiality Policy	The policy adopted by our Board on January 31, 2018, for identification of material Group Companies, outstanding material litigation, outstanding material dues to creditors, pursuant to the requirements under the SEBI ICDR Regulations and for the purpose of the disclosure in this Draft Red Herring Prospectus
MoA/Memorandum of Association	The memorandum of association of our Company, as amended from time to time
Nomination and Remuneration Committee/NRC	The nomination and remuneration committee of our Company, constituted in accordance with Regulation 19 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013, as described in "*Our Management*" on page 179
Non-Indian Target Companies	Flemingo Cruise and Flemingo UK and their respective direct and indirect subsidiaries
Pre-Completion Restructuring	The proposed winding-up or transfer by the sellers under the Flemingo India SPA to a third party of some of the direct or indirect subsidiaries of Flemingo India that are either in the state of dormancy or in the process of being wound up or otherwise are not intended to be transferred to our Company, pursuant to the Flemingo India SPA
Promoters	The promoters of our Company, being Atul Vini Ahuja and Flemingo International (BVI) Limited. For further details, see "*Our Promoters and Promoter Group*" on page 192
Promoter Group	Persons and entities constituting the promoter group of our Company in accordance with Regulation 2(1)(zb) of the SEBI ICDR Regulations. For further details, see "*Our Promoters and Promoter Group*" on page 192
Proforma Financial Statements	The proforma financial information of our Company including the proforma balance sheet as at March 31, 2017 and the proforma statements of profit and loss for the financial year ended March 31, 2017, March 31, 2016 and March 31, 2015, compiled to illustrate the impact of the acquisition of the Target Companies on our Company's financial position as at March 31, 2017 and its financial performance for the years ended March 31, 2017, March 31, 2016 and March 31, 2015 assuming that the acquisition of the Target Companies had taken place at April 1, 2014 and included in "*Financial Statements*" on page 213
Registered Office	The registered office of our Company located at Chhatrapati Shivaji International Airport, New Terminal 2, Sahar Road, Andheri (East) Mumbai-400 099, Maharashtra, India
Restated Consolidated Summary Statements	Restated consolidated summary statements of assets and liabilities as at March 31, 2017 and as at September 30, 2017 and restated consolidated statement of profits and losses and restated consolidated statement of cash flows for the financial year ended March 31, 2017 and for the six month period ended September 30, 2017, of our Company and its Subsidiaries, read along with all the schedules and notes thereto and included in "*Financial Statements*" on page 213
Restated Summary Statements	Collectively, the Restated Consolidated Summary Statements and Restated Unconsolidated Summary Statements

Term	Description
Restated Unconsolidated Summary Statements	Restated unconsolidated summary statements of assets and liabilities as at March 31, 2017, 2016, 2015, 2014 and 2013 and as at September 30, 2017 and restated unconsolidated statement of profits and losses and restated unconsolidated statement of cash flows for each of the financial years ended March 31, 2017, 2016, 2015, 2014 and 2013 and for the six month period ended September 30, 2017 of our Company during the relevant periods, read along with all the schedules and notes thereto and included in "*Financial Statements*" on page 213
Registrar of Companies/RoC	The Registrar of Companies, Maharashtra situated at 100, Everest, Marine Drive, Mumbai-400 002, Maharashtra, India
Restructuring	The proposed acquisition of the Target Group Companies by our Company, pursuant to the Flemingo India SPA and Flemingo UK SPA
Selling Shareholder/Flemingo Mumbai	Flemingo Duty Free Shop Mumbai Private Limited
Shareholders	Shareholders holding Equity Shares of our Company, from time to time
Stakeholders Relationship Committee	The stakeholders relationship committee of our Company, constituted in accordance with Regulation 20 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013, as described in "*Our Management*" on page 179
Special Purpose Financial Statements of the Target Companies	The special purpose restated consolidated financial statements of Flemingo UK and Flemingo India, prepared in accordance with Indian GAAP, including (i) the special purpose restated consolidated balance sheet and statement of profit and loss of Flemingo UK for the periods ended December 31, 2016 and December 31, 2015, and (ii) the special purpose restated consolidated balance sheet and statement of profit and loss of Flemingo India for the Fiscals 2017, 2016 and 2015 and included in "*Financial Statements*" on page 213
Subsidiaries	Flemingo International Limited, S.A. and Flemingo International Rwanda Limited
Summary Financial Statements of the Target Companies	The special purpose consolidated financial statements of Flemingo UK and Flemingo India, including (i) the special purpose restated consolidated summary statement of assets and liabilities of Flemingo UK for the year ended December 31, 2016 and the special purpose restated consolidated summary statement of profit and loss of Flemingo UK for the periods ended December 31, 2016 and December 31, 2015, prepared in accordance with Indian GAAP, and (ii) the special purpose consolidated summary statement of assets and liabilities of Flemingo India for Fiscal 2017 and the special purpose consolidated summary statement of profit and loss of Flemingo India for Fiscals 2017, 2016, 2015, 2014 and 2013, prepared in accordance with Ind AS and included in "*Financial Statements*" on page 213
Symbolic	Symbolic Infra Projects Private Limited
Target Companies	Flemingo Dutyfree Shop Private Limited, Flemingo Cruise Travel Retail Limited and Flemingo International (UK) Limited
Target Group Companies	Target Companies and their respective direct and indirect subsidiaries, as set out in "*History and Certain Other Corporate Matters-Target Companies*" on page 174
Trademark License Agreement	The trademark license agreement dated February 9, 2018 entered into between our Company and our Corporate Promoter, Flemingo International

Offer Related Terms

Term	Description
Acknowledgment Slip	The slip or document issued by the Designated Intermediaries to a Bidder as proof of registration of the Bid cum Application Form
Allotted/Allotment/Allot	Allotment of Equity Shares pursuant to the Fresh Issue and transfer of the Equity Shares pursuant to the Offer for Sale by the Selling Shareholder to the successful Bidders
Allotment Advice	The note or advice or intimation of Allotment, sent to each successful Bidder who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor	A QIB, who applies under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹ 100 million
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company and the Selling Shareholder, in consultation with the BRLMs
Anchor Investor Bidding Date	The date one Working Day prior to the Bid/Offer Opening Date on which Bids by Anchor Investors shall be submitted, prior to and after which the BRLMs will not accept any Bids in the Anchor Investor Portion, and allocation to the Anchor Investors shall be completed
Anchor Investor Offer Price	The final price at which the Equity Shares will be Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be a price equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price

Term	Description
	will be decided by our Company and the Selling Shareholder, in consultation with the BRLMs
Anchor Investor Portion	Up to 60% of the QIB Portion, which may be allocated by our Company and the Selling Shareholder, in consultation with the BRLMs, to Anchor Investors, on a discretionary basis, in accordance with SEBI ICDR Regulations. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price
Application Supported by Blocked Amount/ASBA	The application (whether physical or electronic) by a Bidder (other than Anchor Investors) to make a Bid authorising the relevant SCSB to block the Bid Amount in the relevant ASBA Account
ASBA Account	A bank account maintained with an SCSB and specified in the ASBA Form which will be blocked by such SCSB to the extent of the appropriate Bid Amount in relation to a Bid by an ASBA Bidder (other than a Bid by an Anchor Investor)
ASBA Bidder	Prospective investors (other than Anchor Investors) in the Offer who intend to submit the Bid through the ASBA process
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Axis	Axis Capital Limited
Banker(s) to the Offer	Escrow Bank(s), Refund Banks(s) and Public Offer Account Bank(s)
Basis of Allotment	The basis on which the Equity Shares will be Allotted, as described in "*Offer Procedure – Basis of Allotment*" on page 330
Bid	An indication to make an offer during the Bid/Offer Period by an ASBA Bidder, or on the Anchor Investor Bidding Date by an Anchor Investor, pursuant to submission of a Bid cum Application Form, to purchase our Equity Shares at a price within the Price Band, including all revisions and modifications thereto, to the extent permissible under the SEBI ICDR Regulations, in terms of the Red Herring Prospectus and the Bid cum Application Form. The term 'Bidding' shall be construed accordingly
Bid Amount	The highest value of the optional Bids as indicated in the Bid cum Application Form and payable by the Anchor Investor or as blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid in the Offer, as applicable
Bid cum Application Form	The form in terms of which the Bidder shall make a Bid, including an ASBA Form, and which shall be considered as the application for the Allotment pursuant to the terms of the Red Herring Prospectus and the Prospectus
Bid Lot	[●]
Bid/Offer Closing Date	Except in relation to Anchor Investors, the date after which the Designated Intermediaries shall not accept any Bids for the Offer, which shall be published in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Marathi newspaper**,** Marathi being the regional language of Maharashtra, where our Registered Office is located**)** and in case of any revisions, the extended Bid/Offer Closing Date shall also be notified on the websites and terminals of the Syndicate Members, as required under the SEBI ICDR Regulations. Our Company and the Selling Shareholder in consultation with the BRLMs, may decide to close the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date, subject to the conditions imposed by the SEBI ICDR Regulations
Bid/Offer Opening Date	Except in relation to Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids for the Offer, which shall be published in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Marathi newspaper**,** Marathi being the regional language of Maharashtra where our Registered Office is located)
Bid/Offer Period	Except in relation to Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days during which prospective Bidders (excluding Anchor Investors) can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus
Bidder/Applicant	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor and an Eligible Employee
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Bid cum Application Forms, being the Designated Branch for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for CRTAs and Designated CDP Locations for CDPs
Book Building Process	The book building process as described in Part A of Schedule XI of the SEBI ICDR Regulations, in terms of which the Offer Price shall be determined and the Offer is being made

Term	Description
Book Running Lead Managers/BRLMs	ICICI Securities Limited, Axis Capital Limited, Credit Suisse Securities (India) Private Limited, HSBC Securities and Capital Markets (India) Private Limited and YES Securities (India) Limited
Broker Centres	Broker centres notified by the Stock Exchanges, where Bidders (other than Anchor Investors) can submit the Bid cum Application Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges
CAN/Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bidding Date
Cap Price	Higher end of the Price Band, subject to any revisions thereof, i.e. ₹ [●] above which the Offer Price and Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted
Client ID	Client identification number maintained with one of the depositories in relation to the demat account
Collecting Depository Participants/CDPs	A depository participant, as defined under the Depositories Act, 1996 and registered under Section 12(1A) of the SEBI Act and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Collecting Registrar and Share Transfer Agents/CRTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Credit Suisse	Credit Suisse Securities (India) Private Limited
Cut-off Price	Offer Price as finalised by our Company and the Selling Shareholder, in consultation with the BRLMs, which may be any price within the Price Band. Only Retail Individual Investors and Eligible Employees Bidding in the Employee Reservation Portion are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price
Demographic Details	Details of the Bidders including the Bidders' address, names of the Bidders' father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which shall collect Bid cum Application Forms used by Bidders (other than Anchor Investors), a list of which is available at the website of the SEBI (http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes) and updated from time to time and at such other website as prescribed by SEBI from time to time
Designated CDP Locations	Such centres of the Collecting Depository Participants where Bidders (except Anchor Investors) can submit the Bid cum Application Forms. The details of such Designated CDP Locations, along with the names and contact details of the CDPs are available on the respective websites of the Stock Exchanges and updated from time to time
Designated Date	The date on which the funds from the Escrow Accounts are transferred to the Public Offer Account or the Refund Account(s), as appropriate, and the amounts blocked by the SCSBs are transferred from the ASBA Accounts, to the Public Offer Account or Refund Account, as applicable, in terms of the Red Herring Prospectus, after the Prospectus is filed with the RoC
Designated Intermediaries	Collectively, the members of the Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and CRTAs, who are authorised to collect Bid cum Application Forms from the Bidders (other than Anchor Investors), in relation to the Offer
Designated RTA Locations	Such centres of the CRTAs where Bidders (except Anchor Investors) can submit the Bid cum Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the CRTAs are available on the respective websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com) and updated from time to time
Designated Stock Exchange	[●]
Draft Red Herring Prospectus/DRHP	This draft red herring prospectus dated February 15, 2018, issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which our Equity Shares will be Allotted and the size of the Offer, including any addenda or corrigenda thereto
Eligible Employee(s)	All or any of the following: (i) a permanent and full time employee of our Company or our Corporate Promoter, to the extent applicable, (excluding such employees not eligible to invest in the Offer under applicable laws, rules, regulations and guidelines) as of the date of filing of the Red Herring Prospectus with the RoC and who continues to be an employee of our Company or our Corporate Promoter until the submission of the Bid cum Application Form and is based, working and present in India or abroad as on the date of submission of the Bid cum Application Form and Allotment; and/or

Term	Description
	(ii) a Director of our Company, whether a whole time director, part time director or otherwise, (excluding such directors not eligible to invest in the Offer under applicable laws, rules, regulations and guidelines and any Promoter) as of the date of filing the Red Herring Prospectus with the RoC and who continues to be a Director of our Company until the submission of the Bid cum Application Form and is based and present in India or abroad as on the date of submission of the Bid cum Application Form and Allotment. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹ 500,000. However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹ 200,000. Only in the event of an under-subscription in the Employee Reservation Portion post the initial allotment, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹ 200,000, subject to the total Allotment to an Eligible Employee not exceeding ₹ 500,000
Eligible NRI	A non-resident Indian, resident in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares
Employee Reservation Portion	The portion of the Offer, being up to 150,000 Equity Shares, aggregating up to ₹ [●] million, which shall not exceed 5% of the post-Offer Equity Share capital of our Company, available for allocation to Eligible Employees, on a proportionate basis
Escrow Account(s)	Account(s) opened with Escrow Bank and in whose favour the Anchor Investors will transfer money through direct credit or NEFT or RTGS in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement dated [●] to be entered into among our Company, the Selling Shareholder, the Registrar to the Offer, the BRLMs and the Banker(s) to the Offer for collection of the Bid Amounts and where applicable remitting refunds, if any, on the terms and conditions thereof
Escrow Bank	A bank, which is a clearing member and registered with SEBI as a banker to an issue and with whom the Escrow Account will be opened, in this case being [●]
First Bidder	The Bidder whose name appears first in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name appears as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revisions thereof, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted and which shall not be less than the face value of the Equity Shares
Fresh Issue	The issue of up to [●] Equity Shares aggregating up to ₹ 24,230 million by our Company for subscription pursuant to the terms of the Red Herring Prospectus Our Company may, in consultation with the BRLMS, consider a private placement of up to 5,900,000 Equity Shares for cash consideration aggregating up to ₹ 5,000 million, at its discretion in favour of certain investors, prior to filing of the Red Herring Prospectus with the RoC at a price as the Board may determine in accordance with the Companies Act, and other applicable laws. If the Pre-IPO Placement is completed, the number of Equity Shares issued pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to a minimum Offer size of 10% of the post-Offer paid-up Equity Share capital of our Company being offered to the public
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, the circular (CIR/CFD/DIL/1/2016) dated January 1, 2016 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, notified by SEBI and included in "*Offer Procedure*" on page 294
HSBC	HSBC Securities and Capital Markets (India) Private Limited
I-Sec	ICICI Securities Limited
Maximum RII Allottees	The maximum number of RIIs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot
Minimum Promoters' Contribution	Aggregate of 20% of the fully diluted post-Offer equity share capital of our Company held by our Promoters that shall be locked-in for a period of three years from the date of Allotment
Mutual Fund Portion	5% of the QIB Portion (excluding the Anchor Investor Portion) or [●] Equity Shares, which shall be available for allocation to Mutual Funds only, on a proportionate basis, subject to valid Bids being received at or above the Offer Price
Net Offer	Offer less the Employee Reservation Portion
Net Proceeds	Proceeds of the Offer that will be available to our Company, i.e., gross proceeds of the Fresh

Term	Description
	Issue, less Offer expenses to the extent applicable to the Fresh Issue
Non-Institutional Portion	The portion of the Offer, being not more than 15% of the Net Offer or [●] Equity Shares, available for allocation on a proportionate basis to Non-Institutional Investors, subject to valid Bids being received at or above the Offer Price
Non-Institutional Investors/NIIs	All Bidders, including Category III FPIs that are not QIBs (including Anchor Investors) or Retail Individual Investors or Eligible Employees Bidding in the Employee Reservation Portion, who have Bid for Equity Shares for an amount of more than ₹200,000 (but not including NRIs other than Eligible NRIs)
Offer	The initial public offer of up to [●] Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] each aggregating up to ₹ [●] million, consisting of: (i) Fresh Issue of up to [●] Equity Shares aggregating up to ₹ 24, 230 million; (ii) Offer for Sale of up to 1,129,500 Equity Shares aggregating up to ₹ [●] million by the Selling Shareholder, and pursuant to the terms of the Red Herring Prospectus The Offer, aggregating up to ₹ [●] million, comprises a Net Offer to the public of up to [●] Equity Shares and an Employee Reservation Portion of up to 150,000 Equity Shares for subscription by Eligible Employees. The Offer and the Net Offer shall constitute [●]% and [●]% of the post-Offer paid up Equity Share capital of our Company, respectively
Offer Agreement	The agreement dated February 15, 2018 entered into among our Company, the Selling Shareholder and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Offer
Offer for Sale	The offer for sale of up to 1,129,500 Equity Shares aggregating up to ₹ [●] million by the Selling Shareholder, in terms of the Red Herring Prospectus
Offer Price	The final price at which Equity Shares will be Allotted to the successful Bidders (except Anchor Investors), as determined in accordance with the Book Building Process and determined by our Company and the Selling Shareholder, in consultation with the BRLMs, in terms of the Red Herring Prospectus on the Pricing Date
Offer Proceeds	The gross proceeds of this Offer based on the total number of Equity Shares Allotted under this Offer and the Offer Price
Pre-IPO Placement	The private placement of up to 5,900,000 Equity Shares for cash consideration aggregating up to ₹ 5,000 million, which may be undertaken by our Company, in consultation with the BRLMs, at its discretion in favour of certain investors, to be completed prior to filing of the Red Herring Prospectus with the RoC at a price as the Board may determine in accordance with the Companies Act, and other applicable laws. In the event such private placement is completed, the relevant details will be included in the Red Herring Prospectus. If the Pre-IPO Placement is completed, the number of Equity Shares issued pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to a minimum Offer size of 10% of the post-Offer paid-up Equity Share capital of our Company being offered to the public
Price Band	Price band of the Floor Price of ₹ [●] and a Cap Price of ₹ [●], including any revisions thereof. The Price Band and the minimum Bid Lot for the Offer will be decided by our Company and the Selling Shareholder, in consultation with the BRLMs, and each of the Price Band and the minimum Bid Lot size shall be advertised in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Marathi newspaper**,** Marathi being the regional language of Maharashtra where our Registered Office is located) at least five Working Days prior to the Bid/Offer Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price and shall be made available to the Stock Exchanges for the purpose of uploading on their websites
Pricing Date	The date on which our Company and the Selling Shareholder, in consultation with the BRLMs, shall finalise the Offer Price
Prospectus	The Prospectus to be filed with the RoC in relation to this Offer, on or after the Pricing Date in accordance with the provisions of Section 26 of the Companies Act, 2013 and the SEBI ICDR Regulations, containing the Offer Price, the size of the Offer and certain other information, including any addenda or corrigenda thereto
Public Offer Account	The account(s) to be opened with the Banker(s) to the Offer under Section 40(3) of the Companies Act, 2013 to receive monies from the Escrow Account(s) and the ASBA Accounts on the Designated Date
Public Offer Account Bank	The banks with whom the Public Offer Account is opened for collection of Bid Amounts from Escrow Account and ASBA Account on the Designated Date
QIB Portion	The portion of the Offer, being at least 75% of the Net Offer or [●] Equity Shares to be Allotted to QIBs on a proportionate basis, including the Anchor Investor Portion (in which

Term	Description
	allocation shall be on a discretionary basis, as determined by our Company and the Selling Shareholder, in consultation with the BRLMs)
Qualified Institutional Buyers/QIBs	A qualified institutional buyer as defined under Regulation 2(1)(zd) of the SEBI ICDR Regulations
Red Herring Prospectus/RHP	The red herring prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares shall be Allotted and which shall be filed with the RoC at least three Working Days before the Bid/Offer Opening Date and will become the Prospectus after filing with the RoC after the Pricing Date, including any addenda or corrigenda thereto
Refund Account(s)	Account(s) opened with the Refund Bank from which refunds, if any, of the whole or part of the Bid Amount shall be made to Anchor Investors
Refund Bank(s)	The bank(s) with whom the Refund Account(s) will be opened
Registered Brokers	Stock brokers registered with the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids in terms of circular number CIR/CFD/14/2012 dated October 14, 2012, issued by SEBI
Registrar Agreement	The agreement dated February 14, 2018 entered into among our Company, the Selling Shareholder and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
Registrar to the Offer	Link Intime India Private Limited
Retail Portion	The portion of the Offer, being not more than 10% of the Net Offer or [●] Equity Shares, available for allocation to Retail Individual Investors, which shall not be less than the minimum Bid lot, subject to availability in the Retail Portion
Retail Individual Investors/RIIs	Bidders other than Eligible Employees Bidding in the Employee Reservation Portion, whose Bid Amount for Equity Shares in the Offer is not more than ₹ 200,000 in any of the bidding options in the Offer (including HUFs applying through their karta and Eligible NRIs and does not include NRIs other than Eligible NRIs)
Revision Form	The form used by the Bidders to modify the quantity of Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s), as applicable. QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage
Self Certified Syndicate Banks/SCSBs	The banks registered with the SEBI which offer the facility of ASBA and the list of which is available on the website of the SEBI (http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes) and updated from time to time and at such other websites as may be prescribed by SEBI from time to time
Share Escrow Agreement	The agreement to be entered into among the Selling Shareholder, our Company and a share escrow agent in connection with the transfer of the Equity Shares to be offered by the Selling Shareholder in the Offer and credit of such shares to the demat account of the Allottees
Specified Locations	Bidding centres where the Syndicate shall accept Bid cum Application Forms, a list of which is included in the Bid cum Application Form
Stock Exchanges	Collectively, BSE Limited and National Stock Exchange of India Limited
Syndicate Agreement	The agreement to be entered into among the members of the Syndicate, our Company, the Selling Shareholder and the Registrar to the Offer in relation to the collection of Bid cum Application Forms by the Syndicate (other than Bids directly submitted to the SCSBs under the ASBA process and Bids submitted to the Registered Brokers at the Broker Centres)
Syndicate Members	Intermediaries registered with the SEBI and permitted to carry out activities as an underwriter, as may be appointed by our Company in consultation with the BRLMs
Syndicate or members of the Syndicate	Collectively, the BRLMs and the Syndicate Members
Systemically Important Non-Banking Financial Company	A non-banking financial company registered with the Reserve Bank of India and having a net-worth of more than five thousand million rupees as per the last audited financial statements
Underwriters	The underwriters to be appointed in terms of the Underwriting Agreement
Underwriting Agreement	The agreement to be entered into among our Company, the Selling Shareholder and the Underwriters, to be entered into on or after the Pricing Date
Working Day(s)	Any day, other than the second and fourth Saturdays of each calendar month, Sundays and public holidays, on which commercial banks in Mumbai are open for business, provided however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, "Working Day" shall mean any day, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated

Term	Description
	January 21, 2016
Yes Securities	YES Securities (India) Limited

Conventional and General Terms and Abbreviations

Term	Description
AIF(s)	Alternative Investment Funds
AS	Accounting standards referred to in the Companies (Accounting Standards) Rules, 2006 issued by the Institute of Chartered Accountants of India
BSE	BSE Limited
BVI	British Virgin Islands
CAGR	Compounded Annual Growth Rate, computed as: CAGR=(ending value/starting value)$^{(1/\text{number of years})}$-1
Category III FPIs	FPIs registered as category III FPIs under the SEBI FPI Regulations, which shall include all other FPIs not eligible under category I and II foreign portfolio investors, such as endowments, charitable societies, charitable trusts, foundations, corporate bodies, trusts, individuals and family offices
CCI	Competition Commission of India
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CGST Act, 2017	Central Goods and Services Tax Act, 2017
CPC	Code of Civil Procedure, 1908, as amended
Companies Act	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013, read with the rules, regulations, clarifications and modifications thereunder
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the rules, regulations, modifications and clarifications made thereunder as the context requires
Companies Act, 2013	Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, notifications, clarifications and modifications thereunder
Competition Act	Competition Act, 2002, as amended
CSR	Corporate Social Responsibility
Demat	Dematerialised
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended
Depositories Act	The Depositories Act, 1996, as amended
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI
DP ID	Depository Participant's Identity number
EBITDA	Restated profit or loss before tax expense, exceptional items, finance costs, depreciation and amortisation expenses and linearisation impact
EPS	Earnings per share
ESOP	Employee stock option plan
Euro	Euro, the official single currency of the participating member states of the European Economic and Monetary Union of the Treaty establishing the European Community
EU	European Union
FCNR Account	Foreign Currency Non-Resident (Bank) account established in accordance with the FEMA
FCPA	U.S. Foreign Corrupt Practices Act of 1977, as amended
FDI	Foreign direct investment
FDI Policy	The consolidated FDI Policy, effective from August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
FEMA	The Foreign Exchange Management Act, 1999 read with rules, regulations, notifications, circulars and directions thereunder
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
Finance Act	Finance Act, 2017
Financial Year/Fiscal/Fiscal Year	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FIPB	The Foreign Investment Promotion Board, which was abolished by the Union Cabinet at its meeting held on May 24, 2017

Term	Description
FPIs	Foreign Portfolio Investors, as defined under SEBI FPI Regulations
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GAAR	General Anti-Avoidance Rules
GDP	Gross Domestic Product
GoI/Central Government/Government	The Government of India
GST	Goods and services tax
HUF(s)	Hindu Undivided Family(ies)
ICAI	Institute of Chartered Accountants of India
ICDS	Income Computation and Disclosure Standards
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
IGST Act, 2017	Integrated Goods and Services Tax Act, 2017
Income Tax Act	Income Tax Act, 1961
Ind AS	Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, as notified under Rule 3 of Companies (Indian Accounting Standard) Rules, 2015
Indian GAAP/IGAAP	In accordance with the accounting principles generally accepted in India, including the Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014
INR/Rupee/₹/Rs.	Indian Rupee, the official currency of the Republic of India
IPO	Initial public offering
IRDAI	Insurance Regulatory and Development Authority of India
IRDAI Investment Regulations	Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016
IT	Information Technology
LLP	Limited Liability Partnership
M&A	Mergers and acquisitions
MCA	Ministry of Corporate Affairs, GoI
Mn	Million
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended
Notified Sections	Sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect
NR/Non-resident	A person resident outside India, as defined under the FEMA and includes an NRI
NRI	Non-Resident Indian as defined under the FEMA Regulations
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
P/E Ratio	Price/Earnings Ratio
PAN	Permanent account number
PAT	Profit after tax
RBI	Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
Rule 144A	Rule 144A under the U.S. Securities Act
SCRA	Securities Contract (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SE Act	Shops and establishment legislations as enacted by various state governments
SEBI	Securities and Exchange Board of India, constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SGST Act, 2017	State Goods and Services Tax Act, 2017, as enacted by various state governments
STT	Securities Transaction Tax
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
Trademarks Act	Trademarks Act, 1999, as amended

Term	Description
UAE	United Arab Emirates
U.S. GAAP	Generally Accepted Accounting Principles in the United State of America
U.S. Securities Act	U.S. Securities Act of 1933, as amended
US$/USD/US Dollar	United States Dollar, the official currency of the United States of America
USA/U.S./US	United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
VAT	Value Added Tax
VCFs	Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be

Industry Related Terms

Term	Description
AAI	Airports Authority of India
AASL	Airport & Aviation Services (Sri Lanka) Limited
APAC	Asia Pacific region
ARO	Asset restoration obligations
Avalon	AGR Knowledge Services Private Limited
Avalon Report	The report titled "*Avalon Global Research – Duty-Free Industry Report-January, 2018*", commissioned by our Company from Avalon
Average Remaining Concession Life	Weighted average arrived at by multiplication of the revenue of each concession for Fiscal 2017 and the remaining duration of each such concession as at September 30, 2017 divided by total revenue of the related concessions for Fiscal 2017
B2B	Wholesale distribution
BH Travel	BH Travel Retail Poland sp. z o.o.
BIA	Bandaranaike International Airport
CDFG	China Duty Free Group
CGU	Cash-generating unit
CISF	Central Industrial Security Force
CWIP	Capital work in progress
DIAL	Delhi International Airport (Private) Limited
DHMI	Devlet Hava Meydanları İşletmesi Genel Müdürlüğü
F&B	Food and beverage
FTA	Foreign Tourist Arrivals
Holovis International	Holovis International Ltd
ICAO	International Civil Aviation Organisation
IMF	International Monetary Fund
LCC	Low Cost Carrier
LIBOR	London Interbank Offered Rate
MAG	Minimum annual guarantee
MAT	Minimum alternate tax
MCLR	Marginal cost of lending rate
MIAL	Mumbai International Airport Private Limited
MRO	Manufacturers and repair and overhaul
NAVISION	An enterprise resource planning solution designed for small to mid-sized businesses to automate transactions
Pax	Passenger
POS	Point of sale
PPL	Przedsiębiorstwo Państwowe Porty Lotnicze
PPP	Public Private Partnership
RFP	Request for Proposal
SAP	SAP SE, a European multinational software corporation that makes enterprise software to manage business operations and customer relations
SKU	Stock keeping unit
SPP	Spend per passenger
Valuer/Duff & Phelps	Duff & Phelps India Private Limited

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

Certain Conventions

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

Unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the page numbers of this Draft Red Herring Prospectus.

Financial Data

Unless stated or the context requires otherwise, the financial information in this Draft Red Herring Prospectus is derived from our Restated Summary Statements prepared in accordance with the Companies Act, 2013 and Indian GAAP, and restated in accordance with the SEBI ICDR Regulations. Further, certain financial information pertaining to our Target Companies is derived from the Proforma Financial Statements and the Special Purpose Financial Statements of the Target Companies. For further information, see "*Financial Information*" on page 213. Certain other additional financial information pertaining to our Group Companies is derived from their respective financial statements.

Our Company's Financial Year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year, so all references to a particular Financial Year or Fiscal are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year. Unless the context requires otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year and references to a Fiscal/Fiscal Year are to the year ended on March 31, of that calendar year.

The Restated Summary Statements have been prepared in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI ICDR Regulations and have been derived from the audited consolidated and unconsolidated financial statements of the Company for the respective corresponding financial years and periods which were prepared in accordance with Indian GAAP. The Proforma Financial Statements have been prepared in accordance with the requirements of the SEBI ICDR Regulations. The Special Purpose Financial Statements of the Target Companies have been prepared in accordance with Indian GAAP. The Summary Financial Statements of Flemingo UK have been prepared in accordance with Indian GAAP and the Summary Financial Statements of Flemingo India have been prepared in accordance with Ind AS.

The Restated Summary Statements, Proforma Financial Statements, Special Purpose Financial Statements of the Target Companies and Summary Financial Statements of the Target Companies have been included in this Draft Red Herring Prospectus. Please see "*Financial Statements*" on page 213.

There are significant differences between Indian GAAP, U.S. GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our Company's financial data. The degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, Indian GAAP, the Companies Act, 2013 and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. Our financial statements for Fiscal 2018 will be prepared under Ind AS. Given that Ind AS is different in many respects from Indian GAAP and the transition to Ind AS is recent, this has a significant impact on our financial results and position. For more information, please see "*Summary of Significant Differences between Indian GAAP and Ind AS*" on page 214.

Unless the context otherwise indicates, any percentage amounts, as set forth in "*Risk Factors*", "*Our Business"* and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 16, 137 and 223 respectively, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of the Restated Summary Statements of our Company. Further, certain percentages pertaining to our Target Companies are derived from the Proforma Financial Statements and the Special Purpose Financial Statements of the Target Companies.

Certain figures contained in this Draft Red Herring Prospectus, including financial information, have been subject to rounding adjustments. All decimals have been rounded off to two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Further, any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus has been obtained or derived from publicly available information as well as industry publications and sources.

Information has been included in this Draft Red Herring Prospectus based on a report published by AGR Knowledge Services Private Limited ("**Avalon**") commissioned by us, as well as publicly available documents and information, including, but not restricted to materials issued or commissioned by the Government of India and certain of its ministries, trade, and industry specific publications, and other relevant third-party sources. For details of risks in relation to the Avalon Report, see "*Risk Factors – We have commissioned a report from Avalon which has been used for industry related data in this Draft Red Herring Prospectus and such data have not been independently verified by us*" on page 39.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable, but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe that the industry and market data used in this Draft Red Herring Prospectus is reliable, it has not been independently verified by us, the Selling Shareholder, the BRLMs or any of their respective affiliates or advisors. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors*" on page 16. Accordingly, investment decisions should not be based solely on such information.

The extent to which the market and industry data used in this Draft Red Herring 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 the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

There are no listed entities whose business portfolio is comparable with that of our business and comparable to our scale of operations.

Currency and Units of Presentation

All references to:

- "*Rupees*" or *"₹"* or "*Rs.*" or "*INR*" are to Indian Rupees, the official currency of the Republic of India;
- "*US$*", "*U.S. Dollar*", "*USD*" or "*U.S. Dollars*" are to United States Dollars, the official currency of the United States of America; and
- "*GBP*" are to Great Britain Pound, the official currency of Great Britain.

In this Draft Red Herring Prospectus, our Company has presented certain numerical information. All figures have been expressed in millions. One million represents '0.1 crore', '10 lakhs' or 1,000,000. However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than millions, such figures appear in this Draft Red Herring Prospectus expressed in such denominations as provided in their respective sources.

Exchange Rates

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

The exchange rates of certain currencies used in this Draft Red Herring Prospectus into Indian Rupees for the periods indicated are provided below:

(in ₹)

Currency	Exchange rate as on*					
	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
1 USD	65.35	64.84	66.33	62.59	60.10	54.39
1 GBP	87.71	80.88	95.09	92.46	99.85	82.32

Source: RBI reference rate; except otherwise specified.
** In case March 31/September 30 of any of the respective years is a public holiday, the previous working day has been considered.*

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "objective", "plan", "project", "will", "will continue", "will pursue", or other words or phrases of similar import. Similarly, statements that describe our Company's strategies, objectives, plans or goals are also forward-looking statements.

All forward-looking statements are based on our current plans, estimates, presumptions and expectations, and are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Further, actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties or assumptions associated with the expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in its industry and incidents of any natural calamities and/or acts of violence. Important factors that could cause actual results to differ materially from our Company's expectations include, but are not limited to, the following:

- events that cause a reduction in airline and cruise line passenger traffic, including but not limited to economic downturns, terrorist attacks, civil unrest, political instability and natural disasters;
- legal proceedings involving our Company, the Promoters and Directors of our Company, the Subsidiaries, the Group Companies, the Target Companies and the material subsidiaries of the Target Companies;
- changes in the duty-free regulatory regime;
- seasonal changes that may affect the demand for our products;
- our ability to be and remain competitive;
- unanticipated cancellations or concession terminations;
- prevailing regional or global economic conditions and political situation in India or in countries in the region or globally;
- dependence on a limited number of cruise line operators for our cruise line retailing; and
- other risks, uncertainties and factors set forth under "*Risk Factors*".

For further discussion of factors that could cause the actual results to differ from the expectations, see "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 16, 137, and 223, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated and are not a guarantee of future performance.

Although we believe that the assumptions on which such forward-looking statements are based are reasonable, we cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflect the current views of our Company as on the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on the management's belief and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, the Selling Shareholder, our Promoters, our Directors, the BRLMs, nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company shall ensure that investors in India are informed of material developments from the date of the Draft Red Herring Prospectus in relation to the statements and undertakings made by it in this Draft Red Herring Prospectus until the time of the grant of listing and trading approvals by the Stock Exchanges for this Offer. The Selling Shareholder shall ensure that investors in India are informed of material developments in relation to statements and undertakings made by such Selling Shareholder (in relation to itself and the Equity Shares offered by it in the Offer) in this Draft Red Herring Prospectus until the time of grant of listing and trading approvals by the Stock Exchanges for this Offer.

SECTION II - RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information disclosed in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment decision in the Equity Shares. If any one or a combination of the following risks actually occurs, our business, prospects, financial condition and results of operations could suffer and the trading price of the Equity Shares could decline and you may lose all or part of your investment. The risks described below are not the only ones relevant to us or the Equity Shares or the industry and regions in which we operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may arise or may become material in the future and may also impair our business, results of operations and financial condition.

In connection with the Offer, our Group is in the process of undertaking an internal restructuring under which our Company will acquire the Target Companies subject to, among other things, the completion of the Offer. For further details, see "Objects of the Offer", "History and Certain Corporate Matters – Other agreements" and "Our Business – Our Proposed Restructuring" on pages 98, 171 and 139, respectively. To obtain a more detailed understanding of our Company, prospective investors should read this section in conjunction with "Our Business", "Objects of the Offer", "History and Certain Corporate Matters" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 137, 98 and 223, respectively, as well as the other financial and other information contained in this Draft Red Herring Prospectus. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Offer. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in this Offer.

This Draft Red Herring Prospectus also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. For further details, see "Forward-Looking Statements" on page 15.

Unless specified or quantified in the relevant risks factors below, we are not in a position to quantify the financial or other implication of any of the risks described in this section. Unless otherwise stated or the content requires otherwise, the financial information of our Company used in this section has been derived from the Restated Summary Statements. See "Financial Statements" on page 213. Flemingo UK acquired Harding Brothers Group on November 17, 2014, the special purpose restated consolidated financial statements of Flemingo UK and its subsidiaries for the year ended December 31, 2015 covers the period from the acquisition date to December 31, 2015.

In this section, a reference to the "Company" or "our Company" is a reference to Flemingo Travel Retail Limited (previously DFS India Private Limited) prior to February 28, 2017, and to Flemingo Travel Retail Limited and its Subsidiaries on and after February 28, 2017, as the context may require. Until February 28, 2017, the Company did not have any subsidiaries. Any reference to "we", "us", "our" or "our Group" is a reference to our Company, the Subsidiaries, the Target Companies and the Target Companies' respective direct and indirect subsidiaries. Further, in this section, unless otherwise stated, the financial information of our Company for the Fiscals 2015, 2016 and 2017 is on an unconsolidated basis and for the six months ended September 30, 2017 is on a consolidated basis.

INTERNAL RISK FACTORS

1. Events that cause a reduction in airline and cruise line passenger traffic, including but not limited to economic downturns, terrorist attacks, civil unrest, political instability and natural disasters have in the past adversely affected and could materially adversely affect our business, financial condition and results of operations.

We operate in travel retail industry and we cater to customers from a wide number of countries around the world, such as Australia, India, the Netherlands, Poland, Turkey, the United Kingdom and the United States. Cruise line operations typically depend on cruise passengers principally from developed countries, particularly the United States, the United Kingdom, European countries and Australia. Our airport operations also depend on inbound and outbound air passengers in the respective countries in which we have operations, particularly India, Sri Lanka and Poland. Our business may be adversely affected by factors such as an economic downturn that could adversely affect disposable income, a decline in consumer confidence, fluctuations in exchange rates, an increase in costs of oil, an increase in interest rates, inflation, deflation, direct or indirect taxes and consumer debt levels in respective countries, any of which may affect consumer spending. Therefore, adverse general economic and market conditions may have a material adverse effect on our business, financial condition and result of operations.

Further, our business is directly dependent on the number of passengers travelling via airlines and cruise ships. These travel modes are particularly sensitive to safety concerns, such as terrorist attacks, regional conflicts, health concerns, civil unrest, natural calamities or other catastrophic events, all of which are beyond our control. The occurrence of any of such events may lead, and in the recent past had led, to the number of air travellers and cruise passengers on a global, regional or local level to decrease. Actual or perceived security issues, terrorism, piracy, political or economic instability, war and similar events decrease passenger travel and accordingly reduce demand for our services, particularly if such acts or threats affect:

- The countries where we operate our travel retail operations at airports and seaports (primarily India, Sri Lanka and Poland);
- Countries where we operate in-flight services (Turkey and India); or
- The origin countries of our cruise customers and the destination countries of the cruise ships we have stores on-board (primarily the United States/Caribbean, Europe, the Mediterranean and Australia).

The adverse effects of these events generally increase if they occur in periods of peak tourist travel season when the sales in our stores typically increase.

Enhanced passenger screening, greater regulation governing carry-on baggage and other similar restrictions on air travel that have accompanied heightened security concerns may further increase passenger inconvenience and reduce the demand for air travel. In addition, increased or enhanced security measures have tended to result in higher governmental fees imposed on airlines, resulting in higher operating costs for airlines. Furthermore, high or eventually rising oil prices may inhibit our business growth due to higher air ticket prices caused by fuel surcharges and due to inflation or increased cost of living in general restricting the budget of customers. Any future event of a similar nature, even directly or indirectly affecting the aviation industry may lead to a significant reduction in the number of air travellers and correspondingly in demand for our services.

An outbreak of a communicable or contagious disease, such as an outbreak of the Zika virus and the Norovirus regionally or globally, or widespread public health issues/illnesses or health warnings, may reduce demand for cruises or flights and cause cancellations even in areas unaffected by such an event or affect passenger volume generally across our sales channels, which could have an adverse effect on our sales and profitability.

Further, any disruption to or suspension of services provided by airlines or cruise lines as a result of financial difficulties, labour disputes, increased security or any other reason, could negatively affect the volume of passengers. Changes in visa or other requirements making travel more difficult or expensive or consumer concerns regarding the potentially adverse impact of travel on the environment may also negatively affect the demand for these forms of travel. Such a reduction in passenger numbers will result in a decrease in our sales and may have a materially adverse impact on our business, financial condition and results of operations.

2. There are outstanding legal proceedings involving our Company, the Promoters and Directors of our Company, the Subsidiaries, the Group Companies, the Target Companies and the material subsidiaries of the Target Companies. Any adverse outcome in such legal proceedings may affect our business, results of operations and reputation.

There are outstanding legal proceedings involving our Company and the Promoters and Directors of our Company, the Subsidiaries, the Group Companies, the Target Companies and the material subsidiaries of the Target Companies, which are pending at different levels of adjudication before various courts, tribunals and other authorities. Such proceedings could divert management time and attention and consume financial resources in their defence or prosecution. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and quantifiable and include amounts claimed jointly and severally from our Company and the Promoters and Directors of our Company, the Subsidiaries, the Group Companies, the Target Companies and the material subsidiaries of the Target Companies. Any unfavourable decision in connection with such proceedings, individually or in the aggregate, could adversely affect our reputation, business, financial condition and results of operations. The list of such outstanding legal proceedings as on the date of this Draft Red Herring Prospectus is set out below:

Nature of cases	Number of cases outstanding	Amount involved (in ₹ million, unless otherwise stated)
Litigation against our Company		
Material Civil cases	1	20.63
Actions by statutory and regulatory authorities/inquiries under the Companies Act, 2013	2	-
Taxation cases	6	340.51
Litigation against the Directors/individual Promoter of our Company		
Criminal cases	4	-
Actions by statutory and regulatory authorities	1	39.70
Litigation against the Group Companies		
Against Flemingo India		
Criminal cases	1	-
Taxation cases	22	418.71
Against Dutyfree Distribution Services Private Limited		
Taxation cases	5	30.46
Flemingo Duty Free Shops International SA (Pty) Limited		
Taxation cases	1	USD 0.91 million
Litigation against the material subsidiaries of the Target Companies		
Against IRIS Ekspress		
Material Civil cases	1	€ 0.40 million

Note:
The amounts indicated are approximated amounts, wherever quantifiable.

We cannot assure you that any of these matters will be settled in favour of our Company, the Promoters and Directors, the Subsidiaries, the Group Companies, the Target Companies or the material subsidiaries of the Target Companies, respectively, or that no additional liability will arise out of these proceedings. An adverse outcome in any of these proceedings could have an adverse effect on our business, results of operations and our reputation. For details, see "*Outstanding Litigation and Other Material Developments*" on page 257.

3. Our revenues and profitability vary across our business segments, thereby making our future financial results less predictable.

Our revenues and profitability vary across our business segments and within each business segment. For details of our revenues and profitability across business segments, see "*Our Business – Business Operations - Our geographic markets*" beginning on page 149. Our results of operations have fluctuated and may continue to fluctuate in the future depending on a number of factors, including but not limited to:

- our ability to increase and/or maintain the proportion of our relatively higher margin business segments, such as the Indian Subcontinent segment, compared to the proportion of our relatively thin margin business segments, such as the United Kingdom segment;
- award of new concessions and renewal of existing concessions upon expiry which are subject to contingencies beyond our control;
- the timing of revenue recognition, pricing terms, product mix and profitability of each business segment;
- our ability to increase and/or maintain the proportion of our relatively higher margin product categories, such as jewellery, watches and cosmetics and toiletries in the United Kingdom segment and liquor in the Indian Subcontinent segment;
- competition;
- changes in the duty-free regulatory regime;
- seasonal changes that may affect the demand for our products;
- unanticipated cancellations or concession terminations;
- our ability to pass on increases in cost of goods sold to our customers; and
- our ability to control operational costs.

As a result of these factors, unanticipated variations in the results of operation of one business segment may result in variations in our results of operations in any particular financial period.

4. An inability to manage our rapid growth, including through acquisitions, may disrupt our operations and adversely affect our business and growth strategies, our business prospects and future financial

performance.

We have experienced rapid growth in recent years and expect our business to continue to grow as a result of the increase in size of operations and expansion into diversified operations, through organic growth as well as acquisitions and other strategic growth opportunities across geographies. For instance, our Corporate Promoter, Flemingo International, has in recent years completed a number of acquisitions in India and other countries, including the acquisition of Harding Brothers Group in November 2014 by Flemingo UK and the acquisition of the remaining 51.00% equity interest in our Company in 2017 by our Corporate Promoter, Flemingo International, to grow our business, expand our business segments and diversify our revenue streams. We will further grow our existing business and will continue to evaluate inorganic growth opportunities consistent with our business strategy. We also intend to expand our in-flight retail offering and increase the scale of our pre-order operations. For further details, see "*Our Business – Our Strategy*" on page 146.

Our acquisition strategy involves various risks and challenges, including inability to identify suitable targets, negotiate attractive terms or secure financing for acquisitions; the diversion of our management's attention from current operations; issues relating to management and integration of operations; potential deficiencies in financial control and statutory compliance at the acquired companies; an increase in our expenses and working capital requirements; and exposure to unanticipated liabilities of the acquired companies. Our inability to identify, integrate or manage acquired businesses or entities may result in increased costs and adversely affect our results of operations.

Our growth also exposes us to a wide range of business risks, operational risks and regulatory and legal risks, including but not limited to:

- legal and regulatory restrictions and differences in various legal and regulatory jurisdictions in which we operate;
- increased advertising and brand building expenditure;
- foreign exchange controls that might prevent us from repatriating cash earned;
- challenges caused by distance, language and cultural differences;
- currency exchange rate fluctuations;
- potentially adverse tax consequences;
- higher operational costs due to our relative unfamiliarity;
- uncertainties in relation to new local business partners;
- uncertainties in relation to attraction, retention and motivation of key personnel;
- inability to understand consumer preferences and local trends;
- exposure to expropriation or other government actions; and
- political, economic and social instability.

Our strategic initiatives may require significant capital and other resources, as well as management attention, which could burden our resources and abilities. Despite our efforts, we may not be able to assess properly the risks, economic viability and prospects of such opportunities and we may not be successful in developing these businesses. Accordingly, there can be no assurance relating to any revenues from or profitability of such business opportunities we intend to pursue.

We expect such growth to place significant demands on us to continuously evolve and improve our operational, financial and internal controls. In particular, we may face increased challenges in maintaining high levels of customer satisfaction; recruiting, training and retaining sufficient skilled management and recruitment sales personnel; adhering to service execution standards and key performance indicators; preserving a uniform culture, values and work environment across our operations; and developing and improving our internal administrative infrastructure, particularly our financial and other internal control systems. Our ability to continue to grow consistently will depend on a number of factors beyond our control, including the level of competition for inorganic growth opportunities and our ability to manage our organic growth successfully. An inability to manage our growth may have an adverse effect on our business prospects and future financial performance.

5. We have in the past discontinued operations in some countries due to operational losses, safety concerns or unfavourable changes in regulations. There is no assurance that we will be able to successfully run our business in all countries we operate in. If we decide to discontinue operations in one or more countries, our cash flows and financial condition may be materially adversely affected.

We have in the past discontinued operations in some countries due to operational losses, safety concerns or unfavourable changes in regulations. For example, in the year ended December 31, 2015, based on our assessment of our performance in various regions and our long term strategy, we decided to exit our operations in the LATAM region (Brazil, Paraguay, Costa Rica, Grenada and St. Maarten) as the economic changes in this region had become commercially unviable for our operations. Further, we strategically discontinued our convenience and diplomatic business in some African and other countries due to unviable financial condition and increasing difficulties in applying our compliance benchmarks resulting from the size and cultural barriers of the African region. Pursuant to this decision, we closed down our operations in the LATAM region, convenience business in Malaysia and Indonesia, and diplomatic business in Dubai. We have recently divested from operations in Ghana and South Africa. We are also in the process of divesting from our diplomatic business in Europe which is operated through Chacalli and this business is proposed to be transferred to a third party before the completion of the Offer. We will continue to evaluate and may exit certain parts of our current business in the future in the ordinary course of our management decision-making. There can be no assurance that we will be able to run our business successfully in all countries we operate in. If we decide to discontinue operations in one or more countries, our cash flows and financial condition may be materially adversely affected.

6. The market to obtain concessions is, and we expect it to continue to be, highly competitive. If we fail to renew any concession or to successfully win new concessions, our business could be materially adversely affected.

As of September 30, 2017, we operated 308 stores through 156 concession arrangements. We enter into concession agreements with airport authorities, cruise line operators and other facility landlords to lease and operate these stores. We compete with other travel retailers to obtain new concessions and renew our concessions. The availability of new concessions is limited by the number of international airports and seaports and the existing long-term concession agreements between our competitors and the relevant landlords. Many of our competitors have strong financial support or long-standing relationships with concession landlords which benefit them in competing for new concessions.

There can be no assurance that we will be able to renew our existing concessions or that, if we do renew a concession, it will be on terms favourable to us. Generally, concession agreements with cruise line operators have a shorter average life compared to airport concessions and are subject to renewals more often. As of September 30, 2017, Harding Retail had 60 concessions with 17 cruise line operators representing an Average Remaining Concession Life of 1.9 years and a total available retail area of 15,570 square meters. Our failure to obtain or renew a concession may prevent us from either entering or continuing to do business in the market or segment represented by such concession. If we fail to renew any concession or to successfully win new concessions, our business could be materially adversely affected.

We may also have to offer higher concession fees to our concession landlords due to increased competition during the bidding process which may adversely impact our profit margin. Our occupancy costs principally reflect concession fees for our duty-free/duty-paid stores. As consideration for granting us the right to operate our concessions, concession landlords typically receive a fixed or variable concession fee. In recent years, the concession fee model has generally changed from a fixed monthly rent to revenue share (subject to a minimum guarantee). The concession fees are typically the higher amount of: (i) the minimum periodic guarantees as initially negotiated with the landlords; and (ii) a variable percentage of the revenue of the store. Under this concession fee model, we are obligated to continue to pay the minimum guaranteed amount if our sales have not reached the minimum level to trigger revenue share. Our profitability is generally adversely affected if revenues decrease at concessions with a fixed minimum guaranteed amount and following such a decrease in revenues our results of operations may be materially adversely affected. In addition, we are also subject to additional compulsory overhead charges by our concession landlords, including warehouse, advertising and marketing, utility and maintenance charges. Further, there can be no assurance that the concession fee model will not change in the future.

7. The operation of our stores depends significantly on concession agreements that may be revoked or modified. Further, the loss of concessions could also negatively affect our revenues, results of operations and financial condition.

We mainly operate our travel retail business under concessions granted by airport authorities, cruise line operators or other facility landlords. The concessions may be unilaterally terminated or modified prior to their agreed original expiration date upon expropriation or annulment by the respective authorities or forfeiture by us, requiring us to either cease operations or enter into negotiations for new terms. Annulment may be declared when the grant of the concession(s) does not comply with appropriate regulatory requirements. Although many of our concessions allow us to claw back capital expenditure in such an event, we may not be able to fully recover our capital expenditure. We will also lose the opportunity to operate in such locations, which may have a material adverse effect on our business and results of operations. For example, the Chopin Airport operator in Warsaw, PPL, terminated its concession with BH Travel, a subsidiary of Baltona in 2012, causing BH Travel to cease operations in the Chopin Airport. For details on the litigation between BH travel and PPL, see "*Outstanding Litigation and Other Material Developments - VII. Material litigations involving our Target Companies and its material subsidiaries*" on page 264.

In addition, our concession landlords may also terminate the concession agreements without cause by giving prior notice to us (typically ranging from one to six months). Certain seaport concessions in India may also be terminated by the respective seaport authorities by serving seven days' notice on us. The concessions may also be terminated early by airport authorities, cruise line operators or other facility landlords in certain circumstances including, among others:

- failure to make payment of concession fees and other charges under the concession agreement in a timely manner;
- use of the concession agreement for any purpose other than those provided in the concession agreement;
- failure to maintain the security deposit as agreed in the concession agreement;
- failure to maintain the necessary licenses and approvals to carry out the operation as provided under the concession agreement;
- reasons of public interest; or
- reasons of facility development by the airport authorities or other facility landlords.

In the event of any early termination, we may be required to cease operations, enter into negotiations for new concession terms or to participate in a fresh tender process. There can be no assurance that we will be able to successfully renew the concessions at all or on favourable terms or be able to obtain alternative concessions at similar or more favourable terms. The loss of concessions could negatively affect our revenues, results of operations and financial condition. Bidding or renegotiations also divert our senior management's attention from other parts of the business.

8. We operate primarily in and expect to grow our business in certain emerging markets, which exposes us to risks inherent to these emerging markets.

We operate primarily in certain emerging markets (including India, Sri Lanka, Poland, Turkey and certain African countries) which for the Fiscals 2015, 2016 and 2017 contributed 78.19%, 56.57% and 55.19% of our revenues, on a proforma consolidated basis. We also constantly evaluate opportunities to expand operations in a number of new emerging markets and have a wholesale business in the Middle East which primarily supplies products on a business-to-business basis to our operations in African countries. Business conditions in emerging markets are frequently more difficult to manage and expose us to greater uncertainty than in developed markets. The risk of losses resulting from changes in or uncertainty regarding law, economic disruptions, social upheaval and other factors may be substantial. These factors could, for example decrease tourism to countries where we operate, such as has been the case recently in Turkey.

We are also exposed to risks arising from interruption of operations due to political or social instability and the establishment or enforcement of foreign exchange restrictions, which could prevent us from repatriating profits, liquidating assets or withdrawing from one or more of these markets.

Changes in tax regulations or enforcement mechanisms could also substantially reduce or eliminate any turnover or profits derived from operations in these countries and could reduce significantly the value of assets related to such operations. Another aspect of certain emerging markets in which we operate is the potential inadequacy of the legal system and law enforcement mechanism, which leaves us exposed to the possibility of considerable losses as a result of abusive practices by competitors, parties with which we contract or other market participants. As we continue to expand our operations in certain emerging markets, such risks may increase.

9. We generated a significant portion of our revenues from our concessions in India and Sri Lanka. Any adverse development that affects the performance of our stores in India and Sri Lanka may have a material adverse effect on our business, cash flows, results of operations and financial condition.

For the Fiscals 2015, 2016 and 2017, our operations in India and Sri Lanka across various sales channels provided

44.80%, 33.92% and 35.68% of our total revenues, respectively, on a proforma consolidated basis. As of September 30, 2017, we operated 28 core duty-free stores and 16 speciality stores in Indian airports and eight core duty-free stores in eight seaports in India, and we also operated two core duty-free stores in BIA, Colombo.

In particular, our Company's operations rely on the Mumbai airport concessions which will continue to be material to our Group's operations post the completion of the Restructuring. Consequent to the acquisition of an additional ~51.00% stake in our Company by our Corporate Promoter, Flemingo International, on February 27, 2017, Mumbai airport core duty-free stores contributed the highest revenue among the stores in our Group in the six months ended September 30, 2017. Accordingly, any disruption of our operations at the Mumbai airport or more generally in India and Sri Lanka could have a material adverse impact on our business and results of operations. We may continue to bid for more concessions and open more stores in India and Sri Lanka and we expect our operations in India and Sri Lanka to remain material to our business. The concentration of our operations in the Indian and Sri Lanka market heightens our exposure to economic, political, demographic and other changes in India and Sri Lanka and any other factors affecting travel to and from these countries, which may adversely affect our cash flows, financial conditions and results of operations.

Additionally, the grant of concessions in India and Sri Lanka is typically subject to a tender process which is beyond our control. For instance, concessions for our operations at Mumbai and Kolkata seaports have expired, for which we have applied for an extension of tenure. There can be no assurance that we will be able to successfully bid for new or extend our existing concessions in India and Sri Lanka. Recently, the second duty-free concession at Sri Lanka Colombo airport was also awarded to another retailer resulting in greater competition at the Colombo airport. Failure to win or renew any concession in the Indian and Sri Lanka market may have an adverse impact on our business and results of operations.

In addition, our Indian concession agreements typically contain certain provisions which are less favourable to us. For example, the concessions may be subject to (i) relocation to a smaller carpet area without any adjustment to the concession fees, (ii) withdrawal of concession by the relevant landlords, (iii) stipulated pricing policy, and (iv) commitment on minimum capital expenditure and compulsory transfer upon completion of contract terms. Further, our agreements with the AAI are based on a standard form template which provides us limited scope for negotiation. If there is a breach of the terms of such agreements by us, we may be liable to pay our concession landlords for the liquidated damages or indemnify our concession landlords as stipulated in our concession agreements and our reputation and financial condition could be materially affected.

In addition, we have not executed formal agreements with various ports which have awarded us certain areas for operation, management and maintenance of duty-free shops in cruise passenger lounges within their premises. While we have entered into letters of intent and allotment with such ports, certain key terms with respect to indemnity and governing laws are not present in such letters of intent and allotment. Therefore, there can be no assurance that such letters of intent and allotment that we have entered into with the various ports are enforceable.

Any adverse development that affects the performance of our stores in India and Sri Lanka may have a material adverse effect on our business, cash flows, results of operations and financial condition.

10. Our cruise line travel retail business is subject to the risks inherent in cruise ship operations.

Cruise ship operations carry an inherent risk of loss caused by adverse events at sea or in port and by weather conditions. Cruise ships also are subject to the risk of mechanical failures or accidents. A significant performance deficiency or problem on any one of our cruise line partners' ships could cause them to cancel a cruise or a series of cruises. If there is a significant accident, mechanical failure or similar problem involving a ship, our partners may have to place a ship in a dry-dock for an extended period to carry out repairs. Such incidents may have a material adverse impact on our financial condition and results of operations because of their impact on our cruise ship operators. Furthermore, if any of our cruise line partners were to become bankrupt or have their ships seized or passengers transferred to other cruise line operators with whom we do not have a current relationship, this could have an adverse effect on our business, financial condition and results of operations.

In addition, logistical failures related to our cruise operations could significantly impact our results of operations. The logistics of our cruise line operations involve arranging critical deliveries via sea, land and air providers into seaports that often have enhanced security requirements and/or local restrictions. Such deliveries are routinely required in a limited amount of time during which the ship is at the port. If one of our deliveries is delayed by security or customs procedures at a shipyard or arrives late, we may be unable to offer our full selection of products on-board such cruise ship. Any such event may have an adverse effect on our business, financial condition and results of operations.

11. We are dependent on a limited number of cruise line operators. Our inability to maintain or renew business with these cruise line operators may have a material adverse effect on our business, financial condition, results of operations and prospects.

We depend on a limited number of cruise line operators for our cruise line retailing. For the period ended December 31, 2015 and 2016, approximately 77.35% and 77.26% of the revenues from our United Kingdom segment were generated from cruise ships operated by our top five cruise line operators. We added 24 stores on-board 10 cruise ships with a new cruise line operator in 2016 and 24.59% of the revenues from our United Kingdom segment for the year ended December 31, 2016 was generated from that cruise line operator. A significant reduction in the business from any of these cruise line operators or termination of or failure to renew our concession agreements with any of these cruise line operators may have a material adverse effect on our business, financial condition, results of operations and prospects.

12. Our business and operations are subject to various risks relating to the acquisitions proposed to be completed partially out of the Net Proceeds of the Offer. Our inability to complete and successfully integrate the acquisition of the Target Companies may affect our growth strategy, market share, profitability or competitive position.

Our Company plans to acquire the Target Companies pursuant to the Restructuring subject to the completion of the Offer. For further details of the Restructuring, see "*Objects of the Offer*" and "*Our Business – Our Proposed Restructuring*" on pages 98 and 139, respectively. Our Company has entered into the Flemingo India SPA and the Flemingo UK SPA, each dated February 9, 2018, in relation to its acquisitions of Flemingo India and Flemingo UK, respectively. For further details of the Flemingo India SPA and Flemingo UK SPA, see "*History and Certain Corporate Matters – Other agreements*" on page 171.

There can be no assurance that our Company will be able to successfully integrate the acquired businesses into its existing operations as planned. Upon completion of the Restructuring, our Company may be adversely impacted by liabilities that it assumes from these acquisitions, including known and unknown obligations, intellectual property or other assets, terminated employees, current or former clients, or other third parties, and it may fail to identify or adequately assess the magnitude of certain liabilities, shortcomings or other circumstances prior to the acquisitions, which could result in unexpected legal or regulatory exposure, unfavourable accounting treatment, unexpected increases in taxes, or other adverse effects on its business. In addition, certain of these businesses were loss-making and will continue to require significant restructuring and streamlining of operations to improve their operating efficiencies and financial performances upon completion of the Restructuring.

In addition, we may require additional financial resources for the successful expansion of the acquired businesses and integrating their operations into our operations. Our inability to complete the proposed acquisitions and successfully integrate the Target Companies into our Company's operations, may affect our growth strategy, market share, profitability, or competitive position.

13. Our Company's proposed acquisition of the Target Companies is subject to the completion of the Offer and satisfaction of other conditions set out in the Flemingo India SPA and the Flemingo UK SPA. We cannot assure you that these acquisitions will be successfully completed on time or at all.

In connection with the Offer, our Group is in the process of undertaking an internal Restructuring pursuant to the Flemingo India SPA and the Flemingo UK SPA under which our Company will acquire the Target Companies and house our Group operations. However, the effectiveness of the Restructuring and the success of our Company's acquisitions of the Target Companies depends on, among other things, the successful completion of the Offer. For details, see "*Objects of the Offer*" on page 98. The net proceeds raised in this Offer will be used to pay the consideration our Company has agreed to pay for the acquisition of the Target Companies under the Flemingo India SPA and Flemingo UK SPA. The completion of the acquisitions is subject to a number of factors beyond our control, including but not limited to satisfaction of conditions precedent such as receipt of consents from certain lenders and airport authorities for change in the shareholding structure of the Group, completion of Pre-completion Restructuring and sale of entire shareholding of Flemingo Mumbai, the Selling Shareholder, in our Company. For further details, see "*History and Certain Corporate Matters – Other agreements*" on page 171. In addition, we have currently applied for condonation of delay in making certain ODI filings with the RBI in respect of our overseas Subsidiaries which is pending. For further details, see "*Outstanding Litigation and Other Material Developments – Litigation involving our Company – Outstanding actions taken by statutory or* *regulatory authorities*" on page 258.

We cannot assure you that our Company's proposed acquisition of the Target Companies will be successfully completed on time or at all.

14. Certain subsidiaries of the Target Companies were or continue to be loss making, have negative operating profits, or have a negative net worth, which may not be fully reflected in the Special Purpose Financial Statements of the Target Companies or the Proforma Financial Statements.

Certain subsidiaries of the Target Companies were or continue to be loss making or had negative cash flows from operating activities or have a negative net worth, which may not be fully reflected in the Special Purpose Financial Statements of the Target Companies or the Proforma Financial Statements.

In the years ended December 31, 2015 and 2016, Flemingo International Morocco SA incurred losses leading to a negative net equity which was under the minimum threshold required by relevant regulations governing limited companies in Morocco, which requires the shareholders to decide, in an extraordinary general meeting, whether to continue or quit the business, when the net equity has become less than one quarter of the share capital. According to the trade register excerpt obtained on December 6, 2017 by the Morocco counsel to our Company, there were no legal winding-up or liquidation related proceedings before the court of Tangier, Morocco.

Likewise, in the years ended December 31, 2014 and 2015, Flemingo Distribution SARL AU incurred losses leading to a negative net equity which was under the minimum threshold required by relevant regulations governing limited companies in Morocco. According to the trade register excerpt obtained on December 6, 2017 by the Morocco counsel to our Company, there were no legal winding-up or liquidation related proceedings before the court of Tangier, Morocco.

We cannot assure you that certain subsidiaries of the Target Companies will not incur losses in the future.

15. Our Company had loss after tax for Fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, had negative net worth as of March 31, 2017 and September 30, 2017, and has had negative cash flows from operating activities, investing activities and financing activities and a consequent net decrease in cash and cash equivalents in some of the recent Fiscals. Any loss after tax or negative cash flows in future could adversely affect our operations and financial conditions and the trading price of our Equity Shares.

In the Fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, our Company, on an unconsolidated basis, incurred losses after tax of ₹1,633.68 million, ₹1,295.45 million, ₹1,140.09 million and ₹457.22 million, respectively, primarily due to linearisation impact of occupancy costs (i.e. concession fees). Linearisation impact is the difference between the contractual occupancy costs and the straight lined occupancy costs. Linearisation impact included in our Company's occupancy costs was ₹1,588.01 million, ₹1,366.60 million, ₹1,026.52 million and ₹466.21 million for the Fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, respectively. Our Company's net worth as at the end of March 31, 2015, 2016 and 2017 and September 30, 2017, on an unconsolidated basis, was ₹(693.00) million, ₹(1,988.45) million, ₹(3,128.54) million and ₹(3,576.56) million, respectively.

As per our Company's Restated Summary Statements, our Company's cash flows from operating activities, investing activities or financing activities were negative in certain recent Fiscals as set out below:

(₹ million)

Particulars	**Fiscal 2015**	**Fiscal 2016**	**Fiscal 2017**	**Six months ended September 30, 2017**
	Unconsolidated	Unconsolidated	Unconsolidated	Consolidated
Net cash from / (used in) operating activities	(419.88)	510.58	577.85	(120.76)
Net cash from / (used in) investing activities	(611.37)	(90.72)	(360.98)	(42.12)
Net cash from / (used in) financing activities	804.88	(393.91)	(194.25)	21.38
Net increase/ (decrease) in cash and cash equivalents	(226.37)	25.95	22.62	(141.50)

Such negative cash flows led to a net decrease in cash and cash equivalents for Fiscals 2015 and the six months ended September 30, 2017. Any loss after tax or negative cash flows in future could adversely affect our operations and financial conditions and the trading price of our Equity Shares. For further details, see "*Financial Statements*" on page 213.

16. Our Company's Restated Summary Statements may not be indicative of our Company's future financial performance.

We have included the Restated Summary Statements in this Draft Red Herring Prospectus. For further details, see "*Financial Statements*" on page 213. Our Company was owned by Flemingo Mumbai as to 30% between March 12, 2009 and November 10, 2014 and as to 49% by Flemingo International (among which ~2.90% was indirectly owned through Flemingo Mumbai) between November 10, 2014 and February 27, 2017. On February 27, 2017, Flemingo International acquired an additional ~51.00% equity interest in our Company and our Company became a ~100.00% owned subsidiary of Flemingo International (among which ~2.90% is indirectly owned through Flemingo Mumbai). On November 9, 2017, the remaining shares held by DFS Venture Singapore and DFS Singapore were transferred to Flemingo International, subsequent to which our Company has become a 100% owned subsidiary of Flemingo International (among which ~2.90% is indirectly owned through Flemingo Mumbai). Therefore, our Company's Restated Summary Statements included in this Draft Red Herring Prospectus cover the period of April 1, 2012 to February 27, 2017 when DFS group managed the day to day operations of our Company. As a result, our Company's Restated Summary Statements may not be indicative of our Company's future performance. In the Fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, our Company continued to have a loss after tax. There is no assurance that our Company will have better financial performance or results of operations compared to prior periods.

17. The Proforma Financial Statements included in this Draft Red Herring Prospectus may not accurately reflect our results of operations and financial condition. The degree of reliance placed by investors on such proforma information should be limited.

In this Draft Red Herring Prospectus, we have also included Proforma Financial Statements of our Company and the Target Companies to give a proforma effect to our Company's proposed acquisitions of the Target Companies in accordance with the "*Objects of the Offer*" on page 98 and "*Our Business – Our Proposed Restructuring*" on page 139. The Proforma Financial Statements consist of the proforma balance sheet as of March 31, 2017 and the proforma statements of profit and loss for the years ended March 31, 2015, 2016 and 2017 and related notes. For further details, see "*Financial Statements*" on page 213. The Proforma Financial Statements are based on: (i) the restated consolidated balance sheet and profit and loss account of our Company as of and for the year ended March 31, 2017, and (ii) the audited balance sheets and profit and loss accounts of the Target Companies prepared in accordance with Indian GAAP as of and for the years ended March 31, 2017, 2016 and 2015 in respect of Flemingo India, December 31, 2016 and 2015 in respect of Flemingo UK, and December 31, 2016, 2015 and 2014 in respect of Flemingo Cruise.

Our Company's, its Subsidiaries' and the Indian Target Companies' financial year ends on March 31 of each year, while the Non-Indian Target Companies' financial year ends on December 31 of each year. The Special Purpose Financial Statements of the Target Companies included in this Draft Red Herring Prospectus and used to prepare the Proforma Financial Statements reflect such different year ends for the Indian and non-Indian entities. The Proforma Financial Statements have been prepared based on the Special Purpose Financial Statements of the Target Companies which, in the case of Flemingo India and its subsidiaries, are based on the special purpose restated consolidated financial statements of Flemingo India and its subsidiaries for the Fiscals ended March 31, 2015, 2016 and 2017 and, in the case of Flemingo UK and its subsidiaries, based on the special purpose restated consolidated financial statements for Flemingo UK and its subsidiaries for the years ended December 31, 2015 and 2016. Flemingo UK acquired Harding Brothers Group on November 17, 2014. The special purpose restated consolidated financial statements of Flemingo UK and its subsidiaries for the year ended December 31, 2015 cover the period from the acquisition date to December 31, 2015. In addition, the Restated Summary Statements of our Company included in this Draft Red Herring Prospectus and used to prepare the Proforma Financial Statements include the restated financial statements of our Company for the period from April 1, 2014 to February 27, 2017 when we did not have control over the day to day operations of our Company.

The Proforma Financial Statements are prepared for illustrative purposes only. Because of their nature, the proforma financial information addresses a hypothetical situation and, therefore, do not represent the Company's actual consolidated financial position or results. They purport to indicate the results of operations that would have resulted had the acquisition been completed at the beginning of the period presented and the consolidated financial position had the acquisition been completed as at the year end, but are not intended to be indicative of expected results or operations in the future periods or the future financial position of the Company. The proforma adjustments are based upon available information and assumptions that the management of the Company believes to be reasonable. If the various assumptions underlying the preparation of the Proforma Financial Statements do not occur, our actual financial results could be materially different from those indicated in the Proforma Financial Statements. Any reliance by prospective investors on the Proforma Financial Statements should accordingly be limited. In addition, such Proforma Financial Statements have not been prepared in accordance with the requirements of Regulation S-X of the U.S. Securities and Exchange Commission or U.S. GAAP. Accordingly, the degree of reliance placed by U.S. investors on such proforma information should be limited. Further, the rules and regulations related to the preparation of proforma financial information in other jurisdictions may also vary significantly from the basis of preparation for the Proforma Financial Statements.

18. If we are required to write down goodwill, the Company's financial condition and results would be negatively affected.

In the Proforma Financial Statements, a substantial portion of the purchase price of the acquisitions of the Target Companies is allocated to goodwill. The amount of the purchase price which is allocated to goodwill is determined by the excess of the purchase price over the closing reserves of the Target Companies as of March 31, 2017. The table below sets forth the calculation of goodwill in the Proforma Financial Statements:

Particulars	Amount (in ₹ million)
Value for acquiring the Target Companies	22,225.43
Closing reserves as of March 31, 2017 of the Target Companies	**3,341.58**
Flemingo Cruise	0.68
Flemingo India and its subsidiaries consolidated	4,239.17
Flemingo UK and its subsidiaries consolidated	(898.27)
Add: Minority interest liability	43.50
Goodwill on acquisitions of Target Companies	18,927.35

Under Indian GAAP, if the Company determines the goodwill is impaired, the Company will be required to write down such assets. Any write-down would have a negative effect on the Company's consolidated financial statements post-acquisition which may also impact the share price of the Equity Shares.

19. The appraised fair value of the Target Companies should not be taken as their actual realisable value or a forecast of their realisable value.

Duff & Phelps, an independent valuer, has valued the fair values of the Target Companies. Duff & Phelps (the "**Valuer**") through their report dated February 7, 2018 has estimated that (i) the estimated equity fair value of Flemingo India on a consolidated basis to be US$260.00 million i.e. ₹16,995.91 million; and (ii) the estimated equity fair value of Flemingo Cruise (assuming Flemingo UK and the Harding Brothers Group as its subsidiaries) is US$80 million i.e. ₹5,229.51 million (each based on a conversion rate of USD 1= ₹65.37, each as of November 15, 2017).

In connection with the valuation, the Valuer has made certain assumptions. We cannot assure that the assumptions made by the Valuer will be realised. Assumptions made by the Valuer when valuing the Target Companies may exceed the corresponding parameters in the current market and/or corresponding historical parameters associated with the Target Companies. As a result, the appraised value of the Target Companies may differ from their actual realisable value or a forecast of their realisable value. During the valuation analysis, the Valuer has relied upon financial and other information, including prospective financial information, obtained from our management and from various public, financial, and industry sources. The conclusion is dependent on such information being complete and accurate in all material respects.

If any of the assumptions made by the Valuer or the information used by the Valuer in reaching the appraised values of the Target Companies proves to be inaccurate, the appraised values of the Target Companies may be materially affected. As a result, the appraised values of the Target Companies may differ materially from the price we may have paid in an actual sale of the Target Companies in the market and should not be taken as their actual realisable value or an estimation of their realisable value. No representation has been made by the Valuer as to the achievability of such prospective financial information, as actual results may differ, and these differences could be material.

20. We are subject to several tax regimes. Any failure to comply with these regimes and any changes in tax

laws and rules applicable to us may have an adverse effect on our business, financial condition, results of operations, or prospects.

Taxes and other levies imposed by the GoI or state governments in India that affect our business and operations include income tax, goods and services tax and other additional taxes and surcharges introduced on a permanent or temporary basis from time to time. Our operations are also located in several jurisdictions in the United Kingdom, Europe, the Middle East and Africa. Consequently, we are subject to the jurisdiction of a significant number of tax authorities and regimes. The nature of our business requires us being involved, from time to time, in contentious matters with customs and tax authorities in the various jurisdictions in which we operate. See "*Outstanding Litigations and Other Material Developments*" starting on page 257. As of March 31, 2017, the aggregate tax related claims against us not acknowledged as debts were ₹1,012.53 million, on a proforma consolidated basis. Any ultimate disposition of such claims unfavourable to us may have an adverse effect on our business, financial condition, results of operations, or prospects.

The revenues recorded and income earned in various jurisdictions are taxed on differing bases, including net income actually earned, net income deemed earned and revenue-based tax withholding. The final determination of our tax liabilities involves the interpretation of local tax laws, tax treaties and relevant authorities in each jurisdiction as well as a significant use of estimates and assumptions regarding the scope of future operations and results achieved and the timing and nature of income earned and expenditures incurred. These tax liabilities and tax regimes also involve the assessment of transfer pricing arrangements among different entities within our Group in different tax jurisdictions, in particular in connection with our B2B sales. There can be no assurance that regulatory and tax authorities in the various jurisdictions that we operate in will not disagree with our assessment of such transactions. Changes in the operating environment, including changes in tax laws and currency/repatriation controls, including on a retroactive basis, could impact the determination of our tax liabilities for any given tax year. Foreign income tax returns of foreign subsidiaries are routinely examined by foreign tax authorities. These tax examinations may result in assessments of additional taxes or penalties or both and may have an adverse effect on our results of operations and financial condition.

21. Our ability to invest in foreign subsidiaries or acquire new businesses overseas is constrained by applicable restrictions under Indian foreign investment laws as well as laws of the relevant international jurisdiction, which could adversely affect our growth strategy and business prospects.

Our proposed acquisition of Flemingo UK and its subsidiaries is subject to compliance with the requirements of the Indian foreign investment laws, including but not limited to the Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2004, as amended. Under Indian foreign investment laws, an Indian company is permitted to invest in, or provide financial commitment to overseas joint ventures or wholly owned subsidiaries, not exceeding 400% of the Indian company's net worth as at the date of its last audited balance sheet. Our Company's net worth at the end of March 31, 2017 and September 30, 2017 was ₹ (3,128.54) million and ₹ (3,576.56) million, respectively, on an unconsolidated basis. Any delay in meeting the eligibility requirements, including by reason of our Company's net worth, under applicable foreign investment laws would delay the completion of the Restructuring. Further, there may be limitations stipulated in the host country for foreign investment.

Additionally, there are other requirements specified under the Indian foreign exchange laws which we would be required to comply with in relation to any acquisition that we undertake in the future. These limitations on overseas direct investment could constrain our ability to acquire overseas entities as well as to provide other forms of financial assistance or support to such entities, which may adversely affect our growth strategy and business prospects.

22. Certain of our Group Companies have incurred losses in the past, which may have an adverse effect on our reputation and business.

Certain of our Group Companies have incurred losses in the past, as set our below:

1.Dutyfree Distribution Services Private Limited;
2.Flemingo Airport Retail Limited;
3.Flemingo Duty Free Shops International SA (Pty) Limited;
4.FI Mozambique Limitada; and
5.Flemingo International Limited, Uganda

For further details, please see "*Our Group Companies-Loss making Group Companies*" on page 209.

23. Currency exchange rates may have a significant impact on our business, results of operations and financial condition.

Our Company's reporting currency is the Indian Rupee. A substantial part of our revenues are generated in foreign currencies, including principally the U.S. dollar, the British pound sterling, the Euro and the UAE dirham, by our Subsidiaries in different markets whose results of operations, assets and liabilities must be translated into Indian Rupee to prepare our consolidated financial statements. Our purchase of stock-in-trade is typically made in U.S. dollars. Further, some of our concession agreements in India set our payment obligations in U.S. dollars, which we need to convert from Indian Rupee. In addition, the revaluation of the assets and liabilities of overseas subsidiaries at the balance sheet date results in the recognition of foreign exchange translation gains or losses in retained earnings. Changes in the relevant exchange rates between the Indian Rupee and the other currencies to which we are exposed, which can be and have been volatile, have affected and will continue to affect the value of our assets and liabilities denominated in currencies other than the Indian Rupee, our costs and our revenues, each of which could have an adverse effect on our results of operations.

Fluctuations in the value of, principally, the U.S. dollar, the Indian Rupee, the British pound sterling, the Euro and the UAE dirham will affect our customers' tendencies to travel internationally and their spending power, which affects demand for our products at our core and speciality duty-free shops. In particular, if the functional currency of our shops appreciates in value versus the currencies in which our consumers spend, our products become more expensive for international travellers. In addition, the increased purchasing power of the functional currency of our shops could also cause domestic travellers to purchase products abroad. All of these trends are exacerbated by short-term currency volatility, which has recently persisted in the global currency markets for the U.S. dollar, the Indian Rupee, the British pound sterling, the Euro and the UAE dirham. Any fall in demand for our products due to short-term currency volatility may adversely affect our cash flows and results of operations.

24. We operate in a competitive market and any increase in competition may adversely affect our business and financial condition.

We face competition from existing travel retailers and potential entrants to the industry that may adversely affect our competitive position and our profitability. We expect competition to increase with new entrants coming into the travel retail industry, who may have more flexibility in responding to changing business and economic conditions, and with existing retailers further consolidating their positions. Some of our competitors are larger and have greater financial resources or a more experienced management team than us. They may also benefit from greater economies of scale and operating efficiencies than we do. Competitors may, whether through further consolidation or growth, present more credible integrated or lower cost alternatives to our services, which may have a negative effect on our sales. Moreover, the foreign investment restrictions in the Indian retail sector have been progressively liberalised giving all retailers in the Indian market easier access to greater pools of capital and investment. Some of our competitors may choose to further invest in this market and may have access to significantly greater resources, including the ability to spend more on advertising and marketing, and hence the ability to compete more effectively. Further, our competitors may offer their products at competitive prices, decreasing our sales volumes and/or our margins.

In addition, we compete for customers directly with other travel retailers in the locations where we operate. As our range of products increases, we become an indirect competitor of traditional main street retailers. Our specialty stores face competition from fashion and luxury brands that retail their brands in their own stores rather than through duty-free stores. We also face increasing competition from e-commerce retailers and online stores which offer the brands we offer.

Our failure to compete effectively, including any delay in responding to changes in the industry and market may affect the competitiveness of our products, which may result in a decline in our revenues and profitability.

25. Consolidation of the travel retail industry could have a material adverse effect on our business and financial condition.

The global travel retail market is fragmented, with a large number of retailers each holding a relatively small share of the market. Mergers and acquisitions in the travel retail market have recently led to significant industry consolidation. Due to this, some of our competitors have and continue to benefit from the scale of their operations. Should further consolidation occur, this may allow some of our competitors to further benefit from the scale effect of their business and our market share could remain stagnant or decrease (both absolutely and relatively). Even a minor loss of market share may lead to a reduction in our purchasing or scope for negotiating with our suppliers. Increased competition from larger competitors with greater negotiating power or greater financial resources may also lead to a decrease in our profitability and thus could have a material adverse impact on our business and financial condition.

26. Duty-free privileges and taxation of goods policies in countries where we operate may change, which may result in a fall in our sales volumes and have a material adverse effect on our business, financial condition and results of operations.

A substantial part of our revenues is derived from our sale of duty-free products at our core and specialty stores, such as cosmetics and toiletries, luxury products, liquor and tobacco. Governmental authorities in various countries in which we operate may alter or eliminate the duty-free status of certain products or otherwise change import or tax laws. For example, in 1999 the structure of the duty-free market in the EU was significantly altered and the sale of duty-free products to passengers traveling between member states of the EU was no longer permitted. In 2014, the duty-free allowance in India for tobacco products was brought down to 100 cigarettes, 25 cigars and 125 grams of tobacco from 200 cigarettes, 50 cigars and 250 grams of tobacco.

Further, taxes, including excise duty and goods and service tax, on products sold at traditional retail locations situated outside airports and passenger terminals may also be lowered in the future, substantially or partly removing our comparative price advantage. In certain countries, such as India in particular, the difference in prices between goods at duty-free stores and traditional retail locations is significant owing to very high taxes. Any decrease in the taxes paid on goods purchased at traditional locations in such countries may reduce the incentive of customers to purchase at our stores. If we lose the ability to sell duty-free products generally in any of our major markets and/or fail to renegotiate our concessions on favourable terms upon the implementation of any such changes, or if we lose market share to traditional retailers as a result of a reduction in our sales volumes, our revenues may decrease significantly, and our business, financial condition and results of operations may be materially adversely affected.

27. Restrictions on duty-free sales of tobacco products, liquor and food and candies may negatively affect our sales volumes which may materially adversely affect our business, results of operations and financial condition.

Duty-free sales of tobacco products represented 23.54%, 18.11% and 17.27% of our revenues (on a proforma consolidated basis) for Fiscals 2015, 2016 and 2017, respectively, and constituted our second largest product category. International health organisations (such as the World Health Organisation) and the anti-smoking lobby continue to seek restrictions on duty-free sales of tobacco products. More generally, an increasing number of national and local governments have prohibited, or are proposing to prohibit, smoking in public places and many have implemented regulations mandating the display of graphic health warnings. If we were to lose our ability to sell duty-free tobacco products in any of our major markets or the increasing number of smoking prohibitions and packaging warnings cause a reduction in our sales volumes of tobacco products, our business, results of operations and financial condition could be materially adversely affected.

Duty-free sales of liquor represented 51.81%, 37.82% and 36.46% of our revenues (on a proforma consolidated basis) for Fiscals 2015, 2016 and 2017, respectively, and constituted our largest product category. The decrease in the percentage of revenues from liquor in Fiscal 2016 compared to Fiscal 2015 was primarily due to the acquisition of Harding Brothers Group in November 2014. In recent years, there has been increased public and political attention directed at liquor, as well as at the food and soft drinks industries, as a result of health care concerns related to both the harmful effects of alcohol consumption and to diabetes and obesity related diseases linked to the overconsumption of foods and drinks containing high amounts of sugar. Certain national and local governments have proposed or adopted taxes on sugary foods and beverages to influence consumers' purchasing behaviours. These taxes increase prices for consumers and adversely affect demand. In addition, negative publicity regarding the consumption of liquor and food and candies, publication of studies indicating a significant risk in consuming such products or changes in consumer perceptions in relation to such products generally could adversely affect their sale and consumption. Our business, results of operations and financial condition may be materially adversely affected by any one of these factors.

28. We rely on a limited number of suppliers in each major product category and events outside our control may disrupt our supply chain.

We rely on a small number of suppliers (which include both manufacturers and distributors) for most of our purchases in each major product category. Any further supplier consolidation may reduce our number of suppliers even further. Consequently, our suppliers may have increased bargaining power. In addition, disputes with any supplier may delay the delivery of a significant amount of merchandise or cause cancellation of delivery. In the event of a delay or cancellation, we may be forced to source merchandise from other suppliers on less favourable terms.

Any of the following events could also adversely affect supply and impair our ability to sell our products:

- adverse weather conditions or natural disasters;
- fire;
- terrorism (including cyber-attacks);
- the outbreak or escalation of armed hostilities;
- industrial accidents or other occupational health and safety issues;
- strikes and other labour disputes;
- customs or import restrictions; or
- other reasons beyond our control or the control of our suppliers and other partners.

Failure to take adequate steps to mitigate the likelihood or potential impact of such events, or to effectively manage such events if they occur, could adversely affect our business, financial condition and results of operations, as well as require additional resources to restore our supply chain.

29. We do not have definitive agreements or fixed terms of trade with most of our suppliers. Any delay or failure on the part of the third party suppliers to deliver the products in a timely manner or to meet our quality standards, or any litigation involving such third parties may cause a material adverse effect on our business, profitability and reputation.

Our growth as a business depends on our ability to attract and retain high quality and cost efficient suppliers to our network. In order to maintain flexibility in procurement options, we do not have any fixed term supply arrangements with most of our suppliers and we procure our products on a purchase order basis. The prices of most of our products generally follow the price trends of, and vary with, prevailing market prices and in the absence of long-term contracts, the prices at which we procure products from our suppliers are dependent on our ability to negotiate and maintain relationships with them. If we are unable to continue to procure supplies at competitive prices, our business will be adversely affected. We also cannot assure you that we will be able to pass on our cost increases to the customers in a timely manner to avoid an adverse impact on our margins.

Furthermore, in the absence of definitive agreements with contractual representations and warranties, the success of our supplier relationships depends significantly on satisfactory performance by our suppliers and their fulfilment of respective obligations. If any of our suppliers fails to deliver the products in a timely manner or at all, or supplies defective products, we might be unable to manage our inventory levels and to meet our delivery obligations, which in turn, could result in unavailability of certain products thereby adversely affecting our customer shopping experience, business relationships and reputation. Further, in the absence of definitive agreements, we may also be unable to successfully claim damages from such suppliers in the event of deficiency in services.

While we intend to continue to enter into new supplier relationships as a part of our business strategy, we may not be able to identify or conclude appropriate or viable arrangements in a timely manner or at all. Further, there can be no assurance that our relationships with new suppliers in the future will necessarily contribute to a better experience for our customers or to our profitability. If we fail to leverage our existing and new relationships with suppliers, our business and financial performance could be adversely affected.

Further, any lost confidence on the part of our customers due to failure of our suppliers to adhere to statutory standards would adversely affect our results of operations. Any delay or failure on the part of the third party manufacturers to deliver the products in a timely manner or to meet our quality standards by such third party manufacturers, or any litigation involving such third parties may cause a material adverse effect on our business, profitability and reputation.

30. Our results of operations may fluctuate due to seasonality.

Seasonal variations in tourist traffic through our various sales channels affect our results of operations. In our core duty-free/duty-paid airport operations, for example, the highest revenue is generally achieved during the second quarter of a calendar year (April to June), as this quarter coincides with the summer holiday season in many of our markets including India, and during the fourth quarter of a calendar year (October to December), as this quarter coincides with Christmas and the festival season in India as well as the Indian winter holiday season. In cruise retailing, revenue is highest towards the end of the third quarter and fourth quarter, corresponding to the Thanksgiving and Christmas holidays and consequently the peak cruise season in the Caribbean and in Australia. In our in-flight business, which is principally in Turkey, revenues and net profits are generally highest in the third quarter, corresponding to the summer holiday season in Europe. In addition, certain seasonal events which tend to increase our revenues and net profit, such as Easter and Ramadan, fall on different dates each year. We increase our working capital prior to these peak sales periods, so as to carry higher levels of stock and add temporary personnel to our sales teams to meet the expected higher demands. Given our high proportion of fixed costs, these seasonal factors are likely to cause our results of operations to vary from quarter to quarter during a particular year and affect their comparability. Any event adversely affecting our business that occurs during a period associated with historically higher revenues may have a greater negative effect on our business, financial condition and results of operations.

31. Our inability to maintain an optimal level of inventory in our stores may impact our operations adversely. Any mismatch between our planning and actual consumer consumption could lead to potential excess inventory or out-of-stock situations, either of which could have an adverse effect on our business, financial condition and results of operation.

We forecast our sales estimates based on historical demand and future passenger traffic trends including planned promotional events. Orders are placed on a regular basis, either weekly, bi-monthly or monthly depending upon product classification and overall lead time. Maintaining an optimal level of inventory is important to our business as it allows us to respond to customer demand effectively and to maintain a full range of products at our stores. The travel retail industry tends to operate on a low inventory level model. We typically maintain our inventory levels for certain days of operations based on our retail formats, sales channels and the regions where we operate.

We seek to stock our inventory in our warehouses due to limitations of space in our stores. High shelf availability and minimising out of stock situations is key to our business given that our customers are unlikely to travel again through the same sales channel in a short period of time and come back for an out of stock product. Ensuring shelf availability of our products requires prompt turnaround time and a high level of coordination across suppliers, warehouses or stores and staff.

Although we implement checks to avoid under-stocking and over-stocking, our estimates and forecasts are not always accurate. The economic environment has made accurate projection of inventory levels increasingly challenging. If we over-stock inventory, our capital requirements will increase and we will incur additional financing costs. In case of over-stocking, we sell our excess inventory at a discounted price and such discounted sales normally do not fall below our costs. Conversely, if we underestimate customer demand or suppliers fail to timely deliver products, we may not be able to meet customer demand. Any mismatch between our planning and actual consumer consumption could lead to potential excess inventory or out-of-stock situations, either of which could have an adverse effect on our business, financial condition and results of operation.

32. We may not be able to promptly identify and respond to changing customer preferences or evolving trends, which could have an adverse effect on our business and results of operations.

We offer a wide variety of products, the markets for which are often characterised by frequent changes, particularly customer preferences and the introduction of new products and product variants. We plan our product offering based on forecasts of customer buying patterns as well as on forecasted trends and customer preferences, which are varied based on sales channels. For instances, the preferred products sold at our stores on-board cruise ships are principally luxury goods such as jewellery, watches and fashion, while the products sold at airports are typically concentrated in liquor, tobaccos, food and candies, cosmetics and toiletries product categories. Any mismatch between our forecasts, our planning and the actual purchase by customers can impact us adversely, leading to diminished sales, excess inventory or under-stocking.

In Fiscal 2017, we derived 19.35% of our revenue from operations, on a proforma consolidated basis, from the sale of apparels, accessories, watches and jewellery, which are subject to rapidly changing customer tastes. The availability of new products and changes in customer preferences has made it more difficult to predict sales demand for these types of products accurately. Our success depends in part on our ability to effectively predict and respond to quickly changing consumer demands and preferences, and to translate market trends into appropriate merchandise listings. Additionally, due to our limited sales space relative to other retailers, the selection of saleable merchandise is an important factor in our revenue generation. There can be no assurance that our product orders will match actual demand and that we maintain appropriate inventory levels. If we are unable to predict or respond to sales demand or to changing styles or trends or experience inventory shortfalls on popular merchandise, our revenues will be lower, which could have an adverse effect on our business and results of operations.

33. If we lose the services of the members of our senior management or other key employees or if we are not able to attract or retain qualified persons, our business and operations would be adversely affected.

Our performance is substantially dependent on the performance of our senior management and key employees. Some of the members of our senior management have been with us for a long period of time. However, there can be no assurance that any member of our senior management or other key employees will not leave us in the future.

Such departures may adversely affect our business and operations. Our success is also highly dependent on our continuing ability to identify, hire, train, retain and motivate highly qualified management, technical, sales and marketing personnel. In particular, the recruitment of skilled and experienced sales personnel remains critical to our success. Competition for such skills is intense and continuous, and we may not be able to attract, integrate or retain highly qualified sales or managerial personnel in the future. In addition, in our effort to attract and retain critical personnel, we may experience increased compensation costs that are not offset by either improved productivity or higher sales/ prices for our products. We also incur additional costs in order to obtain the required security clearance for our employees in the airports where we operate. If we are not able to retain these employees, we will need to obtain security clearance for new employees which could increase our employee costs and also incur substantial time.

Our business is manpower intensive and our continued growth depends in part on our ability to recruit and retain suitable staff. As we expand our network, we will need experienced manpower that has knowledge of the local market and the travel retail industry to operate our stores. We have faced increasing competition for management and skilled personnel with significant knowledge and experience in the travel retail sector in India. If we are not able to retain and attract qualified and motivated sales personnel and other specialists in the future, this could materially adversely affect our business. Further, there can be no assurance that attrition rates for our employees, particularly our sales personnel, will not increase. This could result in decreased operational efficiencies and productivity, loss of market knowledge and customer relationships, and an increase in recruitment and training costs, thereby materially and adversely affecting our business, results of operations and financial condition. We cannot assure you that we will be able to find or hire personnel with the necessary experience or expertise to operate our shops in our existing markets or new markets that we are entering into. In the event that we are unable to hire people with the necessary knowledge or the necessary expertise, our business may be severely disrupted, financial condition and results of operations may be adversely affected.

Additionally, we have seen an increasing trend in manpower costs in India as well as in Poland, which has had a direct impact on our employee costs and consequently, on our margins. The minimum wage laws in India or in any other emerging countries may be amended leading to upward revisions in the minimum wages payable in one or more states in which we currently operate or are planning to expand. We may need to increase compensation in line with inflation rates of local currencies and offer other benefits in order to attract and retain key personnel in the future and that may materially affect our costs and profitability. In addition, we may need to incentivise hiring by raising wages when national labour markets operate at near full capacity, as is currently the case in Poland. We cannot assure you that as we continue to grow our business in the future, our employee costs coupled with operating expenses will not significantly increase.

34. Inability to manage losses due to fraud, employee negligence, theft or similar incidents may have an adverse impact on us. Any increase in fraud levels could adversely affect our future financial condition and results of operations.

Our business and the industry we operate in are vulnerable to the problem of product shrinkage which may occur through a combination of shoplifting by customers, pilferage by employees, vendor fraud, damage, obsolescence and expiry, general administrative error and transactions that go un-noticed.

An increase in product shrinkage levels at our existing and future stores or our warehouses may force us to install additional security and surveillance equipment, which will increase our operational costs and may have an adverse impact on our profitability. Further, although we have cash management procedures and controls in place, there are inherent risks in cash management including, theft and robbery, employee fraud and the risks involved in transferring cash from our stores to banks. Finally, there have been instances of pilferage by employees in the past and we cannot assure you that we will able to completely prevent such incidents in the future.

Payment for a significant portion of our inflight sales is made using credit cards. We have in the past experienced, and expect to continue to experience in the future, fraudulent transactions using credit cards. While we have established systems and procedures to reduce incidences of credit card fraud, there can be no assurance that we will not experience increased fraud levels in the future. Any such increase in fraud levels could adversely affect our future financial condition and results of operations.

35. Our insurance coverage may not be sufficient or may not adequately protect us against any or all hazards. If our insurance claims are rejected, the loss would be borne by us and our results of operations, financial performance and cash flows could be adversely affected.

Our principal types of insurance coverage include motor vehicle insurance, cash in transit insurance, fire, burglary and special perils insurance, professional indemnity, directors' and officers' liability, group mediclaim and personal accident policy, workmen's compensation policy and fidelity policy.

The insurance coverage which we maintain may not be adequate to cover all of the risks associated with the operation of our businesses, and we cannot assure you that our Company will not incur losses or that no claims will be raised which exceed the type of scope of existing insurance coverage or that any claim under the insurance policies will be honoured fully, in part and/or on time. For instance, in case of losses due to theft, fraud, fire, breakage or damaged caused by other casualties, there can be no assurance that we will be able to recover from our insurer the full amount of any such loss in a timely manner, or at all.

In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the ordinary course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all. To the extent that we suffer loss or damage, or successful assertion of one or more large claims against us for events for which we are not insured, or for which we did not obtain or maintain insurance, or which is not covered by insurance which exceeds our insurance coverage or if our insurance claims are rejected, the loss would be borne by us and our results of operations, financial performance and cash flows could be adversely affected.

36. We may require significant amount of capital for continued growth. Our inability to meet our capital requirements may have an adverse effect on our results of operations.

Our business requires a significant amount of capital for acquisitions, remodelling of stores and maintenance of sufficient inventory levels. As of March 31, 2017, our outstanding borrowings, on a proforma consolidated basis, were ₹7,915.83 million. We intend to continue growing by bidding for new concessions and setting up additional stores and to grow our business through acquisitions. We may need to obtain additional financing in the normal course of business from time to time as we expand our operations.

We may not be successful in obtaining additional funds in a timely manner and/or on terms favourable to us or at all due to several factors, including the terms of our existing indebtedness and trends in the global capital and credit markets. Moreover, certain of our loan documentations contain provisions that limit our ability to incur future debt. If adequate funds are not available on acceptable terms, we may be forced to delay, scale back or abandon some or all of our plans or growth strategies or reduce capital expenditures and the size of our operations.

Our inability to maintain sufficient cash flow, credit facility and other sources of fund, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, could adversely affect our financial condition and result of our operations.

37. We depend on information technology systems in our daily operations which may fail or be disrupted.

Our information technology systems are used to record and process transactions at our stores and to manage our operations and are critical to our business.

Computer and data processing systems are generally prone to disturbances, damage, electricity failure, computer viruses and other attempts to undermine cyber security. Disruptions to operations or interruptions in operations involving the systems cannot be completely excluded and have occurred in individual cases in the past. Our information technology systems may not always operate without interruption and may encounter temporary abnormality or become obsolete, which may adversely affect our ability to maintain connectivity with our stores and warehouses and efficiently maintain our operational processes. Further, failures in the information technology systems of third parties, such as airports and cruise ship operators, may prevent our systems from operating efficiently. We cannot assure you that we will be successful in developing, installing, running and migrating to new software systems or systems as required for our overall operations. Even if we are successful in this regard, significant capital expenditures may be required, and we may not be able to benefit from the investment immediately. The occurrence of any of such event may have an adverse impact on our operations and profitability.

In addition, we cannot guarantee that the level of information security we presently maintain is adequate or that the systems can withstand intrusions from or prevent improper usage by third parties. Although we take precautions to protect customer information, and have in place processes designed to identify and, where possible, address weaknesses in our information security systems, such precautions and processes may not be sufficient to prevent cases of accidental or unlawful destruction or alteration of data, data leakage or intentional data theft or other misuses of data, including as a result of human error, cyberattacks, technological failure or other factors that may be outside our control.

Moreover, the regulatory environment governing our use of individually identifiable data of customers, employees and others is complex. Compliance with frequently changing privacy and information security laws may require us to incur additional costs to make necessary systems changes and implement new administrative processes, including security audits. If a data security breach occurs, our reputation could be damaged and we could experience lost sales, fines or lawsuits.

38. Non-GAAP measures included in this Draft Red Herring Prospectus have limitations as analytical tools.

EBITDA, EBITDA margin, inventory turnover days and trade payable turnover days presented in this Draft Red Herring Prospectus are supplemental measures of our performance and liquidity that are not required by, or presented in accordance with, Indian GAAP or U.S. GAAP.

EBITDA is not a measurement of financial performance or liquidity under Indian GAAP or U.S. GAAP and should not be considered as an alternative to net income, operating income or any other performance measures derived in accordance with Indian GAAP or U.S. GAAP or as an alternative to cash flow from operating activities as a measure of liquidity. In addition, EBITDA is not a standardised term; hence, a direct comparison of EBITDA as reported by different companies may not be possible or meaningful. In particular, the EBITDA included has also eliminated the linearisation impact of our concession fees, i.e. only cash costs are included in the EBITDA. Linearisation impact reflects the difference between the concession costs incurred in a period (cash costs) per the concession contract and the concession costs as charged to the statement of profit and loss pursuant to the reverent accounting policy under Indian GAAP (non-cash costs).

We believe that EBITDA facilitates comparisons of operating performance from period to period and company to company by eliminating potential differences caused by variations in capital structures (affecting interest and finance charges), tax positions (such as the impact on periods or companies of changes in effective tax rates or net operating losses), the age and booked depreciation and amortisation of assets (affecting relative depreciation and amortisation of expense) and linearisation. EBITDA has been presented because we believe that it is frequently used by securities analysts, investors and other interested parties in evaluating similar companies, many of whom present such non-GAAP financial measures when reporting their results. Finally, EBITDA is presented as a supplemental measure of our ability to service our debt. Nevertheless, EBITDA has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute for, analysis of our financial condition or results of operations, as reported under Indian GAAP. Because of these limitations, EBITDA should not be considered as a measure of discretionary cash available to us to invest in the growth of our business.

39. Our Corporate Promoter and Group Companies have unsecured loans that may be recalled by the lenders at any time.

Our Corporate Promoter and Group Companies currently have availed unsecured loans which may be recalled by their lenders at any time. In the event that any lender seeks a repayment of any such loan, such Corporate Promoter and Group Companies would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. If they are unable to procure such financing, such Corporate Promoter and Group Companies may not have adequate working capital to undertake new initiatives or complete our ongoing strategies. As a result, any such demand may materially and adversely affect our business, cash flows, financial condition and results of operations.

40. Our Company had contingent liabilities, as restated, at September 30, 2017 in accordance with AS 29. Further, our Company may be subject to certain penalty proceedings in respect of ongoing tax litigations and our Company has not presently provided for such penalties which may be imposed. If any of these actually occur, they may adversely impact profitability of our Company and may have a material adverse effect on results of operations and financial condition of our Company.

The following are our Company's contingent liabilities, as restated, as on September 30, 2017 in accordance with AS 29. If any of these actually occur, they may adversely impact our Company's profitability and may have a material adverse effect on our Company's results of operations and financial condition:

(₹ million)

Particulars	September 30, 2017
Income Tax Matters	33.87
VAT Matters	-
Service Tax Matters	-
Customs duty on Goods imported for unexpired Bonds	730.46

The contingent liabilities of our Company arise as our Company is party to certain tax litigations pending before various tribunals and our Company may also be subject to imposition of penalty by the Income Tax Department in relation to such litigations. Our Company has not made provision for such penalties as may be imposed in its contingent liabilities.

41. The Target Companies had contingent liabilities on their respective last audited consolidated balance sheets. If any of these liabilities actually occur, they may adversely impact our profitability and may have a material adverse effect on our results of operations and financial condition.

The table below sets forth of the contingent liabilities of the Target Companies as of their respective balance sheet as of the date indicated:

No.	Particulars	Amount (₹ million)
(A)	**Flemingo India and its subsidiaries (consolidated) as of March 31, 2017**	
1	Guarantees issued by the banks in the normal course of business	3,869.75
2	Triple duty bond issued in favour of the Customs Department of India for obtaining the warehouse license for duty-free business at several Indian airports/seaports.	660.90
3	Sales Tax, Customs and Income tax authorities in India have made certain demands / claims against Flemingo India for non-payment of sales tax, customs duty and other statutory dues. Flemingo India believes that these claims are not sustainable against it and is defending these demands / claims through legal counsels. As Flemingo India expects these matters to be settled in its favour, it has not made any provision for these claims.	281.38
4	A subsidiary in Poland is subject to a lawsuit for a refund of rental income of ₹54.89mn by a lessor of commercial property in prior years. The subsidiary is defending the claim through its lawyers and believes that its position will prevail in the courts. Accordingly, the Company has not made a provision for this claim.	54.89
5	Subsequent to the termination of concession agreement, PPL issued debit notes on BH Travel for each day of delay in return of premises amounting to ₹89.64 million. Further, on October 29, 2012 the relevant court decided that part of the questioned balance that have been drawn by PPL from BH Travel's bank deposit in 2012 amounting to ₹14.55 million should be treated as a settlement of this part of the questioned balance claim by PPL. BH Travel has filed an appeal against the order of the court. BH Travel believes that the order of the court and the termination of agreement lacks legal and actual basis and, therefore, it has not made a provision for the claim.	89.64

6	The air operator (DHMI) at Turkey has issued price difference invoices to a subsidiary in 2016 towards commission at a higher rate amounting to ₹ 36.89 million. Price difference invoice is based on classification dispute of the product between the company's subsidiary and air operator. The subsidiary believes that higher commission rate is not applicable as product classification is correct and DHMI's claims are not sustainable. Further, effective February 2017, DHMI has agreed for lower commission rate as per classification claimed by the subsidiary. Accordingly, no provision has been set up for this claim.	36.89
7	**Capital commitment**	
	Estimated amount of contracts remaining to be executed on capital account net of advances, and not provided for	79.77
(B)	**Flemingo UK and its subsidiaries (consolidated as of December 31, 2016)**	
1	In March 2017 Harding Retail processed a payment pursuant to a claim from one of its customers in respect of a MAG. This amount was paid subject to reconciliation against actual concession fee payment records and any further upward/downward adjustment to be made in subsequent years' claims of MAG, at which point the management of both companies will assess and settle the adjustment for prior year MAG. The company has paid an amount of ₹18.6million in excess of the contractual obligation as calculated and is confident that this amount will be adjusted in subsequent claims, as supported by an independent legal interpretation of the contract, and therefore the amount is considered to be fully recoverable.	18.60
	Capital commitment	
2	Estimated amount of contracts remaining to be executed on capital account net of advances, and not provided for	120.47

If any of these liabilities actually occur, they may adversely impact our profitability and may have a material adverse effect on our results of operations and financial condition.

42. We have incurred, and may incur in the future, significant indebtedness or issue additional equity shares. Our inability to effectively service our borrowings, or comply with or obtain waivers of applicable loan covenants, may adversely affect our cash flow and financial condition.

We have incurred, and may incur in the future, significant indebtedness or we may issue additional equity securities in connection with our corporate strategy or acquisitions which may impact the manner in which we conduct our business. The potential incurrence of additional indebtedness or the issuance of additional equity securities may limit our ability to implement elements of our growth strategy and may have a dilutive effect on earnings.

Our inability to effectively service our borrowings, or comply with or obtain waivers of applicable loan covenants, may adversely affect our business, results of operations and financial conditions.

We are subject to restrictive and financial covenants contained in agreements that we have executed with banks for short or long term loans. We are required to obtain an approval from the lenders for, among other things, to effect a consolidation, merger, reorganisation, dissolution, scheme of arrangement or compromise with creditors or shareholders, effect amend or modify the constitutional document, change the constitution or composition of our Company and accounting methods or policies, declare or pay dividends for any year, undertake guarantee obligations, undertake new projects or substantial expansion of existing projects, make investments or lend to any other concern, engage in any business or activities outside of our current business and activities, change in capital structure or shareholding pattern, pay any commission to our Promoters, Directors, officers, partners for furnishing guarantees, counter guarantees or indemnities, or buy back, cancel, retire, redeem, repurchase or acquire any of our Company's share capital or delist the Equity Shares.

Under some of the credit facilities availed by us, our lenders are entitled to terminate the credit facility, appoint a nominee director or convert the outstanding loan into equity in the event of any default committed by us under our loan facilities. In case we default in any of our outstanding borrowings, we may not be able to declare or issue dividend, without the approval of our lenders. The banks may change the applicable banking policies or increase the interest rates or levy penal interest for non-compliances, if any. One of the Target Companies, Flemingo UK, has defaulted in the compliance of the financial covenants of borrowing bank revolving credit facility resulting into the debt being repayable on demand under the facility agreement. The entire outstanding borrowing of ₹744.79 million was classified as current instalments of long term borrowing in the consolidated statement of financial position as at December 31, 2016 in the Special Purpose Financial Statements of Flemingo UK and its subsidiaries. Our inability to effectively service our borrowings, or comply with or obtain waivers of applicable loan covenants, may adversely affect our business, results of operations and financial conditions.

43. We depend on third parties for a major portion of our logistics needs. Any prolonged disruption or unavailability of such facilities in a timely manner could result in delays or non-supply or may require us to look for alternative sources which may not be cost efficient, thereby adversely affecting our operations, profitability, reputation and market position.

We have limited in-house transportation facilities and we rely on third-party transportation and other logistic facilities at most stages of our business activities including for the procurement of products from our suppliers and for transportation from our warehouses to various stores. Additionally, availability of transportation solutions in our non-cruise markets is typically fragmented. We rarely enter into written documentation in relation to the transportation services we hire which poses various additional risks including our inability to claim insurance. Further, the cost of our goods carried by such third party transporters is typically much higher than the consideration paid for transportation, due to which it may be difficult for us to recover compensation for damaged, delayed or lost goods. See "*Our Business – Our Products and Suppliers - Logistics*" on page 158 for details of our logistics arrangements.

Our operations and profitability are dependent upon the availability of transportation and other logistic facilities in a time and cost efficient manner. Accordingly, our business is vulnerable to any material disruption in or lack of availability of transportation or increased transportation costs including as a result of increase in fuel costs, transportation strikes, delays, damage or losses of goods in transit and disruption of transportation services because of weather related problems, strikes, lock-outs, accidents, inadequacies in road infrastructure or other events. Any prolonged disruption or unavailability of such facilities in a timely manner could result in delays or non-supply or may require us to look for alternative sources which may not be cost efficient, thereby adversely affecting our operations, profitability, reputation and market position.

44. We are subject to anti-corruption laws in various jurisdictions, as well as other laws governing our international operations. Failure to comply with these laws may adversely affect our operations.

Our international operations are subject to one or more anti-corruption laws in various jurisdictions, such as the FCPA, the UK Bribery Act of 2010 and other anticorruption laws. The FCPA and these other laws generally prohibit employees and intermediaries from bribing or making other prohibited payments to foreign officials or other persons to obtain or retain business or gain some other business advantage. We operate in a number of jurisdictions that pose a high risk of potential violations, and we participate in joint ventures and relationships with third parties whose actions could potentially subject us to liability under the FCPA. In addition, we cannot predict the nature, scope or effect of future regulatory requirements to which our international operations might be subject or the manner in which existing laws might be administered or interpreted.

We are also subject to other laws and regulations governing our international operations, including regulations administered by the U.S. Department of Commerce's Bureau of Industry and Security, the U.S. Department of Treasury's Office of Foreign Asset Control, and various non-U.S. government entities, including applicable export control regulations, economic sanctions on countries and persons, customs requirements, currency exchange regulations, and transfer pricing regulations.

45. We have not completed the registration of certain trademarks. Our inability to protect our trademarks may adversely affect our goodwill and business.

The "Flemingo" trademark is owned by our Corporate Promoter, Flemingo International, and on February 9, 2018 our Company has entered into a trademark license agreement (the "**Trademark License Agreement**") with Flemingo International for the use of the trademarks "Flemingo" and "Flemingo-the Duty Free People" by our Company and our future and existing subsidiaries. The Trademark License Agreement will cease to be in force when the shareholding of the Promoters in our Company, whether individually or jointly, falls below 5% of our Company's issued and paid-up share capital. The Trademark License Agreement shall also be terminated automatically in the event our Company is acquired by any entity other than a Flemingo group entity (being an entity under the control of Flemingo International). We cannot assure you that we will continue to have the right to use the "Flemingo" trademark in the future, whether at the terms presently applicable or at all. Flemingo India had filed applications for registration of "GO DUTY FREE BY FLEMINGO" trademark, under the Trademarks Act, which are currently pending approval. There can be no assurance that our trademark applications will be accepted and the trademarks will be registered. Further, some of our applications for the registration of certain trademarks have been opposed by third parties, and we may have to incur significant cost in relation to these oppositions. In the event we are not able to obtain registrations due to opposition by third parties or if any injunctive or other adverse order is issued against us in respect of any of our trademarks for which we have applied for registration, we may not be able to avail the legal protection or prevent unauthorised use of such trademarks by third parties, which may adversely affect our goodwill and business.

46. We are yet to receive certain regulatory approvals in respect of our operations. Failure to obtain or maintain licenses, registrations, permits and approvals may adversely affect our business and results of operations.

We are governed by various laws and regulations for our business and operations. We are required, and will continue to be required, to obtain and hold relevant licences, approvals and permits at the local, state and central government levels for doing our business.

The approvals, licenses, registrations and permits obtained by us may contain conditions, some of which could be onerous. Additionally, we will need to apply for renewal of certain approvals, licenses, registrations and permits, which expire or seek fresh approvals, from time to time, as and when required in the ordinary course of our business.

While we have obtained a significant number of approvals, licenses, registrations and permits from the relevant authorities, we are yet to receive or apply for several approvals, licenses, registrations and permits. We cannot assure you that we will apply for and receive these approvals and clearances in time or at all. There can be no assurance that the relevant authority will issue an approval or renew expired approvals within the applicable time period or at all. Any delay in receipt or non-receipt of such approvals, licenses, registrations and permits could result in cost and time overrun or which could adversely affect our related operations. Furthermore, under such circumstances, the relevant authorities may restrain our operations, impose fines/penalties or initiate legal proceedings for our inability to renew/obtain approvals in a timely manner or at all.

Our operations are subject to stringent health and safety laws as our products are for human consumption and are therefore subject to various industry specific regulations. We may incur additional costs and liabilities related to compliance with these laws and regulations that are an inherent part of our business. We are subject to various central, state and local food safety, consumer goods, health and safety and other laws and regulations. These relate to various issues, including food safety, food ingredients, and food packaging requirements, and the investigation.

These laws and regulations governing us are increasingly becoming stringent and may in the future create substantial compliance or liabilities and costs. While we endeavour to comply with applicable regulatory requirements, it is possible that such compliance measures may restrict our business and operations, result in increased cost and onerous compliance measures, and an inability to comply with such regulatory requirements may attract penalty. For further details regarding the material approvals, licenses, registrations and permits, which have not been obtained by our Company or are pending renewal, see "*Government and Other Approvals*" on page 265.

Furthermore, we cannot assure you that the approvals, licenses, registrations and permits issued to us will not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any suspension or revocation of any of the approvals, licenses, registrations and permits that has been or may be issued to us may adversely affect our business and results of operations.

47. Our Corporate Promoter and certain Directors are interested in our Company's performance in addition to their remuneration and reimbursement of expenses.

Certain of our Directors are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding or the shareholding of their relatives in our Company. Further, our Corporate Promoter may also be deemed to be interested to the extent of the license fee payment payable to it pursuant to the Trademark License Agreement it entered into with our Company on February 9, 2018. Such license fee is subject to revisions as may be mutually agreed between our Corporate Promoter and us.

48. We will continue to be controlled by our Promoters after the completion of the Offer.

After the completion of the Offer, our Promoters will hold, [●]% of our outstanding Equity Shares. As a result, our Promoters will continue to exercise significant control over us, including being able to control the composition of our Board and determine matters requiring shareholder approval or approval of our Board. Our Promoters may take or block actions with respect to our business or allocation of business opportunities, which may conflict with our interests or the interests of our minority shareholders. By exercising their control, our Promoters could delay, defer or cause a change of our control or a change in our capital structure, delay, defer or cause a merger, consolidation, takeover or other business combination involving us, discourage or encourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of us. There can be no assurance that our Promoters and Promoter Group will act in our interest while exercising their rights.

49. Our Company has not paid any dividends in the past and we may not be able to pay dividends in the future.

Our Company has not declared dividends for any financial year in the past and our Company may not be able to declare dividends in the future. The declaration, payment and amount of any future dividends are subject to the discretion of the Board and will depend upon a number of factors, including our Company's results of operations, future earnings, capital requirements and surplus, general financial conditions, contractual restrictions, applicable Indian law restrictions and other factors considered relevant by our Board. For more details, see "*Dividend Policy*" on page 212.

50. We have commissioned a report from Avalon which has been used for industry related data in this Draft Red Herring Prospectus and such data have not been independently verified by us.

We have commissioned Avalon to produce a report on the travel retail industry in India and worldwide. Avalon has provided us with a report titled "Duty-Free Industry Report", dated January 2018 which has been used for industry related data that has been disclosed in this Draft Red Herring Prospectus. The report uses certain methodologies for market sizing and forecasting, and also relies on third-party data. We have not independently verified such data and therefore, while we believe them to be true, we can make no assurance that they are complete or reliable. Accordingly, investors should read the industry related disclosure in this Draft Red Herring Prospectus in this context. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. While industry sources take due care and caution while preparing their reports, they do not guarantee the accuracy, adequacy or completeness of the data. Accordingly, investors should not place undue reliance on, or base their investment decision solely on this information. Please see "*Industry Overview*" and "*Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Market and Industry Data*" on pages 112 and 13, respectively.

51. If we are unable to establish and maintain an effective system of internal controls, our business and reputation could be adversely affected.

We manage regulatory compliance by monitoring and evaluating our internal controls, and ensuring that we are in compliance with all relevant statutory and regulatory requirements. However, there can be no assurance that deficiencies in our internal controls and compliances will not arise, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls, in a timely manner or at all. If we are unable to establish and maintain an effective system of internal controls, our business and reputation could be adversely affected.

52. Certain of the corporate records in relation to the Target Companies and their direct and indirect subsidiaries, including certain share transfer certificates and articles of association, are not traceable. We are unable to assure you that the filings in relation to such documents were made in a timely manner or the information gathered through other available documents in respective of such companies are accurate.

We are unable to trace or retrieve certain corporate documents and prescribed regulatory filings in relation to certain of the Target Companies and their direct and indirect subsidiaries, including their respective share transfer certificates and articles of association. This may be due to change in methods of record keeping on account of technological advancement and computerisation. Despite having conducted an extensive search of the records, we have not been able to retrieve the relevant documents. We are unable to assure you that the filings in relation to such documents were made in a timely manner or the information gathered through other available documents, including corresponding board and/or shareholder resolutions, in respective of such companies are accurate. We are also unable to assure you that the corporate documents and regulatory filings of such companies will be available in the future or that we will not be subject to penalties imposed by the regulatory authorities in their respective jurisdictions in this respect.

53. Our accounting and reporting systems, internal controls and other procedures may not be as advanced as other public companies' systems and procedures.

We have historically utilised a decentralised financial reporting system based on reporting of our global subsidiaries. Our current group-wide internal controls are relatively new and may require further adjustments or modifications. Notably, the design of any internal control system is based, in part, upon certain assumptions relating to the likelihood of future events. Because of these and other inherent limitations of control systems, there can be no assurance that they will succeed in achieving their stated goals under all potential future conditions, regardless of how remote. If our controls cannot provide reliable financial reports or prevent fraud, our financial results could be negatively affected.

In addition, as a result of our growth strategy and the continued operating complexity of our business, internal controls over financial reporting will need to be kept under regular review which may place strain on our managerial and operational resources. Additionally, we have no prior experience complying with public company reporting requirements and our systems may not be as advanced as other public companies, see also "*-The transition to being a public company involves changes in our ownership structure, corporate governance, management culture and financial and non-financial reporting practices and may adversely affect our business*" below. There can be no assurance that our internal controls over financial reporting will be capable of responding to these additional requirements without difficulties or inefficiencies that cause us to incur significant additional costs or expose us to other fines or penalties, which could have a material adverse effect on our business, financial condition and results of operations.

In addition, other processes and procedures used throughout our business may not be as advanced as those of other public companies. While we believe that we are in compliance with relevant legal requirements in respect of our processes and procedures, we are in the process of reviewing and updating certain of these processes and procedures. If our processes and procedures were found not to be in compliance with certain relevant legal requirements, this could have a material adverse effect on our business, financial condition and results of operations.

54. The audit reports of our Company's auditor's for the last five financial years contain certain qualifications pursuant to the applicable Companies (Auditor's Report) Orders.

Our Company's auditors have included certain qualifications in the audit reports relating to our financial statements pursuant to the Companies (Auditor's Report) Order, 2003 and Companies (Auditor's Report) Order, 2015 and the Companies (Auditor's Report) Order, 2016 (collectively, "**Companies (Auditor's Report) Orders**"), for the last five financial years. Additionally, our Company's erstwhile statutory auditor also included an emphasis of matter in their audit report for Fiscal 2013. Pursuant to the Companies (Auditor's Report) Order, 2016, qualifications have been included in the annexures to the audit reports stating that for the Financial Years 2013 to 2017, our Company's fixed assets were not physically verified. The auditors in their audit report for the Financial Year ended March 31, 2017 have stated that there is a regular programme of verification which, in their opinion, is reasonable having regard to the size of our Company. Further, during the Financial Years 2013 to 2015, qualifications were included pursuant to the Companies (Auditor's Report) Order, 2003 and Companies (Auditor's Report) Order, 2015 stating that our Company did not have a real time inventory system. While our Company believes that these were not material and have been properly dealt with in the books of accounts, if our Company is unable to maintain proper and effective verification procedures, and otherwise implement other related practices, our Company could be required to incur additional costs, our Company's business and financial condition and operating results could be adversely affected. The Statutory Auditors have stated in their examination reports on the Restated Summary Statements that no corrective adjustment is required to be made pursuant to the audit qualifications. For further details of the auditor's remarks and observations, see "*Financial Statements*" on page 213. Investors should consider these matters emphasized in evaluating our Company's financial position, cash flows and results of operations. For details on the steps taken by our Company, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Reservations,* *Qualifications and Adverse Remarks*" on page 245.

55. We propose to raise foreign capital in the Offer from certain foreign investors under the FPI route of up to 24% of our paid-up capital and may raise further foreign capital from such foreign investors. If our shareholders do not increase this limit to the permissible limit of 49% of our paid-up capital in the future or the GoI reduces this permissible limit or imposes restrictive conditions in the future, our ability to raise foreign capital could be adversely affected and consequently, this may adversely affect our business, prospects and results of operations.

We propose to allow participation by non-residents in the Offer to the extent of participation by (i) FPIs through the portfolio investment scheme under Schedule 2 of the FEMA Regulations subject to limit of the individual holding of an FII/FPI below 10% of the post-Offer paid-up capital of our Company and the aggregate limit for FPI investment to 24% of the post-Offer paid-up capital of our Company; and (ii) Eligible NRIs under Schedules 3 and 4 of the FEMA Regulations, as the case may be, subject to limit of the individual holding of an NRI below 5% of the post-Offer paid-up capital of our Company and the aggregate limit for NRI investment to 10% of the post-Offer paid-up capital of our Company both on repatriation and non repatriation basis. As of the date of this Draft Red Herring Prospectus, the permissible limit of FPI limit in our Company is 24%. However, we may intend to increase this limit to 49% in future by way of a special resolution passed by our Shareholders. We cannot assure you that our Shareholders will increase the FPI limit in our Company or that the GoI will continue to allow current level of participation by the FPIs in the sector in which we operate or that the GoI will not impose any further conditions with respect to such investments. Any adverse decision by our Shareholders or the GoI in this regard could adversely affect our business, prospects, results of operations and trading price of our Equity Shares.

Furthermore, as an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions could constrain our ability to obtain financings on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to us without onerous conditions, or at all. Limitations on foreign debt may have an adverse effect on our business growth, financial condition and results of operations.

56. We do not have certain supporting documents for the educational qualification included as part of the profile of our individual Promoter included in the sections "Our Promoters and Promoter Group" and "Our Management" of this Draft Red Herring Prospectus.

We do not have certain documents supporting the educational qualification of our individual Promoter, disclosed in the sections "*Our Promoters and Promoter Group*" and "*Our Management*" on pages 192 and 179, respectively. Such information included in the Draft Red Herring Prospectus is based on the details provided by the individual Promoter by way of an affidavit, certifying such information. Therefore, we cannot assure you that such information relating to the educational background of our individual Promoter included in the sections "*Our Promoters and Promoter Group*" and "*Our Management*", as may be applicable, is complete, true and accurate.

57. Our Company has been unable to complete filings of annual performance reports with the RBI in respect of our Subsidiaries.

In respect of our Subsidiaries, which are overseas entities, our Company was required to submit to the RBI an annual performance report in form annual performance report every year, as required under the Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2004, as amended. While our Company received 3,960 and 49,990 shares of our Subsidiaries, namely Flemingo International Limited, S.A. and Flemingo International Rwanda Limited, respectively, by way of a gift, our Company has not yet been able to file form annual performance report as the RBI has not yet assigned a unique identification number for our Subsidiaries.

Our Company has currently requested for allocation of a unique identification number to each of the Subsidiaries along with our application for condonation of delay in making certain overseas direct investment filings with the RBI in respect of the Subsidiaries. For further details, see "*Outstanding Litigation and Other Material Developments – Litigation involving our Company – Outstanding actions taken by statutory or regulatory authorities*". However, we will not be able to make such filings until the RBI condones the delay and assigns a unique identification number in respect of our Subsidiaries.

58. Our Company has issued Equity Shares in the last 12 months at a price which may be lower than the Offer Price.

During the last 12 months, we have issued Equity Shares at a price that may be lower than the Offer Price, as set forth below. For further details regarding such allotments, see "*Capital Structure*" on page 89.

Date of Issue	No. of Equity Shares	Face value (₹)	Issue Price (in ₹)	Reason for allotment
December 27, 2017	38,907,000	10	-	Bonus issue in the ratio of 250 Equity Shares for each Equity Share held by the Shareholders of our Company

Further, our Company, may in consultation with the BRLMs, issue and allot up to 5,900,000 Equity Shares for an amount not exceeding ₹5,000 million through a private placement in favour of certain investors prior to the filing of the Red Herring Prospectus with the RoC, at a price as the Board may determine in accordance with the Companies Act, and other applicable laws, which may be lower than the Offer Price.

59. Our Company will not receive any proceeds from the Offer for Sale portion and objects of the Fresh Issue for which the funds are being raised have not been appraised by any bank or financial institutions. Any variation in the utilisation of our Net Proceeds as disclosed in this Draft Red Herring Prospectus would be subject to certain compliance requirements, including prior shareholders' approval.

The Offer includes an offer for sale of up to 1,129,500 Equity Shares by the Selling Shareholder. The proceeds from the Offer for Sale will be paid to the Selling Shareholder and we will not receive any such proceeds. Our Company intends to use the Net Proceeds of the Fresh Issue to pay off the consideration for the acquisition of Target Companies to our Corporate Promoter, Flemingo International, pursuant to the Restructuring and for general corporate purposes, as described in "*Objects of the Offer – Utilisation of Net Proceeds*" on page 98. Such intended use of proceeds has not been appraised by any bank or financial institution. Our Company may have to revise its management estimates from time to time and consequently its requirements may change. Any variation in the Objects of the Fresh Issue would require shareholders' approval and may involve considerable time or may not be forthcoming and in such an eventuality it may adversely affect our operations or business.

Further, our Promoters or controlling shareholders would be required to provide an exit opportunity to the shareholders who dissent with our proposal to change the objects of the Offer, at a price and in the manner as specified in the Sections 13(8) and 27 of the Companies Act, 2013 and Chapter VI-A of the SEBI ICDR Regulations. Additionally, the requirement on Promoters or controlling shareholders to provide an exit opportunity to such dissenting shareholders may discourage the Promoter or our controlling shareholders from undertaking steps for the variation of the proposed utilisation of our Net Proceeds, even if such variation is in our interest. Further, we cannot assure you that our Promoter or the controlling shareholders will have adequate resources at their disposal at all times to enable them to provide an exit opportunity to the dissenting shareholders at the price specified in the SEBI ICDR Regulations.

In light of these factors, we may not be able to undertake any variation in Objects of the Fresh Issue to use any unutilised proceeds of the Fresh Issue even if such variation is in our interest. This may restrict our ability to respond to any developments in our business or financial condition by re-deploying the unutilised portion of our Net Proceeds, if any, which may adversely affect our business and results of operations.

60. We operate our registered office, some of our warehouses and distributions centres, and other offices on a leasehold basis. Our inability to renew the lease agreements or any adverse impact on the title or ownership rights of our landlords in relation to such premises may impede our operations.

We do not own any significant real estate. We lease properties for our Company's Registered Office and Corporate Office, regional offices, warehouses and distribution centres. Our lease agreements generally being long term in nature are renewable on mutually acceptable terms and upon payment of such rent escalations as stated in lease agreements.

If our lease agreements are not renewed or are renewed on terms and conditions that are unfavourable to us or we are unable to find alternate premises on commercially acceptable terms, we may suffer a disruption in our operations which could have an adverse effect on our business and operations. Further, any adverse impact on the title or ownership rights of the landlords, may force us to vacate such premises and we would be required to make alternative arrangements, which may have an adverse effect on the costs of operation and profitability of our Company.

61. Our Corporate Promoter and our Director Atul Vini Ahuja have provided personal guarantees for loan facilities obtained by our Company, the Subsidiaries, the Group Companies, and the Target Companies and their subsidiaries, and any failure or default by our Company, the Subsidiaries, the Group Companies, the Target Companies or the subsidiaries of the Target Companies to repay such loans in accordance with the terms and conditions of the financing documents could trigger repayment obligations, which may impact the ability of our Corporate Promoter and the Director to effectively render their duties and thereby, adversely impact our business and operations.

Our Corporate Promoter, Flemingo International, and our Director, Atul Vini Ahuja, have personally guaranteed the repayment of certain loan facilities availed by our Company, the Subsidiaries, the Group Companies, the Target Companies and their subsidiaries. As of March 31, 2017, outstanding amounts from credit facilities personally guaranteed by our Corporate Promoter and the Director amounted to ₹6,264.38 million, which represented, on a proforma consolidated basis, 84.46% of our Group's outstanding indebtedness as of such date.

Any default or failure by the relevant borrower(s) to repay the loans in a timely manner, or at all, could trigger repayment obligations on the part of our Corporate Promoter and the Director in respect of such loans, which in turn, could have an impact on their ability to effectively service their obligations as Promoter or Director, thereby having an adverse effect on our business, results of operation and financial condition. In the event they withdraw or terminate their guarantees, our lenders may require alternate guarantees, repayment of amounts outstanding or terminate the loan facilities. We may not be successful in providing alternate guarantees satisfactory to the lenders, and as a result may be required to repay outstanding amounts or seek additional sources of capital, which could affect our financial condition and cash flows.

EXTERNAL RISK FACTORS

Risks Relating to India

62. Changing laws, rules and regulations and legal uncertainties may adversely affect our business and financial performance.

Our business and financial performance could be adversely affected by changes in law or regulatory environment, or interpretations of existing laws, rules and regulations, or the promulgation of new laws, rules and regulations in India, applicable to us and our business. Any significant changes in the regulations, laws or regulatory environment might materially impact our operations and financials.

Additionally, the regulatory environment in which we operate is subject to change both in the form of gradual evolution over time and also in form of significant reforms from time to time. For instance, a recent notification issued by the GoI withdrawing the legal tender status of currency notes of ₹500 and ₹1,000, may have had and may continue to have an adverse effect on certain sectors of the Indian economy. Further, the GAAR have come into effect from April 1, 2017. In the absence of any precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to our Company, it may have an adverse tax impact on us.

The governmental and regulatory bodies in India may notify new regulations and/or policies, which may require us to obtain approvals and licenses from the government and other regulatory bodies, or impose onerous requirements and conditions on our operations, in addition to those which we are undertaking currently. Any such changes and the related uncertainties with respect to the implementation of new regulations may have a material adverse effect on our business, financial condition and results of operations.

In addition, there have been various changes and proposed changes recently in the laws and regulations relating to information technology in India. Any such changes could require us to redesign our information technology systems or redesign our digital processes to comply with such laws and regulations. We cannot assure you that we will be able to redesign such systems or processes in a cost-effective manner, or at all. Since our business depends heavily on the ability of our information technology systems and digital processes, any change in the laws or regulations relating to information technology in India could have a material adverse effect on our business, financial condition, results of operations and prospects.

The GoI has enacted the CGST Act, 2017 to lay a framework for a comprehensive national GST regime that combines taxes and levies by the Central and State Governments into a unified rate structure, which came into effect from July 1, 2017. We are unable to quantify the impact of this development at this stage due to limited information available in the public domain. If we are taxed at a higher rate than the current tax rates, our financial condition and results of operations may be adversely affected.

63. Our business is substantially affected by prevailing economic, political and other prevailing conditions in India.

Our Company is incorporated in India, and a majority of our Group's operations are located in, India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- any increase in Indian interest rates or inflation;
- any exchange rate fluctuations;
- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian consumers and Indian corporations;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- occurrence of natural or man-made disasters;
- prevailing regional or global economic conditions, including in India's principal export markets;
- any downgrading of India's debt rating by a domestic or international rating agency;
- financial instability in financial markets; and
- other significant regulatory or economic developments in or affecting India or its food and services sector.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely impact our business, results of operations and financial condition and the price of the Equity Shares.

64. Our business and activities may be regulated by the Competition Act and proceedings may be enforced against our Company.

The Competition Act seeks to prevent business practices that have a material adverse effect on competition in India. Under the Competition Act, any arrangement, understanding or action in concert between enterprises, whether formal or informal, which causes or is likely to cause a material adverse effect on competition in India is void and attracts substantial monetary penalties. Any agreement that directly or indirectly determines purchase or sale prices, limits or controls production, shares the market by way of geographical area, market or number of customers in the market is presumed to have a material adverse effect on competition in the relevant market in India and shall be void.

The Competition Act also prohibits abuse of a dominant position by any enterprise. On March 4, 2011, the GoI notified and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the CCI. Additionally, on May 11, 2011, the CCI issued the Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India.

The Competition Act aims to, among other things, prohibit all agreements and transactions, which may have an appreciable adverse effect in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside of India if such agreement, conduct or combination has an appreciable adverse effect in India. However, the effect of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. We are not currently party to any outstanding proceedings, nor have we received notice in relation to non-compliance with the Competition Act or the agreements entered into by us. However, if we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, financial condition, results of operations and prospects.

65. Investors may have difficulty enforcing foreign judgements against our Company or its management.

Our Company is a limited liability company incorporated under the laws of India. A substantial portion of our Company's assets and the assets of our Directors and executive officers resident in India are located in India. As a result, it may be difficult for investors to effect service of process upon us or such persons outside India or to enforce judgments obtained against our Company or such parties outside India.

Recognition and enforcement of foreign judgments is provided for under Section 13 of the CPC on a statutory basis. Section 13 of the CPC provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognise the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the CPC, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record. However, under the CPC, such presumption may be displaced by proving that the court did not have jurisdiction.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. Section 44A of the CPC provides that where a foreign judgment has been rendered by a superior court, within the meaning of that Section, in any country or territory outside of India which the GoI has by notification declared to be in a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the CPC is applicable only to monetary decrees not being of the same nature as amounts payable in respect of taxes, other charges of a like nature or of a fine or other penalties. The United Kingdom, Singapore and Hong Kong have been declared by the GoI to be reciprocating countries for the purposes of Section 44A of the CPC.

The United States and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in the United States on civil liability, whether or not predicated solely upon the federal securities laws of the United States, would not be enforceable in India. However, the party in whose favour such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States. The suit must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India.

Further, there may be considerable delays in the disposal of suits by Indian courts. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action was brought in India. Furthermore, it is unlikely that an Indian court would enforce a foreign judgment if that court were of the view that the amount of damages awarded was excessive or inconsistent with public policy or Indian practice. It is uncertain as to whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. However, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI under the FEMA to execute such a judgment or to repatriate any amount recovered.

66. Public companies in India, including our Company, are required to compute Income Tax under the ICDS. The transition to ICDS in India is very recent and we may be negatively affected by such transition.

The Ministry of Finance, GoI had issued a notification dated September 29, 2016 notifying ICDS which creates a new framework for the computation of taxable income. This has impact on computation of taxable income for Fiscal 2017 onwards. ICDS deviates in several respects from concepts that are followed under general accounting standards, including Indian GAAP and Ind AS. For example, where ICDS-based calculations of taxable income differ from Indian GAAP or Ind AS-based concepts, the ICDS-based calculations have the effect of requiring taxable income to be recognised earlier, increasing overall levels of taxation or both. Our Company had an increased profit in Fiscal 2017 due to the differences in computing depreciation based on the ICDS. There can be no assurance that the adoption of ICDS will not adversely affect our business, results of operation and financial condition.

67. The transition to being a public company involves changes in our Company's ownership structure, corporate governance, management culture and financial and non-financial reporting practices and may adversely affect our business.

Our Company's transition to being a public company will involve changes in our Company's ownership structure, corporate governance, management culture and financial and non-financial reporting practices. Once our Company is a publicly listed company, it will be subject to greater scrutiny and more transparency due to detailed financial and non-financial disclosure requirements and regulatory obligations. Compliance with the increased disclosure requirements and regulatory obligations will require significant management attention and result in increased legal and financial compliance costs. Our Company's failure to successfully adapt its management approach to its new public-company status, as well as the increased demand on financial and management resources that will result from being a public company, may adversely affect our business and results of operations.

Risks Relating to Equity Shares

68. The trading volume and market price of the Equity Shares may be volatile following the Offer.

The market price of the Equity Shares may fluctuate as a result of, among other things, the following factors, some of which are beyond our control:

- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments; announcements by third parties or governmental entities of significant claims or proceedings against us;
- new laws and governmental regulations applicable to our industry;
- additions or departures of key management personnel;
- changes in exchange rates;
- changes in the price of oil or gas;
- fluctuations in stock market prices and volume; and
- general economic and stock market conditions.

Changes in relation to any of the factors listed above could adversely affect the price of the Equity Shares.

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

Under the current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Currently, any gain realised on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if STT has been paid on the transaction. STT will be levied on and collected by an Indian stock exchange on which the equity shares are sold. As such, any gain realised on the sale of equity shares held for more than 12 months by an Indian resident, which are sold other than on a recognised stock exchange and as a result of which no STT has been paid, will be subject to capital gains tax in India. Further, any gain realised on the sale of equity shares held for a period of 12 months or less will be subject to capital gains tax in India. Further, any gain realised on the sale of shares on a stock exchange held for a period of 12 months or less will be subject to short term capital gains tax. Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less which are sold other than on a recognised stock exchange and on which no STT has been paid, will be subject to short term capital gains tax at a relatively higher rate as compared to the transaction where STT has been paid in India. The recent Finance Act amendments provided that where the equity shares have been acquired on or after October 1, 2004 on which STT has not been paid at the time of acquisition, then the exemption of long-term capital gains under Section 10(38) of the Income Tax Act would not be available. This amendment further provides that the GoI will notify certain modes of acquisition to which the recent amendment made by the Finance Act would not be applicable and the shares acquired by such modes of acquisition would continue to get the benefit under Section 10(38) of the Income Tax Act. The Ministry of Finance has in the union budget for 2018-19 proposed that any gain in excess of ₹ 100,000 realised on the sale of listed equity shares on a stock exchange held for more than 12 months will be subject to long term capital gains tax of 10% without allowing any benefit of indexation. However, all gains up to January 31, 2018 will be grandfathered. Capital gains arising from the sale of equity shares will be exempt from taxation in India in cases where an exemption is provided under a treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdictions on gains arising from a sale of equity shares.

70. *Foreign investors are subject to foreign investment restrictions under Indian laws that may limit our Company's ability to attract foreign investors, which may have a material adverse impact on the market price of the Equity Shares.*

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares is not in compliance with such pricing guidelines or reporting requirements or falls 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 or a tax clearance certificate from the income tax authority. We cannot assure investors that any required approval from the RBI or any other government agency can be obtained on any particular terms or at all.

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

We may be required to finance our growth through future equity offerings. Any future equity issuances by our Company, including a primary offering, may lead to the dilution of investors' shareholdings in our Company. Any future issuances of Equity Shares (including under ESOP 2018) or the disposal of Equity Shares by our Promoters or any of our Company's other principal shareholders or the perception that such issuance or sales may occur, including to comply with the minimum public shareholding norms applicable to listed companies in India may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of the Equity Shares or incurring additional debt. There can be no assurance that we will not issue further Equity Shares or that the shareholders will not dispose of, pledge or otherwise encumber the Equity Shares. Any future issuances could also dilute the value of your investment in the Equity Shares. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of the Equity Shares.

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

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

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

The Offer Price of the Equity Shares will be determined by our Company and the Selling Shareholder in consultation with the BRLMs, and through the Book Building Process. This price will be based on numerous factors, as described under "*Basis for Offer Price*" on page 106 and may not be indicative of the market price for the Equity Shares after the Offer. The market price of the Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. We cannot assure you that the investor will be able to resell their Equity Shares at or above the Offer Price.

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

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution by our Company. However, if the laws of the jurisdiction the investors are located in do not permit them to exercise their pre-emptive rights without our Company filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless our Company makes such a filing. If our Company elects not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value the custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in us would be reduced.

Prominent Notes

1. Initial public offer of up to [●] Equity Shares for cash at a price of ₹ [●] per Equity Share, including a premium of ₹ [●] per Equity Share aggregating up to ₹ [●] million, comprising of a Fresh Issue of [●] Equity Shares aggregating up to ₹ 24,230 million and an Offer for Sale of up to 1,129,500 Equity Shares by Selling Shareholder aggregating up to ₹ [●] million. The Offer includes an Employee Reservation Portion of up to 150,000 Equity Shares aggregating up to ₹ [●] million (which shall not exceed 5% of the post-Offer Equity Share capital of our Company) and a Net Offer to the public of up to [●] Equity Shares. The Offer and the Net Offer shall constitute [●]% and [●]%, respectively of the post-Offer paid up Equity Share capital of our Company.

2. As at September 30, 2017, the net worth of our Company was ₹ (3,576.56) million and ₹ (3,587.63) million, on an unconsolidated and consolidated basis, respectively, as per our Restated Summary Statements.

3. As at September 30, 2017, the net asset value per Equity Share of our Company was ₹ (91.56) and ₹ (91.84), on an unconsolidated and consolidated basis, respectively, as per our Restated Summary Statements.

4. The average cost of acquisition per Equity Share by our Promoters, calculated by taking the average of the amounts paid by our Promoters to acquire Equity Shares, is as given below:

Name of the Promoter	Average cost of acquisition per Equity Share (in ₹)
Flemingo International*	13.84
Atul Vini Ahuja**	NA

** includes 1,506 Equity Shares held by nominees (251 Equity Share is held by each of Atul Vini Ahuja, Viren Ahuja, Vina Ahuja, Kabir Ahuja, Arjun Ahuja and Karan Ahuja).*
*** held as a nominee of Flemingo International.*
NA: cost of acquisition would not be applicable as the above does not involve an issue/transfer price with the beneficial interest in such Equity Shares, declared in favour of Flemingo International.

For further details in relation to the shareholding of our Promoters, see section titled "*Capital Structure*" on page 89.

5. Except as disclosed in the sections titled "*Our Group Companies*" and "*Related Party Transactions*" on pages 200 and 211, none of our Group Companies have any business or other interests in our Company.

6. For details of transactions entered into by our Company with our Subsidiaries and Group Companies in last Fiscal, including nature and cumulative value of such transactions, see section titled "*Related Party Transactions*" on page 211.

7. For details of change in name of our Company, see section "*History and Certain Corporate Matters*" on page 166.

8. There are no financing arrangements pursuant to which our Promoter Group, our Directors and/or their

immediate relatives and directors of Flemingo International have financed the purchase of securities by any other person during the six months preceding the date of filing of this Draft Red Herring Prospectus with SEBI.

9. Investors may contact the Book Running Lead Managers for any complaint pertaining to this Offer. For details of the Book Running Lead Managers, see "*General Information – Book Running Lead Managers*" on page 82.

10. All grievances, other than by Anchor Investors, may be addressed to the Registrar to the Offer, with a copy to the relevant Designated Intermediary, with whom the ASBA Form was submitted, quoting the full name of the sole or first Bidder, ASBA Form number, Bidders' DP ID, Client ID, PAN, address of the Bidder, number of Equity Shares applied for, date of ASBA Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number in which the amount equivalent to the Bid Amount was blocked. Further, the Bidder shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

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

SECTION III – INTRODUCTION

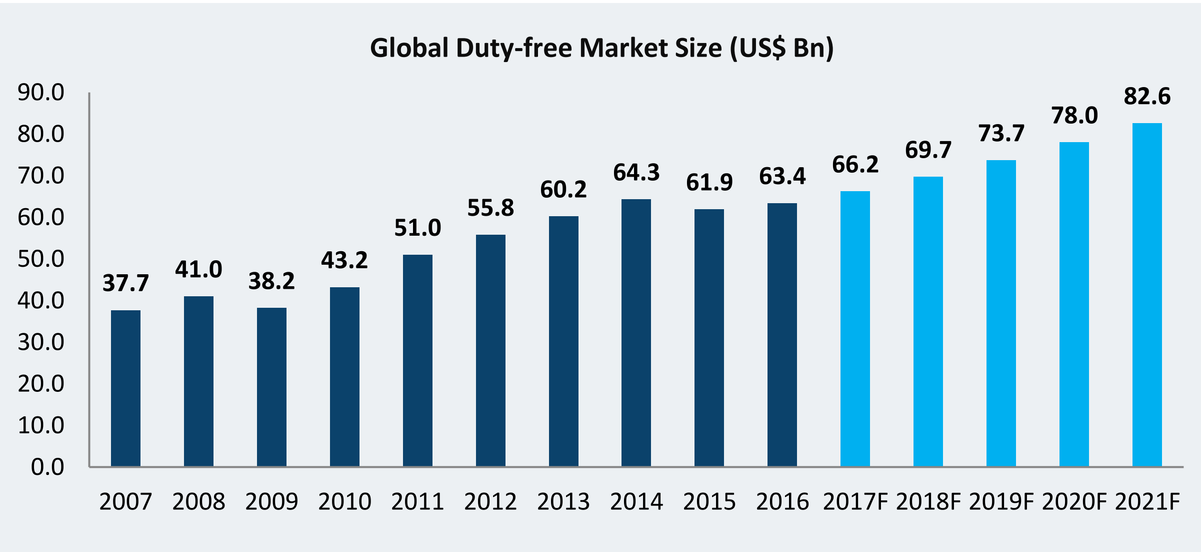
SUMMARY OF INDUSTRY

*Unless noted otherwise, the information in this section has been obtained or derived from the report titled "Avalon Global Research – Duty-Free Industry Report-January, 2018", prepared by AGR Knowledge Services Private Limited ("**Avalon**", and such report, the "**Avalon Report**"). All information contained in the Avalon Report has been obtained by Avalon from sources believed by it to be accurate and reliable. Avalon obtains information for its analysis from sources it considers reliable, but does not guarantee the accuracy or completeness of its analysis or any information contained in the Avalon Report. Avalon has confirmed that certain third-party information used or cited in the Avalon Report has been obtained from publicly available information and acknowledgements of sources have been given wherever necessary in the Avalon Report. In other cases, Avalon has obtained specific consent from the persons/companies having intellectual rights in the information for use of such information in the Avalon Report. Avalon and its affiliates make no representation or warranty, either express or implied, with respect to the information or analysis from the Avalon Report, including without limitation the implied warranties of fitness for a particular purpose and merchantability and Avalon specifically disclaims any such warranty. The Avalon Report and information therein is not a comprehensive evaluation of the industry, the Company or the Equity Shares and all material within the Avalon Report should be deemed as expressions of opinion which are subject to change without notice.*

None of the Company, the Selling Shareholder, the BRLMs and any other person connected with the Offer has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on, or base their investment decision on this information. The information in this section must be read in conjunction with "Risk Factors" and "Our Business" on pages 16 and 137, respectively.

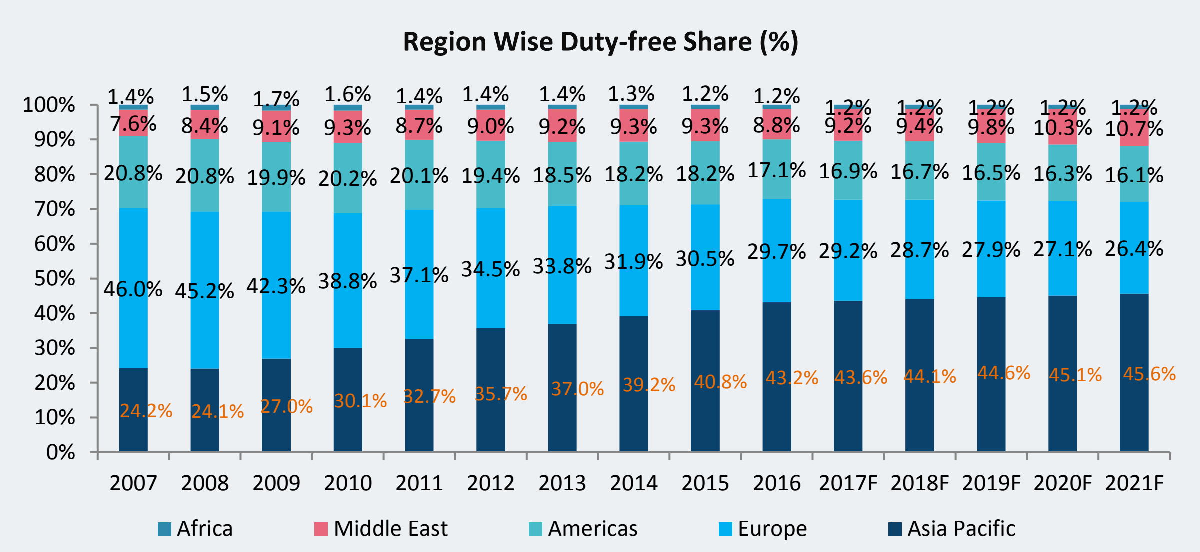
In connection with the Offer, our Group is in the process of undertaking an internal restructuring under which our Company will acquire the Target Companies subject to the completion of the Offer. For further details, see "Objects of the Offer" and "Our Business – Our Proposed Restructuring" on pages 89 and 139, respectively. In this section, unless the context otherwise requires, a reference to "Flemingo" or "Flemingo Group" is a reference to our Company and its Subsidiaries, the Target Companies and the Target Companies' direct and indirect subsidiaries.

Global Overview – Duty-free



Source: *Avalon Report*

The total value of the global duty-free sector is estimated to be US$ 63.4 billion in 2016 and is forecasted to grow to US$ 82.6 billion in 2021 registering a CAGR of 5.4% during the period.[1] Looking ahead, the duty-free market presents an optimistic outlook based on strong growth in the international travel industry. This is because duty-free shopping has moved beyond liquor and souvenirs to a wider retail offering with upscale luxury retail, clothing, fragrances & cosmetics and also due to the growth in the number of international travellers especially to and from China, Southeast Asia and the Indian Subcontinent (India, Sri Lanka, Pakistan, Bangladesh, Nepal and Bhutan).



Source: *Avalon Report*
**Totals may not to add up to 100% due to rounding*

Duty-free Retail - Demand Drivers

A billion new consumers in emerging markets

Today, approximately five billion people live in 37 countries where the nominal GDP per capita is less than US$ 1,000 a year. Despite representing roughly 70% of the world's population, these countries account for only 35% of the world's GDP.

Growing consumer spending on travel and tourism

Consumer spending on travel and tourism is rapidly growing due to factors such as growing disposable incomes, evolving lifestyles and improved standard of living, customised holiday packages with itinerary and tour executives, budget airlines/ low-cost carriers, and ease of connectivity due to smart phones and internet. FTAs rose by 3.9% in 2016, at a faster rate than overall (global) GDP growth.[2]

Higher spending on travel shopping

A 2017 luxury retail market report found that almost 50% of purchases are made by international travellers or while at the airport. This proportion rises to around 60% with respect to travellers from emerging markets who usually do not have access to the same range and quality of products as in developed economies.[3]

Rise of millennials

People born between 1980 and 2000 (and thus currently aged 18-38) are categorised as millennials. Millennials around the world represent 20% of international tourists. Millennials are seen by many in the international tourism industry as a new key market to generate much of the industry's targeted growth in the coming years.[4]

Airline liberalisation

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[1] Avalon Report
[2] Avalon Report
[3] Avalon Report
[4] Avalon Report

A key factor that has contributed to strong passenger travel growth over the last 35 years is increasingly liberalised airline markets. Liberalisation has driven significant traffic growth by removing constraints on route entry, pricing, service capacity and airline cooperative arrangements. As airline competition and operating efficiency have grown, pricing has decreased in real terms, while flight frequencies and product choices have increased for passengers globally.

Airport infrastructure growth

Investments in airport projects have grown at a brisk pace supporting air travel growth and are likely to continue over the next two decades.

Characteristics favouring duty-free over traditional retail

- **Price arbitrage** – The shops are called "Duty-free Shop" within which the products (either all or only certain categories, depending on the country regulations) do not bear any taxes (such as VAT or imports) or duties (such as excise) applicable to the country of arrival or departure, creating substantial savings in comparison to regular retail stores.
- **Access to captive audience –** People with higher disposable income take commercial flights and cruises. With greater spending power and long waiting times at the airport or cruise centres, these consumers look for unique products.
- **Barriers to entry –** To establish duty-free shops at a location generally requires winning the contract through a competitive process. Once successful in obtaining the contract, the duty-free retailer acquires the concession to undertake duty-free retail. Acquiring retail spaces at prime locations, clearances and cost arbitrage create strong entry barriers for other standalone retailers.
- **Attractive product assortment –** A plethora of brands offer exclusive products and assortments at duty-free shops, creating an attractive product offering.

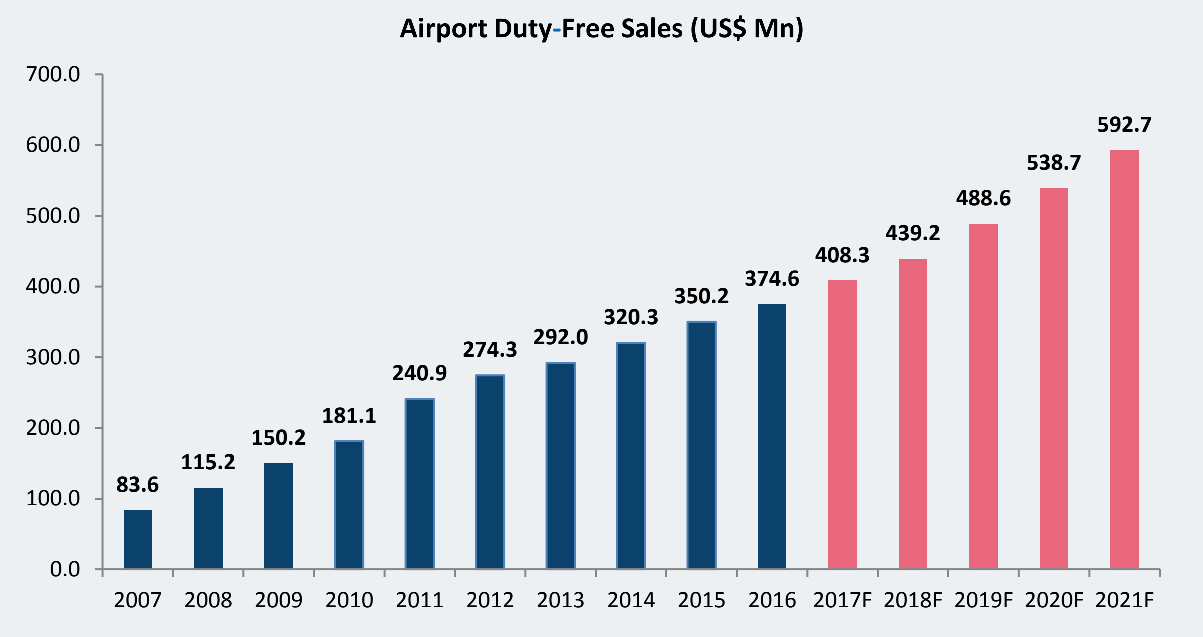
India – Airport Duty-free Market

The airport duty-free business in India has evolved from traditionally retailing only liquor and tobacco products. As part of this evolution, fragrances, cosmetics and confectionery have been added to the duty-free offering and now luxury and fashion brands are being added similar to with leading global duty-free locations.

The airport duty-free market in India had sales of around US$ 374.6 million in 2016.[5] It is estimated to reach around US$ 592.7 million by the year 2021, growing at a CAGR of 9.6% for the period of 2016-2022.[6] This growth will be primarily be driven by growth in passenger traffic. India has seen healthy passenger traffic growth over the last ten years, as low-cost airlines have been gaining popularity. At present, airport security protocols mandate international passengers to report in advance (at least one-and-a-half hours and preferably three hours). Once consumers pass through security and immigration checks, they get considerable time to spend at the airport, especially in the retail area where duty-free outlets dominate the retail offering. This waiting time contributes towards duty-free sales at airports.

Travelers typically buy products at duty-free shops either for gifting purposes or personal use. Availability of a wide range of products including luxury goods at duty-free outlets together with a superior shopping experience attracts new consumers.

[5] Estimation by the Company; Avalon Report
[6] Avalon Report



Source: *Avalon Report*

Growth Drivers

The growth drivers in the Indian market include:

- Growing middle income group and working population;
- Growth of domestic and foreign tourists;
- The PPP model adopted by airports – currently, five international airports; (Delhi, Mumbai, Cochin, Hyderabad, Bengaluru) have been completed and are operational;
- Expansion and refurbishment of airports by AAI e.g. Chennai, Kolkata, Lucknow;
- Emergence of LCCs / new carriers;
- Greater focus on infrastructure development;
- Liberalisation policy (ex: Open Sky Policy, UDAN); and
- Large-scale collaborations, M&A deals with top airlines.

Sri Lanka – Airport Duty-free Market

In 1983, AASL was incorporated and appointed as the agent of the Government to discharge its duties as a member of ICAO.

The year 2016 has been a year of strong growth for Airport & Aviation Services (Sri Lanka). The aviation revenue increased from US$ 109.2 million in 2015 to US$ 123.2 million in 2016, a growth of 17%.[7] This resulted in the Revenue per passenger for AASL increasing to US$ 13.6 from US$ 12.9 in 2015.[8]

Poland – Airport Duty-free Market

The Airport duty-free market for Poland was around US$ 124 million in year 2016, registering an impressive CAGR of 12.8% during the period 2007 to 2016. By 2021, the market is expected to reach US$ 174.1 million, growing at annualised rate of 7% in the next five years[9].

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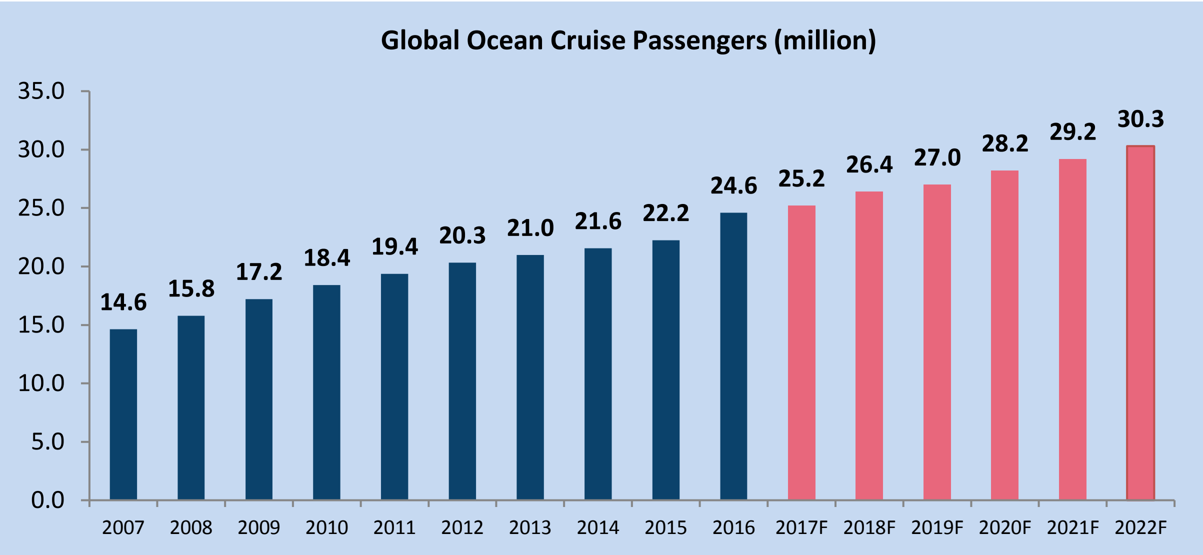
[7] Avalon Report
[8] Avalon Report
[9] Avalon Report

Cruise line – Global

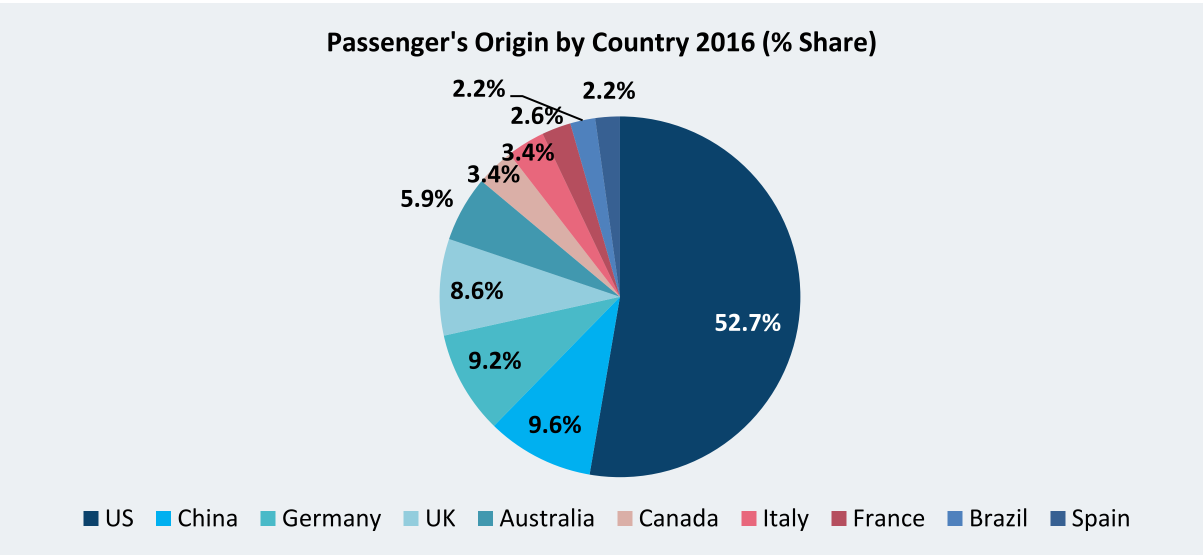
The modern cruise industry has not only gained popularity over the past few years but has also become a major part of the tourism sector. The industry recorded an average of 8.5% annual growth over the last two decades and nearly 90 million passengers since 1980.[10] It also offers of airlift options and modernised port structures that have enabled cruising to emerge as a vacation alternative.

In order to cater to the dynamic vacation pattern of today's customers, the cruise industry is currently undergoing significant investment into new, more innovative and bigger vessels capable of carrying more than 5,000 passengers. In addition to this, inclusion of on-board activities such as multi-story shopping centres, restaurants, cafés and pubs, nightclubs, discos, casinos, art galleries and museums, theatres and cinemas, libraries, personal care areas and spas, gyms, swimming pools, tennis courts and ice skating rinks, increase the passenger footfall.



Source: *Avalon Report*

Global cruise passenger numbers have grown consistently from 14.6 million in 2007 to 24.6 million in 2016. Going forward, this steady growth is likely to continue and the number of passengers is likely to reach 30.3 million by 2022, registering a CAGR of 4% between 2016 and 2022.



Source: *Avalon Report*

**Total may not to add up to 100% due to rounding*

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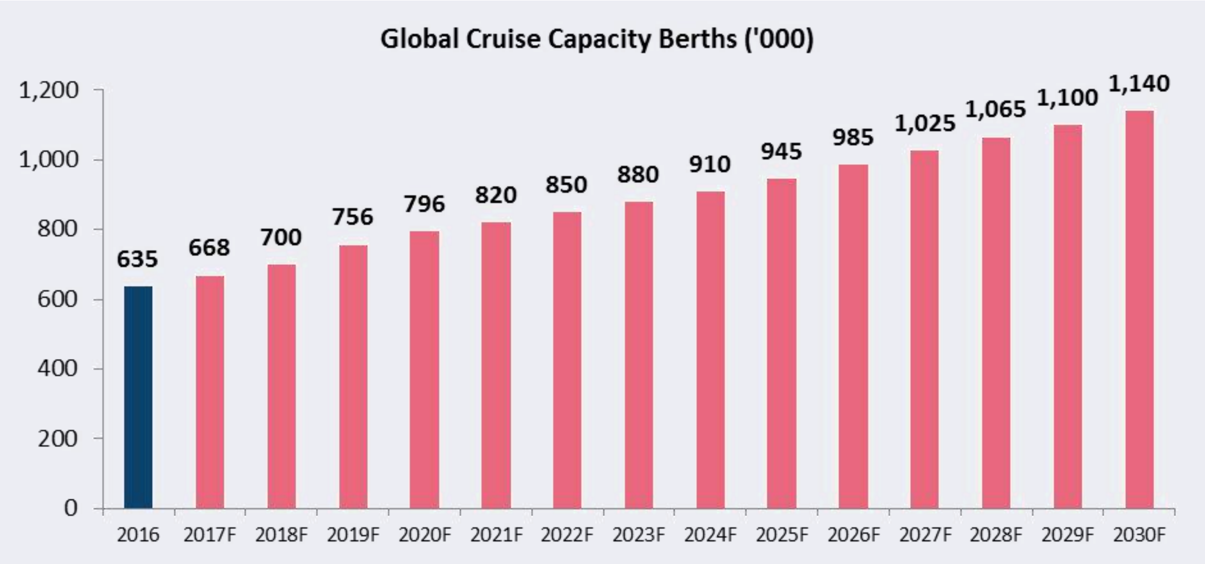
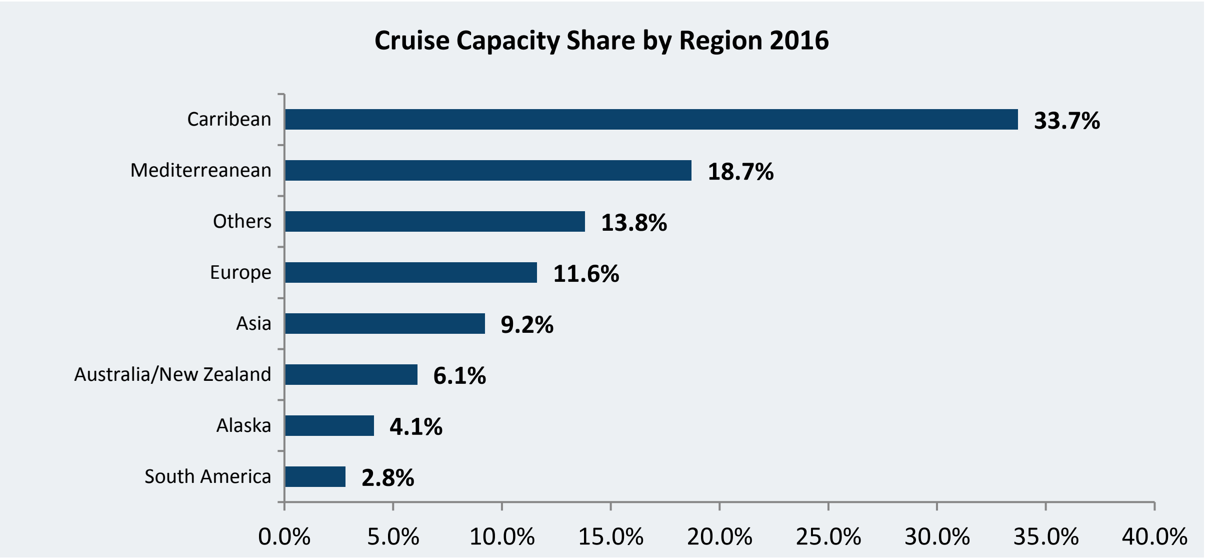
[10] Avalon Report

Cruise capacity in terms of berths is likely to grow from 635,000 in 2016 to 114,000 in 2030, registering a CAGR of 4% during the period.



Source: *Avalon Report*

Cruiseliners – Region Split



Source: *Avalon Report*

SUMMARY OF BUSINESS

Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" on page 15 for a discussion of the risks and uncertainties related to such statements and also "Risk Factors" on page 16 for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

In connection with the Offer, our Group is in the process of undertaking an internal restructuring under which our Company will acquire the Target Companies subject to, among other things, the completion of the Offer. For further details, see "Objects of the Offer" on page 98 and "Our Business – Our Proposed Restructuring" on page 139. In this section, a reference to the "Company" or "our Company" is a reference to Flemingo Travel Retail Limited (previously DFS India Private Limited) prior to February 28, 2017, and to Flemingo Travel Retail Limited and its Subsidiaries on and after February 28, 2017, as the context requires. Until February 28, 2017, the Company did not have any subsidiaries. Any reference to "we", "us", "our" or "our Group" is a reference to our Company, its Subsidiaries, the Target Companies and the Target Companies' respective direct and indirect subsidiaries.

Our Company was owned by Flemingo Mumbai as to 30% between March 12, 2009 and November 10, 2014 and as to 49% by Flemingo International (among which ~2.90% was indirectly owned through Flemingo Mumbai) between November 10, 2014 and February 27, 2017. On February 27, 2017, Flemingo International acquired an additional ~51.00% equity interest in our Company and our Company became a ~100.00% owned subsidiary of Flemingo International (among which ~2.90% is indirectly owned through Flemingo Mumbai). On November 9, 2017, the remaining shares held by DFS Venture Singapore and DFS Singapore were transferred to Flemingo International, subsequent to which our Company has become a 100% owned subsidiary of Flemingo International (among which ~2.90% is indirectly owned through Flemingo Mumbai). Until February 28, 2017, the Company did not have any subsidiaries. For further details, see "History and Certain Corporate Matters" on page 166.

In this Draft Red Herring Prospectus, we have included the Restated Summary Statements of our Company and the Special Purpose Financial Statements of the Target Companies. For further details, see "Financial Statements" on page 213. Flemingo UK acquired Harding Brothers Group on November 17, 2014. The special purpose restated consolidated financial statements of Flemingo UK and its subsidiaries for the year ended December 31, 2015 cover the period from the acquisition date to December 31, 2015. Our Company's, its Subsidiaries' and the Indian Target Companies' financial years end on March 31 of each year, while the Non-Indian Target Companies' financial years end on December 31 of each year. The Special Purpose Financial Statements of the Target Companies in this Draft Red Herring Prospectus reflects such different year ends for the Indian and non-Indian entities.

In this Draft Red Herring Prospectus, we have also included Proforma Financial Statements of our Company and the Target Companies to give proforma effect to our Company's proposed acquisitions of the Target Companies. The Proforma Financial Statements consist of the proforma balance sheet as of March 31, 2017 and the proforma of profit and loss for the years ended March 31, 2015, 2016 and 2017 and related notes. For further details, see "Financial Statements" on page 213. The Proforma Financial Statements are based on: (i) the restated consolidated balance sheet and profit and loss accounts of the Company as of and for the year ended March 31, 2017, and (ii) the audited balance sheets and profit and loss accounts of the Target Companies prepared in accordance with Indian GAAP as of and for the years ended March 31, 2017, 2016 and 2015 in respect of Flemingo India, December 31, 2016 and 2015 in respect of Flemingo UK, and December 31, 2016, 2015 and 2014 in respect of Flemingo Cruise. See "Risk Factors – Internal Risk Factors - The Proforma Financial Statements included in this Draft Red Herring Prospectus may not accurately reflect our results of operations and financial condition" on page 25.

Potential investors should carefully take into account the disclosures above and our Restated Summary Statements, the Special Purpose Financial Statements of the Target Companies and the Proforma Financial Statements in evaluating our business and financial performance and in making any investment decision. The following section should be read in conjunction with such financial information and the respective independent chartered accountants' reports thereon, included in "Financial Statements" on page 213, and the "Risk Factors" on page 16.

Overview

We are a global travel retailer with a leading position in the high growth Indian and Sri Lanka travel retail markets in terms of the number of locations where we operated core duty-free stores and the aggregate retail area of core duty-free stores we had as of September 30, 2017, and in terms of access to the number of passengers in Fiscal 2017, according to the Avalon Report.

As of September 30, 2017, we had operations in 119 locations in 26 countries spread across the Indian Subcontinent (our India, Sri Lanka and Maldives operations), the US/Caribbean, Europe, the Mediterranean and Australia (our cruise line travel retail operations), Europe (our Baltona, Chacalli and Turkey operations) and the Rest of the World (our Middle East, Africa and St. Marteen operations). We started travel retail operations in India in 2003 and have expanded our operations successively into other emerging markets and, to diversify our revenue streams, into duty-free sales on cruise ships. According to the Avalon Report, along with our leading market position in the core duty-free segment in India and Sri Lanka, we are also one of the key players in the global cruise line travel retail market.

We derive our revenues from multiple sales channels, including airports, cruise lines, in-flight sales and other channels (including stores at seaport, border-crossing and downtown diplomatic/military duty-free locations). As of September 30, 2017, we operated 308 stores with an aggregate retail area of 39,625 square meters, including 99 stores located in 39 airports, 186 stores on-board 60 cruise ships, 23 stores at seaport, border-crossing and downtown diplomatic/military duty-free locations, and in-flight duty-free retail operations for seven airlines. In addition, we have recently forayed into a new sales channel, duty-free retail on ferries, which commenced operation out of Świnoujście, Poland in November 2017.

Our operations consist of different store formats, including: (i) core duty-free/duty-paid stores, (ii) duty-free/duty-paid speciality stores focusing on fashion, souvenirs, technology, watches and jewellery, (iii) duty-paid F&B outlets, (iv) diplomatic/military duty-free/duty-paid stores specially operated for retail sales to diplomats and envoys, and (v) duty-free/duty-paid convenience stores. We sell a large range of products in the following main product categories: liquor, tobacco products, watches and jewellery, cosmetics and toiletries, food and candies, apparel and accessories and other products.

As we have grown, we have diversified our business geographically. However, emerging markets (such as India, Sri Lanka, Poland, Turkey, Ukraine and the African countries in which we operate) continue to be our focus. Emerging markets have experienced significant growth in recent years and there remains significant room for continued growth. For Fiscals 2015, 2016 and 2017, our revenue generated from emerging markets was ₹ 18,819.14 million, ₹ 20,204.41 million and ₹ 21,494.84 million, respectively, which represented 78.19%, 56.57% and 55.19% of our total revenue for the corresponding periods, on a proforma consolidated basis.

Within emerging economies, India is one of our fastest growing markets and according to the Avalon Report, we were the market leader in the Indian travel retail market, in terms of the number of locations where we operated core duty-free stores and the aggregate retail area of core duty free stores we had as of September 30, 2017 and in terms of access to the number of passengers in Fiscal 2017. We were also the second largest duty-free operator in India in terms of the revenue generated in India in Fiscal 2016, according to the Avalon Report. As of September 30, 2017, we operated 28 core duty-free stores in 11 of the top 20 international airports in India (in terms of international passenger traffic in Fiscal 2017), according to the Avalon Report. In addition, as of September 30, 2017, we had a total of 16 speciality stores in Mumbai and Delhi airports with an aggregate retail area of 1,678 square meters and eight core duty-free stores at eight seaports in India with an aggregate retail area of 1,345 square meters. We also operate two core duty-free stores in BIA, Colombo (Sri Lanka's only international airport with duty-free retail) alongside the other duty-free operator on a split concession model with a retail area of 715 square meters out of a total retail area of approximately 1,247 square meters. For Fiscals 2015, 2016 and 2017, our India and Sri Lanka operations generated revenue of ₹ 10,781.80 million, ₹ 12,114.41 million and ₹ 13,895.78 million, respectively, which represented 44.80%, 33.92% and 35.68% of our total revenue for the corresponding periods, on a proforma consolidated basis.

As we have grown and diversified our sales channels, we have become one of the key players in the cruise line duty-free market. We acquired Harding Retail through Flemingo UK in November 2014 and entered into the cruise line travel retail market. As of September 30, 2017, Harding Retail had 186 stores on-board 60 cruise ships in partnership with 17 cruise line operators. For the years ended December 31, 2015 and 2016, our United Kingdom segment had revenue of ₹ 9,702.39 million and ₹ 12,542.87 million, respectively, which represented

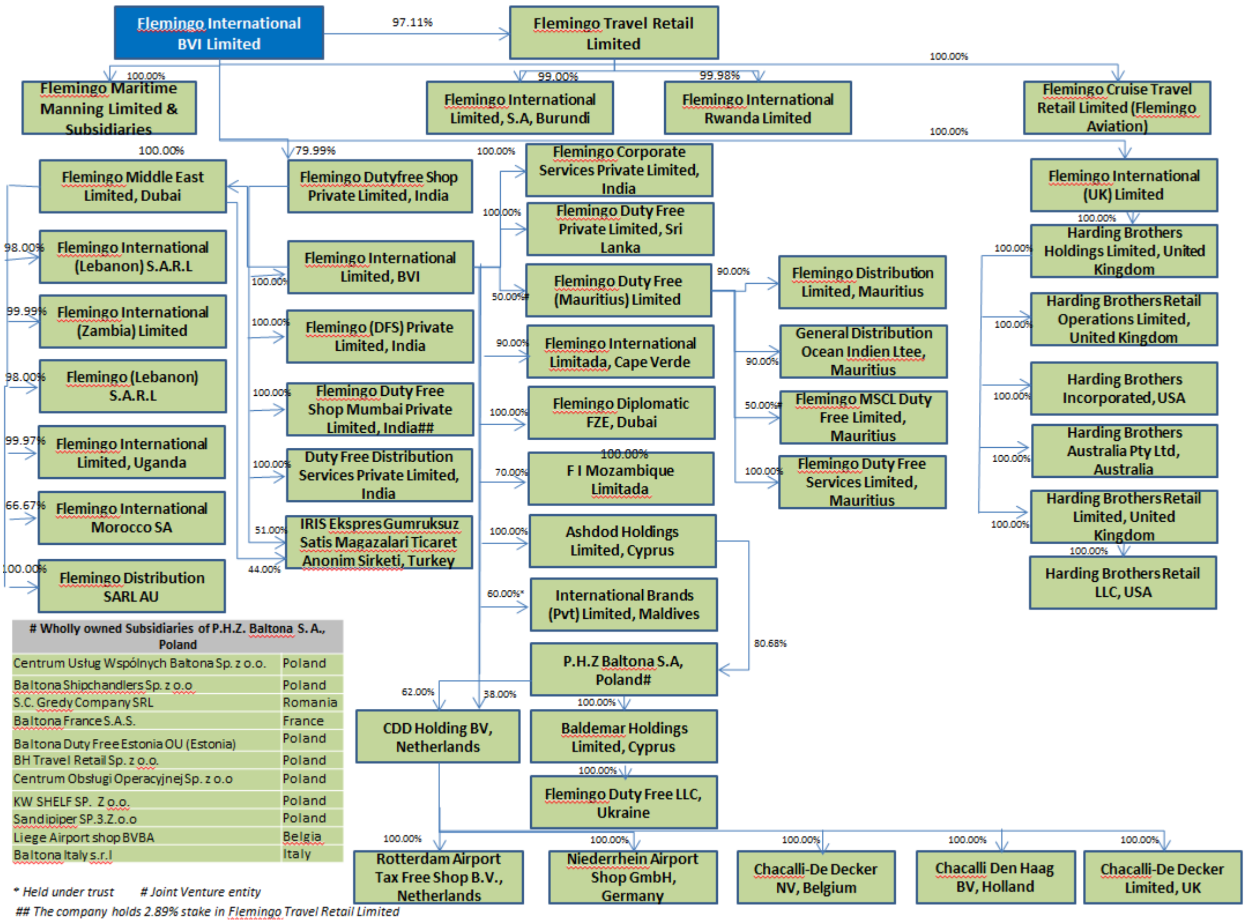
27.17% and 32.20% of our total revenue for Fiscals 2016 and 2017, respectively, on a proforma consolidated basis.

We have developed expertise in building strong relationships with our concession landlords (including airport authorities and operators as well as some of the world's major cruise liners) as evidenced by a high renewal rate of our concessions. We believe that the location of many of our operations, including in India and other emerging markets, gives us a competitive advantage in helping us lower our operating costs.

For Fiscals 2015, 2016 and 2017, on a proforma consolidated basis, our total revenue was ₹ 24,069.08 million, ₹ 35,713.83 million and ₹ 38,950.10 million, respectively, which increased at a CAGR of 27.21%. Our EBITDA was ₹ 1,346.02 million, ₹ 2,115.78 million and ₹ 1,622.04 million, respectively. For Fiscals 2015, 2016 and 2017, our Company, on an unconsolidated basis, generated total revenue of ₹ 4,253.71 million, ₹ 5,474.61 million and ₹ 6,063.79 million, respectively, which increased at a CAGR of 19.40%, and had an EBITDA of ₹ 308.89 million, ₹ 441.41 million and ₹ 550.24 million, respectively.

Our Proposed Restructuring

In connection with the Offer, our Group is in the process of undertaking an internal restructuring under which, subject to the completion of the Offer among other things, our Company will acquire the Target Companies and all entities within our Group will be held, directly or indirectly by our Company (the "**Restructuring**"). The following chart shows our Group structure as of the date of this Draft Red Herring Prospectus:



As of the date of this Draft Red Herring Prospectus, our Group's business operations comprise the following four business segments:

- Indian Subcontinent segment: includes our operations in India (under Flemingo Dutyfree Shop Private Limited ("**Flemingo India**") and our Company), Sri Lanka and Maldives;

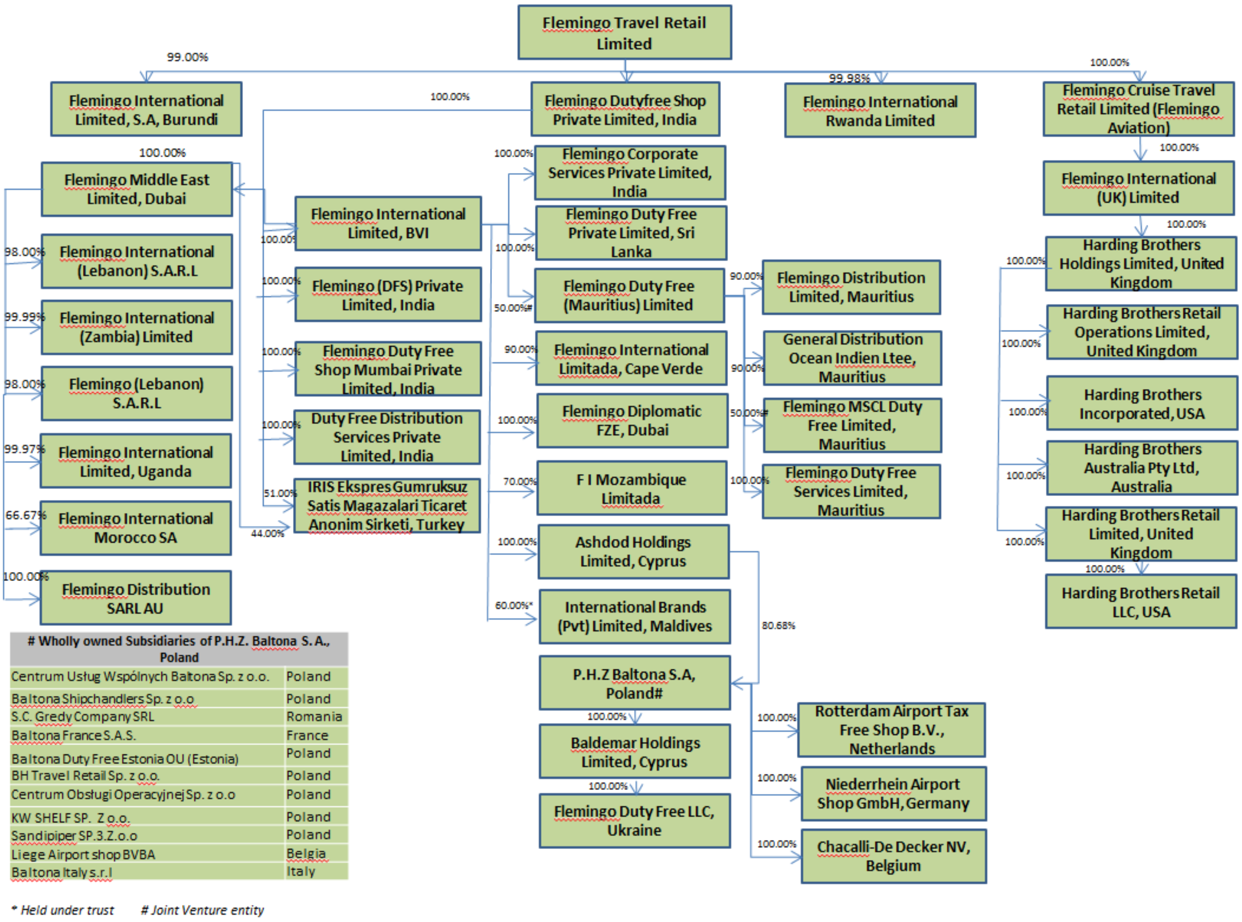
- United Kingdom segment: includes our cruise line travel retail operations under Flemingo International (UK) Limited ("**Flemingo UK**");

- Europe segment: includes operations under PHZ Baltona S.A. ("**Baltona**"), CDD Holdings B.V ("**Chacalli**") and İris Ekspres Gümrüksüz Satış Mağazaları Ticaret Anonim Şirketi ("**IRIS Ekspres**"); and

- Rest of the World segment: includes our Middle East and Africa operations in UAE, Lebanon, Uganda, Burundi, Zambia, Morocco, Cape Verde, Mozambique and Rwanda.

On February 9, 2018, our Company entered into the Flemingo India SPA with Flemingo International, Viren Ahuja, Arjun Atul Vini Ahuja, Karan Ahuja, Symbolic and Flemingo India to acquire a 100% of the issued and paid up capital of Flemingo India. Flemingo India will become a subsidiary of our Company on completion of this acquisition along with its direct and indirect subsidiaries, except certain excluded subsidiaries. Some of the direct or indirect subsidiaries of Flemingo India are either dormant or in the process of being wound up or otherwise are not intended to be transferred to our Company, pursuant to the Flemingo India SPA. Accordingly, such subsidiaries of Flemingo India will be either wound up or transferred to a third party, prior to the date of completion of the Offer, i.e. the Pre-completion Restructuring. On February 9, 2018, our Company entered into the Flemingo UK SPA with our Corporate Promoter, Flemingo International, Flemingo UK and Flemingo Cruise to acquire from Flemingo International a 100% equity interest in Flemingo UK by acquiring a 100% of the issued and paid up capital of Flemingo Cruise which will be the immediate holding company of Flemingo UK. Upon completion of this transaction, Flemingo UK and Flemingo Cruise, along with their direct or indirect subsidiaries, will become subsidiaries of our Company. The completion of the Restructuring is subject to certain conditions set forth in the Flemingo UK SPA and the Flemingo India SPA. The net proceeds raised by our Company from this Offer will be used to pay the consideration for our Company's acquisitions of the Target Companies. See "*Objects of the Offer*" on page 98 and "*History and Certain Corporate Matters – Other agreements*" on page 171 for a discussion of the Flemingo India SPA and the Flemingo UK SPA.

The following chart shows our Group structure after completion of the Restructuring:



For further details, see "*History and Certain Corporate Matters*" and "*Our Group Companies*" on page 166 and page 200, respectively.

Post Restructuring, our Group's business operations will continue to consist of four business segments, namely the Indian Subcontinent (our India, Sri Lanka and Maldives operations), the United Kingdom (our cruise line travel retail operations), Europe (our Baltona and Turkey operations) and the Rest of the World (our Middle East and Africa operations).

Key Competitive Strengths

We attribute our success to the following key competitive strengths:

Global travel retailer with diversified operations across multiple sales channel and geographic markets

We are a global travel retailer with geographically diverse business operations across the Indian Subcontinent (our India, Sri Lanka and Maldives operations), the US/Caribbean, Europe, the Mediterranean and Australia (our cruise line travel retail operations), Europe (our Baltona and Turkey operations) and the Rest of the World (our Middle East, Africa and St. Marteen operations). As of September 30, 2017, we had operations in 119 locations in 26 countries.

We derive our revenues from different geographic markets supported by multiple sales channels, including airports, cruise lines, in-flight retail and other channels (including stores at seaport, border-crossing and downtown diplomatic/military duty-free locations). As of September 30, 2017, we had the following stores in four geographic markets:

Sales Channels	Indian Subcontinent		United Kingdom (Cruise Line)		Europe		Rest of the World[(2)]	
	Number of stores	Retail area (square meters)	Number of stores	Retail area (square meters)	Number of stores	Retail area (square meters)	Number of stores	Retail area (square meters)
Airports	46	9,559	-	-	36	6,331	17	1,463
Cruise ships	-	-	186	15,570	-	-	-	-
In-flight	-	-	-	-	-	-	-	-
(airlines)[(3)]								
Others[(1)]	8	1,345	-	-	7	1,114	8	4,245
Total[(3)]	**54**	**10,904**	**186**	**15,570**	**43**	**7,444**	**25**	**5,708**

Notes:

(1) Includes stores at seaport, border-crossing and downtown locations.

(2) Includes Middle East, Africa and St. Marteen. We have closed our F&B outlet in St. Marteen as of the date of this Draft Red Herring Prospectus due to the destruction of Princess Juliana International Airport in a hurricane.

(3) Does not include in-flight retails on-board seven airlines. We do not count retail businesses on-board airlines as stores.

The following table sets forth the distribution of our revenue from concession sales, on a proforma consolidated basis, by sales channels and the percentage of such revenue attributable to each sales channel for the periods indicated:

Sales channels	Revenue from Concession Sales[(1)(2)(3)]					
	Fiscal					
	2015		2016		2017	
	(in ₹ million)	(%)	(in ₹ million)	(%)	(in ₹ million)	(%)
Airports	13,737.97	79.09	15,950.22	55.33	17,522.56	52.98
Cruise ships	-	-	9,654.25	33.49	12,510.22	37.83
In-flight	2,106.93	12.13	1,949.46	6.76	1,854.87	5.61

Other[4]	1,524.78	8.78	1,273.30	4.42	1,182.25	3.58
Total	**17,369.68**	**100.00**	**28,827.23**	**100.00**	**33,069.90**	**100.00**

Notes:

(1) Includes revenue of our Company since April 1, 2014.

(2) Includes revenue of Flemingo UK and its subsidiaries since November 17, 2014.

(3) Includes stores at seaport, border-crossing and downtown locations.

(4) We also had revenue from non-concession sales of ₹ 6,699.4 million, ₹ 6,886.6 million and ₹ 5,880.20 million for Fiscals 2015, 2016 and 2017, respectively, which represented revenue from our wholesale business for the corresponding period on a proforma consolidated basis.

We have developed expertise in operating in several of the world's fast-growing travel retail markets which is a function of our origins in the Indian market and our subsequent experience in other emerging markets. Our overall operational track record in the travel retail market is greater than 14 years with some of our acquired companies having been in the business for more than 20 years. For Fiscals 2015, 2016 and 2017, on a proforma consolidated basis, 78.19%, 56.57% and 55.19% of our total revenue, respectively, was generated from emerging markets, and the remaining 21.81%, 43.43% and 44.81% of our total revenue, respectively, was generated from developed markets.

Market leader in the fast growing Indian and Sri Lanka travel retail market

We have a well-established presence in India and Sri Lanka. We had a total of 54 stores in India and Sri Lanka covering an aggregate retail area of 10,904 square meters as of September 30, 2017. According to the Avalon Report, we were the market leader in the fast growing Indian travel retail market, in terms of the number of locations where we operated core duty-free stores and the aggregate retail area of core duty-free stores we had as of September 30, 2017, and in terms of access to the number of passengers in Fiscal 2017. We were also the second largest duty-free operator in India in terms of the revenue generated in India in Fiscal 2016, according to the Avalon Report. As of September 30, 2017, we had 28 core duty-free stores in 11 out of the top 20 international airports in India (in terms of international passenger traffic in Fiscal 2017), where we operated 46.7% of the aggregate retail area of core duty-free stores. Passenger flow through our core duty-free stores in India represented approximately 48.1% of international air passengers from or to the top 20 international airports in Fiscal 2017 and 37.1% of the Indian duty-free retail market in terms of revenue generated in Fiscal 2016, based on the Avalon Report. As of September 30, 2017, we also had a total of 16 speciality stores in Mumbai and Delhi airports with an aggregate retail area of 1,678 square meters. As of September 30, 2017, our concession contracts with airport authorities and operators in India had an Average Remaining Concession Life of 8.36 years. We are one of the two duty-free operators in Sri Lanka's BIA, Colombo with the larger retail area of 715 square meters and our concession is until March 2022. In addition, we also had eight core duty-free stores at eight seaports in India with an aggregate retail area of 1,345 square meters as of September 30, 2017.

According to the Avalon Report, Indian and Sri Lanka travel retail market is one of the fastest growing markets in air traffic and duty-free spending globally, as customers in these countries have increasing disposable income and are expanding their duty-free shopping beyond liquor and tobacco products. Also, according to the Ministry of Tourism, GoI, FTA in India have increased at a CAGR of 6.9% from 6.3 million tourists in 2011 to 8.8 million in 2016. Further, Indian national departures have also shown growth at a CAGR of 9.3% from 14.0 million tourists in 2011 to 21.9 million in 2016. As per the AAI, international passenger traffic in India is likely to increase at an annualised rate of 8.6% during the period of Fiscals 2017 to 2020 and is expected to reach 76 million by Fiscal 2020. We have also witnessed a steady increase in spend per passenger in the India market. Spend per passenger in our Indian stores has increased from ₹ 154.12 in Fiscal 2012 to ₹ 299.39 in Fiscal 2017 with a CAGR of 14.2%. We have witnessed spend per passenger in our Indian stores at ₹ 301.00 in the six months ended September 30, 2017 as compared to ₹ 288.82 in the six months ended September 30, 2016, a growth of 4.2%. In addition, the government has adopted favourable policy measures (high budgetary allocation, relaxation of foreign investment and tax exemptions) for the development of airport infrastructure in India, which is expected to drive long-term sustainable growth in the Indian duty free market. Also, according to the Avalon Report, Sri Lankan airports have seen a growth of 11.3% in passenger traffic in 2016 as compared to 2015 and a CAGR of 7.6% between the period of 2012 and 2016, and the spend per passenger in our Colombo stores has increased from US$3.35 in 2012 to US$4.76 in 2016. As a leading duty-free operator, we are well-positioned to capture the growth in the travel retail market in India and Sri Lanka.

We believe that India continues to be a complex market for duty-free operations, requiring in-depth knowledge of the regulatory regime. Over the years, we have strengthened our presence in India and Sri Lanka, which we believe provides us with greater background and knowledge than potential new entrants in this market.

One of the largest global travel retailers in the cruise line travel retail market

We are one of the largest global travel retailers in the cruise line travel retail market according to the Avalon Report. As of September 30, 2017, Harding Retail, which has more than 20 years of experience in the global cruise line travel retail operations, operated on 60 cruise ships with 186 on-board stores covering a total retail area of 15,570 square meters by entering into concession agreements with 17 cruise line operators, including Carnival Cruises, P&O Cruises, P&O Australia, Cunard, Ocean Cruises, and other cruise line operators. Harding Retail is present in cruise routes primarily throughout the US/Caribbean, Europe, the Mediterranean and Australia. The table below set forth the movement of cruise line operators and cruise ships Harding Retail operated on in the periods indicated.

	2015		**2016**		**Nine months ended September 30, 2017**	
	Cruise Line Operators	**Cruise Ships**	**Cruise Line Operators**	**Cruise Ships**	**Cruise Line Operators**	**Cruise Ships**
Opening number at the beginning of the period	16	43	17	45	17	58
New additions	2	6	1	14	1	5
Termination/Expiry	1	4	1	1	1	3
Closing number at the end of the period	17	45	17	58	17	60

With an average of approximately ten years of business operations with its cruise line operators, we believe that Harding Retail has built strong relationships with and is a preferred partner of many well-known cruise line operators. In 2017, Harding Retail was awarded the "Cruise & Ferry Line Retailer of the Year" by Frontier Magazine published by Metropolis International Group Ltd. Harding Retail is well-placed to increase penetration in an industry with high entry barriers including complex logistics with long-lead times and on time delivery requirements, complex worldwide regulatory frameworks and market preference for reliable partners with proven capabilities. Harding Retail operates an in-house logistics function from three distribution centres (Bristol, Miami and Sydney) through road, sea and air freight with over 1,100 deliveries across the globe annually. With a network of long-standing logistics partners and experts in customs, its in-house team of customs administrators, and a dedicated team of port agents, Harding Retail is responsible for timely delivery of goods to cruise ships, which is a critical factor in the success of the cruise line travel retail industry. We periodically reassess our various product offerings, provide differentiating in-house design and store-building services and introduce leading-edge concepts to drive growth in cruise line travel retail. For example, we have partnered with Holovis International, a company specialised in digital integration and multisensory, immersive and interactive platforms, exclusively for cruise retail to offer augmented reality experiences that include virtual reality and mobile apps to enhance our duty-free stores on cruise lines.

Long term, diversified concession portfolio

We have assembled a diversified portfolio of travel retail concessions, and we had the following concessions as of September 30, 2017:

	Concession							
	Indian Subcontinent		**United Kingdom (Cruise Line)**		**Europe**		**Rest of the World**(2)	
Sales Channel	**Number of Concessions**	**Retail area (square meters)**	**Number of Concessions**	**Retail area (square meters)**	**Number of Concessions**	**Retail area (square meters)**	**Number of Concessions**	**Retail area (square meters)**
Airports	17	9,559	-	-	36	6,331	14	1,463
Cruise ships	-	-	60	15,570	-	-	-	-
In-flight	1	-	-	-	6	-	-	-

	Concession							
	Indian Subcontinent		United Kingdom (Cruise Line)		Europe		Rest of the World[(2)]	
Sales Channel	Number of Concessions	Retail area (square meters)	Number of Concessions	Retail area (square meters)	Number of Concessions	Retail area (square meters)	Number of Concessions	Retail area (square meters)
Others[(1)]	8	1,345	-	-	7	1,114	7	4,245
Total	**26**	**10,904**	**60**	**15,570**	**49**	**7,444**	**21**	**5,708**

Notes:

(1) Includes stores at seaport, border-crossing and downtown locations.
(2) Includes Middle East, Africa and St. Marteen.

For Fiscals 2015, 2016 and 2017, 28.02%, 22.35% and 23.49% of our revenue (on a proforma consolidated basis) were generated from concessions with a remaining term of five or more years, respectively. The table below sets out certain information for our concessions as of September 30, 2017.

Geographic regions	No. of Concessions	Remaining Concession Life				
		</= 1 year	1-3 years	3-4 years	4-5 years	>5 years
Indian Subcontinent						
India	25	4	3	1	4	13
Sri Lanka	1	-	-	-	1	-
United Kingdom	**60**	**12**	**30**	**17**	**1**	**-**
Europe	**49**	**2**	**17**	**6**	**23**	**1**
ROW(1)	**21**	**4**	**5**	**3**	**3**	**6**
Total	**156**	**22**	**55**	**27**	**32**	**20**

Note:

(1) Includes the Middle East, Africa and St. Marteen.

As we have grown and diversified, we have won concession contracts across various geographic markets, pursued concessions in evolving market conditions, and maintained a track record of success in winning/renewing concessions. In the last three years and the nine months ended September 30, 2017, we successfully acquired 11 out of 12 airport concessions we bid for in India and Sri Lanka in this period (including both new and renewed concessions), achieving a win rate of 91.67%. Our relatively low operating costs model (primarily as a function of operating in emerging markets) enables us to offer a higher revenue share to the airport authorities and operators and other facility landlords. Our global footprint and scale of business operations enable us to meet our concession landlords' technical requirements. Our relationships with brands, in particular Harding Retail's strong relationships with many premiums brands, enable us to introduce new brands to the other markets in which we operate. In addition, over the years we have established long-term relationships with many airport authorities and well-known cruise line operators. For example, our concession agreement with the Mumbai airport authority for the flagship store (including four core duty-free stores) at the Chhatrapati Shivaji International Airport in Mumbai is valid until December 31, 2024. Subsequently, in 2016, our Company also secured an option to extend the concession for another three years until December 31, 2027. All these factors provide us competitive advantages for winning new concessions.

Proven track record of successful acquisitions

We have a proven track record of growth through strategic acquisitions, which we believe is particularly important as the global travel retail sector has experienced significant consolidation and is increasingly dominated by large, global players across geographies, sales channels and retail formats. We have pursued selective strategic acquisitions as a means to expand our operations, enhance our global competitive position and capitalise on potential operational synergies. Set forth below are some of our past acquisitions which have added new markets, sales channels or concessions to our business operations:

- Between 2010 and 2011, we acquired an 80.68% equity interest in Baltona and entered the European market.

- Between 2011 and 2012, we acquired a 95% equity interest in IRIS Ekspres and added the in-flight sales channel to our business.

- In 2014, we acquired a 100% equity interest in Harding Retail, which brought us a broad cruise line duty-free business. We also strengthened our presence in the European market and enhanced synergies in procurement, manpower and logistics.

- Our Company was owned by Flemingo Mumbai as to 30% between March 12, 2009 and November 10, 2014 and as to 49% by Flemingo International (among which ~2.90% was indirectly owned through Flemingo Mumbai) between November 10, 2014 and February 27, 2017. On February 27, 2017, Flemingo International acquired an additional ~51.00% equity interest in our Company and our Company became a ~100.00% owned subsidiary of Flemingo International (among which ~2.90% is indirectly owned through Flemingo Mumbai). On November 9, 2017, the remaining shares held by DFS Venture Singapore and DFS Singapore were transferred to Flemingo International, subsequent to which our Company has become a 100% owned subsidiary of Flemingo International (among which ~2.90% is indirectly owned through Flemingo Mumbai). Consequent to the acquisition of an additional ~51.00% stake in our Company in February 2017, Mumbai core duty-free stores contributed the highest revenue within our Group in the six months ended September 30, 2017.

We have historically introduced operating efficiencies, revenue growth and/or increased profitability in our acquired businesses, resulting in increased operating margins. For example, we have significantly grown the business and improved the financial performance of Harding Retail following its acquisition by Flemingo UK. In the years ended December 31, 2015 and 2016, the United Kingdom segment generated revenue of ₹ 9,702.39 million and ₹ 12,542.87 million, respectively, and an EBITDA of ₹ 146.90 million and ₹ 40.99 million for the corresponding periods. For further details, see *"Management's Discussion and Analysis of Financial Condition and Results of Operations – Results of Operations of the Target Companies – Harding Operations"* on page 253.

Strong relationships with suppliers and a wide range of product offerings

A reliable procurement network is crucial in operating a travel retail business and we believe we have a strong reputation among our suppliers. This reputation is a result of relationships built and consolidated through the years as we have expanded our geographic footprint, sales channels and range of products.

The strong relationships with our suppliers enable us to offer a wide range of attractive brands for several product categories at competitive prices and also allow us to access leading global brands. Leveraging our strong relationship with our suppliers, we have introduced a number of firsts in in the Indian travel retail market and cruise line duty-free retail. For example, our flagship operations in our Mumbai flagship store include a single malt assortment of more than 100 SKUs. It was also the first store to launch specialty products like Absolut India and Glenlivet Single cask edition. In addition, the Mumbai flagship store was the world's first to launch a branded "JW House" (Johnny Walker Whisky) in an airport location and the first to launch a "Luxe Boutique" multi-branded luxury store from Pernod Ricard.

We believe that our wide range of products caters effectively to our customers' needs that are evolving to include a greater range of products beyond liquor and tobacco products. In addition, our scale of business provides us bargaining power when we negotiate contract terms with our suppliers. Leveraging Harding Retail's strong relationship with premium brands, we are able to introduce high-quality products to stores in India, Sri Lanka and other emerging markets, which gives us a competitive advantage when negotiating new concessions.

Experienced executive management team and a multinational workforce

We believe that the experience, depth and diversity of our executive management team are distinct competitive advantages. Our key group level management team has extensive experience in and in-depth knowledge of the global travel retail industry. Our individual Promoter, Atul Vini Ahuja, has approximately 15 years of experience in travel retail operations and management. In addition, our regional management teams possess in-depth knowledge of their specific markets. For example, the Harding Retail management team has, on average, approximately 11 years of experience in the cruise line travel retail business. With their diverse expertise and multicultural backgrounds, our regional management teams bring considerable insight and experience gained in the market. Each member of our management team possesses values, ideas and leadership capabilities that define our organisational decisions and drive our business success. We believe that with such extensive industry-related experience and operation management skills among our management team, we are well-positioned to identify and pursue growth opportunities.

In addition, as of September 30, 2017, we had 2,616 full-time employees and 628 temporary retail staff on-board cruise ships who represented around 50 nationalities, providing us with strong local knowledge at our retail locations and in our day-to-day operations. Knowledge and skills are shared through our “Retail Excellence” initiative within our Group to maximise commercial opportunities and introduce the latest thinking into our retail operations.

Our Strategy

Our goal is to take advantage of various growth opportunities to profitably grow our business by scaling up our existing operations and diversifying our business further across multiple geographies and sales channels. Our mission is to be a preferred travel retailer delivering high value for both our concession landlords and customers through being the partner of choice for brands. Our strategies to achieve our goal and mission include:

Capitalise on the growth in the Indian and Sri Lanka travel retail market

We intend to capitalise on the growth of the travel retail market in India and Sri Lanka. Leveraging our global footprint, our relatively low operating costs model and our access to premium brands and applying our local market knowledge, we plan to increase our retail area further by winning new concessions. We also plan to expand sales channels and retail formats, such as border-crossing stores and in-flight duty-free retail, and increase the scale of our web-based pre-order operations. Another potential area of growth is expansion into duty paid business in domestic airports. The current duty paid regulations in India do not allow us to operate duty paid business in domestic airports. However, given our scale and experience in the Indian travel retail sector, we are well placed to capture this upside when the regulations change. We already have a master concession in Kolkata where due to regulatory restrictions, we lease out the retail areas to third parties.

We aim to drive our growth in India and Sri Lanka by focusing on measures to increase conversion rate of passenger traffic into customers and enhance passenger spend at our stores, including through improved store layout and customer service, shifting product mix towards higher margin products (and taking advantage of increases in duty-free allowances by the GoI), innovative marketing and promotional campaigns and offering more attractive product assortments to customers.

Capture growth opportunities in the cruise line market and improve the operating performance of our cruise line travel retail business

According to the Avalon Report, the number of global ocean cruise passengers has increased from 19.4 million in 2011 to 24.6 million in 2016, increasing at a CAGR of 4.9% over this period and the number of passengers is expected to grow at a rate of 4% between 2016 – 2022 to reach 30.2 million by 2022. In order to cater to the dynamic vacation pattern of today’s customers, the cruise industry is currently undergoing significant investment into new, more innovative and ever-bigger vessels capable of carrying more than 5,000 passengers. In addition to this, inclusion of onboard activities such as multi-story shopping centers, restaurants, cafés and pubs, nightclubs, discos, casinos, art galleries and museums, theatres and cinemas, libraries, personal care areas and spas, gyms, swimming pools, tennis courts and ice skating rinks increase passenger footfall. According to the Avalon Report, the top three cruise line operators are expected to add additional capacity of 115,920 berths (amounting to 42.3 million passenger cruise days per annum) to the cruise line market between 2018 and 2022.

We plan to leverage the overall projected growth in cruise line tourist traffic and capacity expansion, position ourselves favourably with cruise line operators and focus on larger passenger capacity ships and a wider range of cruise line operators. We intend to expand our current portfolio of cruise line business by leveraging our credentials as a long-standing maritime retailer with a broad geographical footprint, underpinned by our experience and expertise in recruitment, shop design and fit out, consumer data intelligence, supply chain management and marketing. We will also consider expanding our cruise line travel retail business into Asia. We plan to drive innovative partnerships with cruise line operators and offer attractive revenue sharing models. We will also engage with cruise line operators in the early design stage of vessels with a focus on retail area design.

In addition, we aim to enhance margins through vendor negotiation, product mix management and tighter stock control. We will focus on higher margin products such as jewellery, watches and beauty products. We will continue to negotiate for better trade and pricing terms by leveraging our strong relationships with suppliers, which will enable us to offer more competitive prices to our customers. Also, we plan to reduce our expenses. For instance, we plan to have key brands fund promotion activities in our stores. We also plan to develop an integrated digital platform in partnership with our key brands and an exclusive cruise retail partnership with a market leading digital solution provider, Holovis International, to drive customer engagement, conversion and sales.

Build strong growth momentum in Europe

In Europe, we plan to consolidate our airport position in the region by adding new retail areas and product categories, in particular F&B spaces, through direct negotiations, acquisitions or participation in new tenders. We will continue to work on innovative marketing strategies for higher conversion rates**,** including development of leading airport digital platform solutions. We also plan to grow our in-flight retail portfolio through new contracts outside of Turkey and expand the ferry travel retail business model throughout the Nordic/Baltic and UK/Irish ferry channels in view of the impending exit of the UK from the EU.

Expand our operations globally through strategic acquisitions

We operate in a global travel retail market with industry worldwide revenue in 2016 according to the Avalon Report amounting to US$63.4 billion which is forecasted to grow to US$82.6 billion in 2021. The global travel retail market will grow at a rate of 5.4% to US$82.6 billion in 2021. In 2016, Asia Pacific had duty-free retail revenue of US$ 27.4 billion and a market share of approximately 43%, and the region is expected to remain the largest market in the world through 2021 with expected duty-free retail revenue of US$37.7 billion and a market share of approximately 46%. In particular, airport duty-free in India and Sri Lanka is estimated to grow with a CAGR of 9.6% from 2017 to 2021 and airport duty-free in Poland is estimated to grow with a CAGR of 7.0% during the same period. The second largest region is Europe with a market share of approximately 30% in 2016, and Europe is expected to reach approximately US$22 billion in sales by 2021 with a market share of approximately 26%.

In the past we have successfully used acquisitions to expand our operations and consolidate our presence in new markets and travel retail channels. We believe that the highly fragmented nature of the industry and the continued growth of the global travel retail market will continue to offer consolidation opportunities. We intend to continue our expansion in a cost effective manner through strategic acquisitions in high growth markets and geographies that complement our existing operations. We believe our track record as an active acquirer in the industry combined with our knowledgeable local and regional teams allow us to quickly identify, structure, execute and integrate acquisitions.

Expand our concession portfolio

We will constantly seek new opportunities to acquire more concession agreements by leveraging our global operations and applying our local market knowledge. For example, we believe that the GoI's proposed investments towards development and upgrading of airport infrastructure for Indian airports will offer us an opportunity to strengthen our leadership position in the India market through bidding for new concessions, expanding retail area and increasing passenger traffic through our stores. We believe that the combination of our global market expertise and our local knowledge in each of our target markets positions us well to acquire new concessions in promising locations on attractive terms.

We seek to structure our relationships with concession landlords as long-term partnerships. We may provide expertise in the development of all or a significant part of the amenities offered at a facility, or may offer the facility operator or owner a profit share. Our goal is to offer our concession landlords a comprehensive package, which allows us to develop the full potential of each of our locations. This approach is designed to create incentives for better long-term development of the facility for us as well as our concession landlords, thereby resulting in longer concession terms and higher renewal rates.

SUMMARY FINANCIAL INFORMATION

The following tables set forth summary financial information derived from our Restated Summary Statements. The Restated Summary Statements have been prepared in accordance with Indian GAAP, applicable provisions of the Companies Act, 1956 and Companies Act, 2013 and restated in accordance with the SEBI ICDR Regulations, and are presented in "*Financial Statements*" on page 213.

The summary financial information presented below should be read in conjunction with our Restated Summary Statements, the notes thereto, on "*Financial Statements*" on page 213 and in "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 223.

Restated Consolidated Balance Sheet

(Amount in ₹ million)

No.	Particulars	As at	
		September 30, 2017	**March 31, 2017**
	Equity and Liabilities		
A	**Shareholders' Funds**		
	Share capital	1.56	1.56
	Reserves and surplus	(3,589.19)	(3,131.74)
		(3,587.63)	**(3,130.18)**
B	**Minority Interest**	**(0.55)**	**(0.47)**
C	**Non Current Liabilities**		
	Long term borrowings	1,697.05	1,864.70
	Trade payables	226.22	309.99
	Other long-term liabilities	4,505.47	4,001.05
	Long term provisions	17.42	14.59
		6,446.16	**6,190.33**
D	**Current Liabilities**		
	Short term borrowings	644.73	329.80
	Trade payables		
	- Total outstanding dues to micro enterprises and small enterprises	8.39	1.32
	- Total outstanding dues to creditors other than micro enterprises and small enterprises	1,233.34	1,086.47
	Other current liabilities	421.98	407.69
	Short term provisions	24.31	23.27
		2,332.75	**1,848.55**
	Total (A+B+C+D)	**5,190.73**	**4,908.23**
	Assets		
E	**Non Current Assets**		
	Fixed Assets		
	- Property, plant and equipment	438.97	502.73
	- Intangible assets	1.52	2.06
	- Capital work in progress	21.28	6.49
	- Intangible assets under development	0.97	-
	Deferred tax assets (net)	-	-
	Loans and advances	2,321.64	2,623.42
	Other non current assets	460.92	507.87
		3,245.30	**3,642.57**
F	**Current Assets**		
	Inventories	1,123.03	832.34
	Trade receivables	27.54	13.32
	Cash and bank balances	104.38	246.07
	Loans and advances	595.41	104.20
	Other current assets	95.07	69.73
		1,945.43	**1,265.66**

No.	Particulars	As at	
		September 30, 2017	March 31, 2017
	Total (E+F)	**5,190.73**	**4,908.23**

Restated Consolidated Income Statement

(Amount in ₹ million)

No.	Particulars	For the six months ended	For the year ended
		September 30, 2017	March 31, 2017
G	**Income**		
	Revenue from operations	3,251.64	5,995.64
	Other income	54.52	76.58
	Total Revenue	**3,306.16**	**6,072.22**
H	**Expenditure**		
	Cost of goods sold	1,329.45	2,620.46
	Employee benefits expense	163.16	249.85
	Occupancy costs	1,834.24	3,457.99
	Other expenses	199.20	221.54
	Depreciation and amortisation expenses	88.70	170.16
	Finance costs	148.24	250.04
	Total Expenses	**3,762.99**	**6,970.04**
I	**Restated loss before tax and exceptional items (G-H)**	**(456.83)**	**(897.82)**
J	Exceptional items	-	(244.83)
K	**Restated loss before tax and after exceptional items (I-J)**	**(456.83)**	**(1,142.65)**
L	**Tax expense**		
	Current Tax	0.47	0.05
		0.47	**0.05**
M	**Restated loss for the period / year (K-L)**	**(457.30)**	**(1,142.70)**
N	Less: Minority Interest	(0.08)	(0.03)
O	**Restated loss attributable to shareholders of the Company (M-N)**	**(457.22)**	**(1,142.67)**

Restated Consolidated Cash Flow Statement

(Amount in ₹ million)

Particulars	For the six months ended	For the year ended
	September 30, 2017	March 31, 2017
Cash flow from operating activities		
Loss before tax and after exceptional items (restated)	**(456.83)**	**(1,142.65)**
Adjustments for:		
Depreciation and amortization	88.70	170.16
(Reversal) / Provision of inventories	-	8.79
Interest income	(12.36)	(1.24)
Unrealised exchange loss / (gain)	57.78	(38.67)
Interest expense	125.16	187.98
Loss/ (profit) on demolition of property, plant and equipment	-	2.25
Loan Prepayment charges	-	40.61
Loan Swap cancellation charges paid to banker	-	235.95
Amortization of ancillary borrowing costs	23.08	21.44
Operating loss before working capital changes	**(174.47)**	**(515.38)**
Movements in working capital:		

Particulars	For the six months ended	For the year ended
	September 30, 2017	March 31, 2017
Increase in trade payables and other liabilities	534.10	1,282.46
Increase in provisions	3.87	12.15
Increase in trade receivables	(14.22)	(3.80)
Increase in inventories	(290.69)	(146.34)
Increase in loans and advances	(191.12)	(76.34)
Decrease in other assets	10.70	-
Cash generated used in operations	**(121.83)**	**552.75**
Direct taxes (paid)/refund received	1.07	51.15
Net cash flow used in operating activities (A)	**(120.76)**	**603.90**
Cash flows from investing activities		
Interest received	0.83	1.24
Purchase of property, plant and equipment	(42.35)	(4.77)
Property, plant and equipment received on acquisition of subsidiaries	-	(14.98)
Investments in bank deposits (having original maturity of more than three months)	(0.60)	(360.00)
Net cash flow used in investing activities (B)	**(42.12)**	**(378.51)**
Cash flows from financing activities		
Proceeds from long term borrowings	-	2,200.00
Repayment of long term borrowings	(167.65)	(2,105.65)
Proceeds from short term borrowings	314.93	329.80
Interest paid	(125.90)	(169.19)
Borrowing costs paid	-	(449.21)
Net cash flow from / (used) in financing activities (C)	**21.38**	**(194.25)**
Net decrease/increase in cash and cash equivalents (A + B + C)	(141.50)	31.14
Net foreign exchange difference	(0.19)	0.01
Cash and cash equivalents at the beginning of the year / period	246.07	214.92
Cash and cash equivalents at the end of the year / period	**104.38**	**246.07**
Components of cash and cash equivalents		
Cash on hand	2.44	2.17
On current account (including in transit)	100.66	231.72
Cash Received on acquisition of Rwanda and Burundi	-	10.23
Deposits with original maturity of less than three months	1.28	1.95
Total cash and cash equivalents	**104.38**	**246.07**

Restated Unconsolidated Balance Sheet

(Amount in ₹ million)

No.	Particulars	As at					
		September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
	Equity and liabilities						
A	**Shareholders' funds**						
	Share capital	1.56	1.56	1.56	1.56	0.15	0.15
	Reserves and surplus	(3,578.12)	(3,130.10)	(1,990.01)	(694.56)	(965.55)	(1,095.05)
		(3,576.56)	**(3,128.54)**	**(1,988.45)**	**(693.00)**	**(965.40)**	**(1,094.90)**
B	**Non current liabilities**						
	Long term borrowings	1,697.05	1,864.70	1,872.84	1,987.24	1,702.59	1,167.87
	Trade payables	226.22	309.99	-	-	-	-
	Other long-term liabilities	4,505.47	4,001.05	3,065.08	1,719.42	92.90	74.99
	Long term provisions	17.42	14.59	17.61	15.83	12.68	8.72
		6,446.16	**6,190.33**	**4,955.53**	**3,722.49**	**1,808.17**	**1,251.58**
C	**Current liabilities**						

	Short term borrowings	644.73	329.80	-	-	-	-
	Trade payables						
	- Total outstanding dues to micro enterprises and small enterprises	8.39	1.32	1.25	0.52	0.42	0.15
	- Total outstanding dues to creditors other than micro enterprises and small enterprises	1,101.87	958.27	1,126.41	875.91	569.85	645.58
	Other current liabilities	420.59	405.71	270.07	263.19	1,346.80	451.25
	Short term provisions	22.59	22.07	8.09	8.48	3.50	26.86
		2,198.17	**1,717.17**	**1,405.82**	**1,148.10**	**1,920.57**	**1,123.84**
	Total (A+B+C)	**5,067.77**	**4,778.96**	**4,372.90**	**4,177.59**	**2,763.34**	**1,280.52**
	Assets						
D	**Non current assets**						
	Fixed assets						
	- Property, plant and equipment	430.49	488.86	628.77	761.84	63.22	42.91
	- Intangible assets	0.01	0.02	0.04	0.06	-	-
	- Capital work in progress	19.91	5.16	34.22	2.98	197.52	0.62
	- Intangible assets under development	0.97	-	-	-	-	-
	Non current investments	-	-	-	-	-	-
	Deferred tax assets (net)	-	-	-	-	-	-
	Loans and advances	2,312.97	2,614.19	2,668.38	2,348.28	1,794.74	68.54
	Other non current assets	460.92	507.87	15.48	18.30	21.12	-
		3,225.27	**3,616.10**	**3,346.89**	**3,131.46**	**2,076.60**	**112.07**
E	**Current assets**						
	Inventories	1,036.52	745.56	694.79	644.07	215.96	253.27
	Trade receivables	24.31	9.71	9.53	4.03	7.67	9.04
	Cash and bank balances	97.89	237.54	214.92	188.97	415.34	833.93
	Loans and advances	592.65	100.64	34.10	142.13	43.29	69.73
	Other current assets	91.13	69.41	72.67	66.93	4.48	2.48
		1,842.50	**1,162.86**	**1,026.01**	**1,046.13**	**686.74**	**1,168.45**
	Total (D+E)	**5,067.77**	**4,778.96**	**4,372.90**	**4,177.59**	**2,763.34**	**1,280.52**

Restated Unconsolidated Income Statement

(Amount in ₹ million)

No.	Particulars	For the six months ended	For the year ended				
		September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
F	**Income**						
	Revenue from operations	3,198.56	5,986.83	5,390.01	4,182.33	3,051.97	2,643.85
	Other income	54.41	76.96	84.60	71.38	55.30	51.45
	Total revenue	**3,252.97**	**6,063.79**	**5,474.61**	**4,253.71**	**3,107.27**	**2,695.30**
G	**Expenditure**						
	Cost of goods sold	1,296.95	2,614.31	2,332.76	1,859.52	1,310.43	1,140.11
	Employee benefits expense	155.31	248.38	226.40	203.68	140.56	133.60
	Occupancy costs	1,828.15	3,456.84	3,427.11	3,200.75	1,060.25	655.12
	Other expenses	189.61	220.54	413.53	268.88	260.34	150.17
	Depreciation and amortisation expenses	82.73	168.94	186.35	112.59	20.98	71.49
	Finance costs	148.24	250.04	183.91	241.97	155.44	409.30
	Total Expenses	**3,700.99**	**6,959.05**	**6,770.06**	**5,887.39**	**2,948.00**	**2,559.79**
H	**Restated profit / (loss) before tax and exceptional items (F-**	**(448.02)**	**(895.26)**	**(1,295.45)**	**(1,633.68)**	**159.27**	**135.51**

	G)						
I	Exceptional items	-	244.83	-	-	-	-
J	**Restated profit / (loss) before tax and after exceptional items(H-I)**	**(448.02)**	**(1,140.09)**	**(1,295.45)**	**(1,633.68)**	**159.27**	**135.51**
K	**Tax expense**						
	Current Tax (MAT expense)	-	-	-	-	29.77	30.85
		-	-	-	-	**29.77**	**30.85**
L	**Restated profit / (loss) for the year (J-K)**	**(448.02)**	**(1,140.09)**	**(1,295.45)**	**(1,633.68)**	**129.50**	**104.66**

Restated Unconsolidated Cash Flow Statement

(Amount in ₹ million)

Particulars	**For the six months ended**	**For the year ended**				
	September 30, 2017	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Cash flow from operating activities						
Profit / (loss) before tax and after exceptional items (as restated)	**(448.02)**	**(1,140.09)**	**(1,295.45)**	**(1,633.68)**	**159.27**	**135.51**
Adjustments for:						
Depreciation and amortization	82.73	168.94	186.35	112.59	20.98	71.49
Write back of liability no longer required	-	-	-	-	(5.77)	-
Provision for ARO no longer required	-	-	-	-	(20.58)	-
(Reversal) / provision of inventories	-	4.67	(1.38)	1.50	-	-
Interest income	(12.78)	(1.22)	-	-	(21.55)	(33.03)
Unrealised exchange loss/(gain)	57.89	(38.06)	111.57	68.67	-	-
Loss/ (profit) on demolition of property, plant and equipment	-	2.25	-	-	-	-
Interest expense	125.16	187.98	181.09	239.16	155.35	409.30
Loan prepayment charges	-	40.61	-	-	-	-
Loan swap cancellation charges paid to banker	-	235.95	-	-	-	-
Amortization of ancillary borrowing costs	23.08	21.44	2.82	2.81	0.09	-
Operating profit before working capital changes	**(171.94)**	**(517.53)**	**(815.00)**	**(1,208.95)**	**287.79**	**583.27**
Movements in working capital:						
Change in trade payables and other liabilities	528.31	1,130.32	1,596.82	1,921.75	(109.54)	(28.70)
Change in provisions	3.34	10.95	1.39	8.13	1.18	7.69
Change in trade receivables	(14.60)	(0.18)	(4.98)	3.64	1.37	(4.49)
Change in inventories	(290.96)	(55.44)	(49.34)	(429.61)	37.31	(22.26)
Change in other assets	14.74	8.68	(5.74)	(62.44)	0.81	(2.08)
Change in loans and advances	(191.56)	(69.11)	(205.94)	(652.06)	(1,688.52)	1.60
Cash generated used in operations	**(122.67)**	**507.69**	**517.21**	**(419.54)**	**(1,469.60)**	**535.03**
Direct taxes (paid)/refund received	0.72	70.16	(6.63)	(0.34)	(40.96)	(74.24)
Net cash flow (used in) / from operating activities (A)	**(121.95)**	**577.85**	**510.58**	**(419.88)**	**(1,510.56)**	**460.79**
Cash flows from investing						

Particulars	For the six months ended	For the year ended				
	September 30, 2017	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
activities						
Interest received	0.83	1.22	-	-	21.55	33.03
Purchase of property, plant & equipment including CWIP and advances	(40.06)	(2.20)	(90.72)	(611.37)	(234.86)	(47.21)
Investments in bank deposits (having original maturity of more than three months)	(0.60)	(360.00)	-	-	-	-
Net cash flow (used in) / from investing activities (B)	**(39.83)**	**(360.98)**	**(90.72)**	**(611.37)**	**(213.31)**	**(14.18)**
Cash flows from financing activities						
Repayment of long term borrowings	(167.65)	(2,105.65)	(212.98)	-	-	-
Proceeds from long term borrowings	-	2,200.00	-	435.81	1,702.59	-
Proceeds from short term borrowings	314.94	329.80	-	-	-	-
Proceeds from issuance of equity share capital	-	-	-	738.21	-	-
Interest paid	(125.16)	(169.19)	(180.93)	(369.14)	(373.28)	(190.45)
Other borrowing costs paid	-	(449.21)	-	-	(24.03)	-
Net cash flow (used in) / from financing activities (C)	**22.13**	**(194.25)**	**(393.91)**	**804.88**	**1,305.28**	**(190.45)**
Net increase / (decrease) in cash and cash equivalents (A + B + C)	(139.65)	22.62	25.95	(226.37)	(418.59)	256.16
Cash and cash equivalents at the beginning of the year	237.54	214.92	188.97	415.34	833.93	577.77
Cash and cash equivalents at the end of the year	**97.89**	**237.54**	**214.92**	**188.97**	**415.34**	**833.93**
Components of cash and cash equivalents						
Cash on hand	1.60	1.32	1.33	1.28	1.02	0.80
Balances with scheduled banks - in current account	96.29	236.22	213.59	187.69	414.32	503.13
Deposits with original maturity of less than three months	-	-	-	-	-	330.00
Total cash and cash equivalents	**97.89**	**237.54**	**214.92**	**188.97**	**415.34**	**833.93**

Reservations, Qualifications and Adverse Remarks

Other than as disclosed below, there are no reservations or qualifications or adverse remarks in the Company's audited financial statements in the last five financial years immediately preceding this Draft Red Herring Prospectus:

Our auditors have included an emphasis of matter in their audit report for Fiscal 2013 and certain qualifications with respect to matters specified in Companies (Auditors Report) Order, 2003, the Companies (Auditors Report) Order, 2015 and the Companies (Auditors Report) Order, 2016 for Fiscals 2013, 2014, 2015, 2016 and 2017. We have provided below, these auditor qualifications and emphasis of matter as well as our Company's corrective steps in connection with these remarks:

For Fiscal 2013

Emphasis of matter in the audit report:

As at March 31, 2013, our Company has accumulated losses of ₹1,099.57 million against equity of ₹0.15 million and also has net current liabilities of ₹ 28.08 million. These conditions indicate the existence of a material uncertainty that cast significant doubt about our Company's ability to continue as a going concern, which is dependent on establishing profitable operations and obtaining continuing financial support from our Shareholders. These mitigating factors have been more fully discussed in note 2 to the accompanying financial statements, in view of which the accompanying financial statements have been prepared under the going concern assumption, and consequently, no adjustments have been made to the carrying values or classification of balance sheet accounts. Our opinion in not qualified in respect of this matter.

Our Company had duty-free operations on the erstwhile international terminal of the Mumbai airport, which was at the verge of expiry in the year 2013 on account of the new international terminal at the Mumbai airport ("**T2 Terminal**") which was proposed to be operational in the year 2014. During this period, our Company incurred losses and suffered negative cash-flow. Our Company had bid for the concession at the T2 Terminal during the year 2012 and however our Company was not awarded the concession for the T2 Terminal. Subsequently, pursuant to bilateral discussions between our Company and the concessionaire, the core duty-free concession for the T2 Terminal was awarded to our Company in February 2014.

Qualifications included in the annexure to the audit report:

- *Fixed Assets have not been physically verified by the management during the year, hence, we are unable to comment on the discrepancies, if any.*

  Our Company performs physical verification of fixed assets in a phased manner throughout the year, which is reasonable having regard to the fact that 90% of the fixed assets are within secured zone of international airports and are mostly in the nature of leasehold improvements and furniture and fittings for the shops at international terminal.

- *In relation to the size of the Company and the nature of its business the Company does not have a real time inventory system which, as explained, is currently under development. Discrepancies noted on physical verification of inventories were not material, and have been properly dealt with in the books of account.*

  Our Company has invested in information technology and implemented a real-time inventory system.

- *During the year, no internal audit was carried out and, accordingly, we are unable to comment on the internal audit system.*

  Our Company subsequently appointed an internal auditor.

- *Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. As informed to us, the provisions relating to excise duty and investor education and protection fund are not applicable to the Company.*

  Our Company has made significant improvement in internal control process, thereby a better management of regulatory dues has been emphasized.

- *According to the information and explanations given to us, no undisputed amounts payable in respect of employees' state insurance, income-tax, wealth-tax, sales-tax, customs duty, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable except service tax and provident fund as follows:*

Name of the statute	***Nature of dues***	***Amount (₹)***	***Period to which the amount relates***	***Due date***	***Date of payment***
Provident Fund	*Employers Contribution to Provident Fund*	*395,184*	*September 2009 – March 2010*	*Within 15 days from the end of each month*	*Not paid till date*

The outstanding amount was subsequently paid and regularized.

- *According to the information and explanation given to us, there are no dues of income tax, wealth tax, service tax, customs duty and cess which have not been deposited on account of any dispute except sales tax as follows:*

Name of the statute	***Nature of dues***	***Amount (₹)***	***Period to which the amount relates***	***Forum where dispute is pending***
MVAT Act 2002	*Sales Tax*	*915,501*	*April 08 - September 08*	*Commissioner of Service Tax (Appeals)*

Our Company has filed appeals against the same and the appeals are pending at various stages.

- *The Company's accumulated losses at the end of the financial year are more than fifty percent of its net worth. The Company has not incurred cash loss in the current and immediately preceding financial year.*

Our Company had duty-free operations on the erstwhile international terminal of the Mumbai airport, which was at the verge of expiry in the year 2013 on account of the T2 Terminal which was proposed to be operational in the year 2014. During this period, our Company incurred losses and suffered negative cash-flow.

- *According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the Company has used short term funds in the nature of amounts payable to group companies and other payables amounting to ₹ 1.22 million for long-term purpose towards funding of accumulated operational losses.*

Our Company started duty-free operations at the T2 Terminal at Mumbai in May 2014 and had incurred costs in relation to closure of the shops at the old international terminal. These losses were funded and supported by the erstwhile parent entity.

For Fiscal 2014

Qualifications included in the annexure to the audit report:

- *Fixed Assets have not been physically verified by the management during the year, hence, we are unable to comment on the discrepancies, if any.*

Our Company performs physical verification of fixed assets in a phased manner throughout the year, which is reasonable having regard to the fact that 90% of the fixed assets are within secured zone of international airports and are mostly in the nature of leasehold improvements and furniture and fittings for the shops at international terminal.

- *In relation to the size of the Company and the nature of its business the Company does not have a real time inventory system. Discrepancies noted on physical verification of inventories were not material, and have been properly dealt with in the books of account.*

Our Company has invested in information technology and implemented a real-time inventory system.

- *During the year, no internal audit was carried out and accordingly, we are unable to comment on the internal audit system.*

Our Company subsequently appointed an internal auditor.

- *According to the information and explanation given to us, there are no dues of income tax, wealth tax, service tax, customs duty and cess which have not been deposited on account of any dispute except sales tax as follows:*

Name of the statute	*Nature of dues*	*Amount (₹)*	*Period to which the amount relates*	*Forum where dispute is pending*
MVAT Act 2002	*Sales Tax*	*915,501*	*April 08 - September 08*	*Commissioner of Service Tax (Appeals)*

Our Company has filed appeals against the same and the appeals are pending at various stages.

- *The Company's accumulated losses at the end of the financial year are more than fifty percent of its net worth. The Company has incurred cash loss in the current year. It has not incurred cash loss in the immediately preceding financial year.*

  Our Company started duty-free operations at the T2 Terminal at Mumbai in May 2014 and had incurred start-up costs in relation thereto. These losses were funded and supported by the erstwhile parent entity.

- *According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the Company has used short-term funds in the nature of amounts payable to group companies and other payables amounting to ₹ 62.47 million for long-term purpose towards funding of accumulated operational losses.*

  Our Company started duty-free operations at the T2 Terminal at Mumbai in May 2014 and had incurred costs in relation to closure of the shops at the old international terminal. These losses were funded and supported by the erstwhile parent entity.

For Fiscal 2015

Qualifications included in the annexure to the audit report:

- *Fixed Assets have not been physically verified by the management during the year, hence, we are unable to comment on the discrepancies, if any.*

  Our Company performs physical verification of fixed assets in a phased manner throughout the year, which is reasonable having regard to the fact that 90% of the fixed assets are within secured zone of international airports and are mostly in the nature of leasehold improvements and furniture and fittings for the shops at international terminal.

- *The Company is maintaining proper records of inventory but does not have a real time inventory system. Discrepancies noted on physical verification of inventories were not material, and have been properly dealt with in the books of account.*

  Our Company has invested in information technology and implemented a real-time inventory system.

- *In our opinion and according to the information and explanations given to us and having regard to the explanation that purchases of certain fixed assets are of proprietary nature for which alternative sources are not available to obtain comparable quotation, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the company in respect of these areas.*

  Our Company has instituted various committees of key personnel and regular internal checks and balance procedures in relation to documentation for purchase of fixed assets that to ensure that adequate internal control system for the purchase of inventory and fixed assets and for the sale of goods and services is established and is commensurate to the size of our Company.

- *According to the information and explanation given to us, there are no dues of income tax, sales tax, wealth tax, service tax, customs duty, excise duty, value added tax and cess which have not been deposited on account of any dispute except income tax and sales tax as following:*

Name of the statute	*Nature of dues*	*Amount (₹)*	*Period to which the amount relates*	*Forum where dispute is pending*

MVAT Act 2002	*Sales Tax*	*915,501*	*April 08 - September 08*	*Commissioner of Service Tax (Appeals)*
Income Act, 1961	*Income Tax*	*187,390*	*April 10 – March 11*	*Deputy Commissioner of Income Tax*

Our Company has filed appeals against the same and the appeals are pending at various stages.

- *The Company's accumulated losses at the end of the financial year are more than fifty percent of its net worth. The Company has incurred cash loss in the current year and in immediately preceding financial year.*

  Our Company started duty-free operations at the T2 Terminal at Mumbai in May 2014 and had incurred start-up costs in relation thereto. These losses were funded and supported by the erstwhile parent entity.

<u>For Fiscal 2016</u>

<u>Qualifications included in the annexure to the audit report</u>:

- *Fixed Assets have not been physically verified by the management during the year, hence, we are unable to comment on the discrepancies, if any.*

  Our Company performs physical verification of fixed assets in a phased manner throughout the year, which is reasonable having regard to the fact that 90% of the fixed assets are within secured zone of international airports and are mostly in the nature of leasehold improvements and furniture and fittings for the shops at international terminal.

- *According to the information and explanation given to us, there are no dues of income tax, sales tax, wealth tax, service tax, customs duty, excise duty, value added tax and cess which have not been deposited on account of any dispute except income tax and sales tax as following:*

Name of the statute	***Nature of dues***	***Amount (₹)***	***Period to which the amount relates***	***Forum where dispute is pending***
Income Act, 1961	*Income Tax*	*187,390*	*April 10 – March 11*	*Deputy Commissioner of Income Tax*
MVAT Act 2002	*Sales Tax*	*915,501*	*April 08 - September 08*	*Commissioner of Service Tax (Appeals)*

Our Company has filed appeals against the same and the appeals are pending at various stages.

<u>For Fiscal 2017</u>

<u>Qualifications included in the annexure to the audit report</u>:

- *All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.*

  Our Company performs physical verification of fixed assets in a phased manner throughout the year, which is reasonable having regard to the fact that 90% of the fixed assets are within secured zone of international airports and are mostly in the nature of leasehold improvements and furniture and fittings for the shops at international terminal.

- *Undisputed statutory dues including income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases of provident fund and employees' state insurance.*

  Our Company has made significant improvement in internal control process, thereby a better management of regulatory dues has been emphasized.

- *According to the records of the Company, the dues outstanding of income-tax, sales-tax, service tax, custom duty, excise duty, value added tax and cess on account of any dispute, are as follows:*

Name of the statute	***Nature of dues***	***Amount (₹)***	***Period to which the amount relates***	***Forum where dispute is pending***
Income Act, 1961	*Income tax*	*187,390*	*April 10 – March 11*	*Deputy Commissioner of Income tax*
Income Act, 1961	*Income tax*	*10,12,830*	*April 12 – March 13*	*Deputy Commissioner of Income tax*
Income Act, 1961	*Income tax*	*3,26,69,600*	*April 13 – March 14*	*Deputy Commissioner of Income tax*
MVAT Act 2002	*Sales Tax*	*915,501*	*April 08 - September 08*	*Commissioner of Service Tax (Appeals)*

Our Company has filed appeals against the same and the appeals are pending at various stages.

THE OFFER

The following table summarises the details of the Offer:

Offer of Equity Shares	Up to [●] Equity Shares, aggregating up to ₹ [●] million
of which:	
Fresh Issue(1)	Up to [●] Equity Shares, aggregating up to ₹ 24,230 million
Offer for Sale(2)	Up to 1,129,500 Equity Shares, aggregating up to ₹ [●] million
of which:	
Employee Reservation Portion(3)	Up to 150,000 Equity Shares, aggregating up to ₹ [●] million
The Net Offer comprises of:	
A) QIB Portion(4)(5)	At least [●] Equity Shares
of which:	
(i) Anchor Investor Portion	[●] Equity Shares
(ii) Balance available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed) ("**Net QIB Portion**")	[●] Equity Shares
of which:	
(a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	[●] Equity Shares
(b) Balance for all QIBs including Mutual Funds	[●] Equity Shares
B) Non-Institutional Portion	Not more than [●] Equity Shares
C) Retail Portion	Not more than [●] Equity Shares
Pre and post Offer Equity Shares	
Equity Shares outstanding prior to the Offer*	39,062,628 Equity Shares
Equity Shares outstanding after the Offer	[●] Equity Shares
Use of Net Proceeds	See "*Objects of the Offer*" on page 98. Our Company will not receive any proceeds from the Offer for Sale

** Pursuant to the resolutions passed by our Board and Shareholders on January 31, 2018, our Company, may in consultation with the BRLMs, issue and allot up to 5,900,000 Equity Shares for an amount not exceeding ₹5,000 million through a private placement in favour of certain investors prior to the filing of the Red Herring Prospectus with the RoC, at a price as the Board may determine in accordance with the Companies Act, and other applicable laws. If the Pre-IPO Placement is completed, the number of Equity Shares issued pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to a minimum Offer size of 10% of the post-Offer paid-up Equity Share capital of our Company being offered to the public.*

Notes:

(1) *The Fresh Issue has been authorized by a resolution of our Board of Directors dated January 31, 2018, and by a special resolution of our Shareholders in their EGM dated January 31, 2018.*

(2) *Flemingo Mumbai, the Selling Shareholder, has consented to participate in the Offer for Sale and to offer up to 1,129,500 Equity Shares in the Offer pursuant to a consent letter dated February 9, 2018, and a resolution of its board of directors dated February 9, 2018. Flemingo Mumbai, the Selling Shareholder, confirms that the Equity Shares being offered by it in the Offer, have been held by it for a period of at least one year prior to the filing of this Draft Red Herring Prospectus with SEBI calculated in the manner as set out under Regulation 26(6) of SEBI ICDR Regulations, and are eligible for being offered for sale in the Offer as required by the SEBI ICDR Regulations.*

(3) *Up to 150,000 Equity Shares aggregating to ₹[●] million shall be made available for allocation on a proportionate basis to the Eligible Employees Bidding in the Employee Reservation Portion. In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 500,000. The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation over ₹500,000), shall be added to the Net Offer.*

(4) *Our Company and the Selling Shareholder may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. The QIB Portion will accordingly be reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor*

Allocation Price. In the event of undersubscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. 5% of the QIB Portion (excluding Anchor Investor Portion) shall be available for Allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion (excluding Anchor Investor Portion) shall be available for Allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than [●] Equity Shares, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion (excluding Anchor Investor Portion) and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see "Offer Procedure" on page 294.

(5) *Subject to valid Bids being received at or above the Offer Price, undersubscription, if any, in any category except the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories at the discretion of our Company and the Selling Shareholder, in consultation with the BRLMs and the Designated Stock Exchange. However, undersubscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of other categories. In the event of an undersubscription in the Offer, Equity Shares offered pursuant to the Fresh Issue shall be allocated in the Fresh Issue, prior to the Equity Shares offered pursuant to the Offer for Sale. However, after receipt of minimum-subscription of 90% of the Fresh Issue, Equity Shares offered pursuant to the Offer for Sale, shall be allocated prior to the Equity Shares offered pursuant to the Fresh Issue.*

Allocation to all categories, except the Anchor Investor Portion and the Retail Portion, if any, shall be made on a proportionate basis, subject to valid Bids received at or above the Offer Price. The allocation to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of shares in Retail Portion, and the remaining available Equity Shares, if any, shall be Allocated on a proportionate basis. For further details, see "*Offer Procedure – Basis of Allotment*" on page 330. Further, for details in relation to the terms of the Offer, see section titled "*Terms of the Offer*" on page 290.

GENERAL INFORMATION

Our Company was originally incorporated as 'DFS India Private Limited' at Mumbai, Maharashtra, India as a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation dated December 15, 2007 issued by the Registrar of Companies, Maharashtra at Mumbai ("**RoC**"). The name of our Company was subsequently changed to 'Flemingo Travel Retail Private Limited' pursuant to a resolution passed by the Shareholders of our Company on November 16, 2017. A fresh certificate of incorporation consequent to such change of name was issued by the RoC on November 17, 2017. Thereafter, our Company was converted into a public limited company pursuant to the approval of the Shareholders of our Company at an extra-ordinary general meeting held on December 1, 2017. Consequently, the name of our Company was changed to Flemingo Travel Retail Limited and a fresh certificate of incorporation was issued by the RoC on December 6, 2017. For more information regarding changes in the name and registered office of our Company, see "*History and Certain Corporate Matters*" on page 166.

Registered and Corporate Office of our Company

The address and certain other details of our Registered and Corporate Offices are as follows:

Registered office

Flemingo Travel Retail Limited
Chhatrapati Shivaji International Airport
New Terminal 2
Sahar Road, Andheri (East)
Mumbai-400 099
Maharashtra, India
Tel: +91 22 6520 1272
Fax: +91 22 6685 9848
E-mail: info@mumbaidutyfree.net
Website: www.flemingotravelretail.com

Corporate office

Flemingo Travel Retail Limited
Time Square Building
401, 4th Floor, A
Andheri - Kurla Road, C-Wing
Chimatpada, Marol
Andheri East
Mumbai – 400 059
Maharashtra, India
Tel: + 91 22 6677 2401
Fax: + 91 22 6677 2422
E-mail: info@mumbaidutyfree.net
Website: www.flemingotravelretail.com

Company Registration Number and Corporate Identity Number

The registration number and corporate identity number of our Company are as follows:

a. Registration number: 176802
b. Corporate identity number: U51410MH2007FLC176802

Registrar of Companies

Our Company is registered with the Registrar of Companies, Maharashtra at Mumbai, which is situated at the following address:

100, Everest, Marine Drive
Mumbai - 400 002

Maharashtra, India

Board of Directors

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

Name	Designation	DIN	Address
Atul Vini Ahuja	Chairman and Non-executive Director	00015713	Gulmohar Lala, J.D. Gupta Marg, Deonar, Mumbai – 400 088, Maharashtra, India
Ayyaswamy Ramamoorthy Choodamani	Non-executive Director	00103472	A-6003, Olive Shallots, Sector 16A, Sanpada (East), Off Palm Beach Road, Navi Mumbai – 400 705, Maharashtra, India
Naresh Chandra Sharma	Independent Director	00054922	B-605, Dosti Blossom, Dosti Acres, Wadala East, Mumbai-400 037, Maharashtra, India
Maya Swaminathan Sinha	Independent Director	03056226	11, 3rd floor, Vipul 28, BG Kher Road, Malabar Hill, Mumbai 400 006, Maharashtra, India

For further details of our Board of Directors, see "*Our Management*" on page 179.

Chief Financial Officer

Suresh Jayant Nene is the Chief Financial Officer of our Company. His contact details are as follows:

Suresh Jayant Nene
Time Square Building
401, 4th Floor, A
Andheri - Kurla Road, C-Wing
Chimatpada, Marol
Andheri East
Mumbai – 400 059
Maharashtra, India
Tel: +91 22 6626 9925/6563 5666
Fax: +91 22 2767 2718/6677 2422
E-mail: cfo@mumbaidutyfree.net

Company Secretary and Compliance Officer

Suvarna Bhatjiwale is the Company Secretary and Compliance Officer our Company. Her contact details are as follows:

Suvarna Bhatjiwale
Time Square Building,
401, 4th Floor, A
Andheri - Kurla Road, C-Wing
Chimatpada, Marol
Andheri East
Mumbai – 400 059
Maharashtra, India
Tel: + 91 22 6626 9919/6520 1280
Fax: + 91 22 6626 9994/6677 2422
E-mail: compliance@mumbaidutyfree.net

Investor Grievances

Investors can contact the Company Secretary and Compliance Officer and/or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, Investors may also write to the BRLMs, in the manner provided below.

All grievances, other than by Anchor Investors, may be addressed to the Registrar to the Offer, with a copy to the relevant Designated Intermediary, with whom the ASBA Form was submitted, quoting the full name of the sole or first Bidder, ASBA Form number, Bidders' DP ID, Client ID, PAN, address of the Bidder, number of Equity Shares applied for, date of ASBA Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number in which the amount equivalent to the Bid Amount was blocked. Further, the Bidder shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

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

Book Running Lead Managers

ICICI Securities Limited ICICI Centre, H. T. Parekh Marg Churchgate, Mumbai – 400 020 Maharashtra, India **Tel**: +91 22 2288 2460 **Fax**: +91 22 2282 6580 **Email**: flemingo.ipo@icicisecurities.com **Investor Grievance E-mail**: customercare@icicisecurities.com **Website**: www.icicisecurities.com **Contact Person**: Rupesh Khant / Rishi Tiwari **SEBI Registration No**: INM000011179	**Axis Capital Limited** 1st Floor, Axis House C-2, Wadia International Centre P.B. Marg, Worli, Mumbai - 400 025 Maharashtra, India **Tel**: +91 22 4325 2183 **Fax**: +91 22 4325 3000 **E-mail**: flemingo.ipo@axiscap.in **Investor Grievance E-mail**: complaints@axiscap.in **Website**: www.axiscapital.co.in **Contact Person**: Simran Gadh **SEBI Registration No**: INM000012029	**Credit Suisse Securities (India) Private Limited** 10th Floor, Ceejay House, Plot F, Shivsagar Estate, Dr. Annie Besant Road, Worli, Mumbai-400 018, Maharashtra, India **Tel**: +91 22 6777 3885 **Fax**: +91 22 6777 3820 **E-mail**: list.flemingotravelretailipo@credit-suisse.com **Investor Grievance E-mail**: list.igcellmer-bnkg@credit-suisse.com **Website**: https://www.credit-suisse.com/in/en/investment-banking/regionalpresence/asia-pacific/india/ipo.html **Contact Person**: Rachit Sabharwal **SEBI Registration No**: INM000011161	**HSBC Securities and Capital Markets (India) Private Limited** 52/60, Mahatma Gandhi Road, Fort, Mumbai – 400 001, Maharashtra, India **Tel**: +91 22 2268 1560 **Fax**: +91 22 6653 6207 **Email**: ftrlipo@hsbc.co.in **Investor Grievance E-mail**: investorgrievance@hsbc.co.in **Website**: www.hsbc.co.in/1/2/corporate/ Equitiesgloablinvestmentbanking **Contact Person**: Tanvi Jain **SEBI Registration No**: INM000010353	**YES Securities (India) Limited** IFC, Tower 1 & 2, Unit no. 602 A, 6th Floor, Senapati Bapat Marg, Elphinstone (West), Mumbai-400 013 Maharashtra, India **Tel**: +91 22 3012 6919 **Fax**: +91 22 2421 4508 **E-mail**: flemingoipo@yessecuritiesltd.in **Investor grievance E-mail**: igc@yessecuritiesltd.in **Website**: www.yesinvest.in **Contact Person**: Mukesh Garg / Pratik Pednekar **SEBI Registration No**: MB/INM000012227

Syndicate Members

[●]

Statement of inter-se allocation of responsibilities among the Book Running Lead Managers

The following table sets forth the inter-se allocation of responsibilities for various activities among the BRLMs for the Offer:

No.	Activity	Responsibility	Coordinator
1.	Capital structuring with the relative components and formalities such as type of instruments, etc	I-Sec, Axis, Credit Suisse, HSBC and Yes Securities	I-Sec

No.	Activity	Responsibility	Coordinator
2.	Due diligence of our Company including its operations/management/business/legal, etc., drafting and design of this Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus, abridged prospectus and Application Form. Ensure compliance and completion of prescribed formalities with the Stock Exchanges, SEBI and RoC including finalisation of Red Herring Prospectus and Prospectus and RoC filing, follow up and coordination till final approval from all regulatory authorities	I-Sec, Axis, Credit Suisse, HSBC and Yes Securities	I-Sec
3.	Drafting and approval of all statutory advertisements	I-Sec, Axis, Credit Suisse, HSBC and Yes Securities	I-Sec
4.	Drafting and approval of all publicity material other than statutory advertisements, including corporate advertisements, brochures, etc.	I-Sec, Axis, Credit Suisse, HSBC and Yes Securities	HSBC
5.	Appointment of Registrar to the Offer, printers, Banker(s) to the Offer, advertising agency (including coordinating all agreements to be entered with such parties)	I-Sec, Axis, Credit Suisse, HSBC and Yes Securities	I-Sec
6.	Preparation of road show presentation and frequently asked questions for the road show team	I-Sec, Axis, Credit Suisse, HSBC and Yes Securities	Credit Suisse & HSBC
7.	International institutional marketing of the Offer, which will cover, *inter alia*: • Institutional marketing strategy; • Finalizing the list and division of international investors for one-to-one meetings; and • Finalizing international road show and investor meeting schedules	I-Sec, Axis, Credit Suisse, HSBC and Yes Securities	I-Sec
8.	Domestic institutional marketing of the Offer, which will cover, *inter alia*: • Finalizing the list and division of domestic investors for one-to-one meetings; and • Finalizing domestic road show and investor meeting schedules	I-Sec, Axis, Credit Suisse, HSBC and Yes Securities	Axis
9.	Conduct non-institutional marketing of the Offer	I-Sec, Axis, Credit Suisse, HSBC and Yes Securities	Axis
10.	Conduct retail marketing of the Offer, which will cover, *inter-alia*: • Finalising media, marketing, public relations strategy and publicity budget; • Finalising collection centres; • Finalising centres for holding conferences for brokers etc.; and • Follow-up on distribution of publicity and Offer material including form, Red Herring Prospectus and Prospectus and deciding on the quantum of the Offer material	I-Sec, Axis, Credit Suisse, HSBC and Yes Securities	Axis
11.	Coordination with Stock Exchanges for book building software, bidding terminals and mock trading	I-Sec, Axis, Credit Suisse, HSBC and Yes Securities	Axis
12.	Coordination with Stock Exchanges for deposit of 1% security deposit	I-Sec, Axis, Credit Suisse, HSBC and Yes Securities	Axis
13.	Managing the book and finalization of pricing in consultation with our Company	I-Sec, Axis, Credit Suisse, HSBC and Yes Securities	I-Sec
14.	Post-Offer activities, including managing Anchor Investors book related activities and submission of letters to regulators post completion of anchor allocation, management of escrow accounts, coordinating underwriting, coordination of non-institutional allocation, finalisation of the basis of allotment based on technical rejections, essential follow-up steps including follow-up with Bankers to the Offer and Self Certified Syndicate Banks and coordination with various agencies connected with the post-offer activity such as Registrar to the Offer, Bankers to the Offer, Self Certified Syndicate Banks, etc., listing of instruments, demat credit and refunds/unblocking of funds, announcement of allocation and dispatch of	I-Sec, Axis, Credit Suisse, HSBC and Yes Securities	Yes Securities

No.	Activity	Responsibility	Coordinator
	refunds to Bidders, etc., payment of the applicable securities transaction tax on behalf of Selling Shareholder, redressal of investor grievances, coordination with SEBI and Stock Exchanges for refund of 1% security deposit and media compliance report		

Legal Counsel to our Company as to Indian Law

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

Legal Counsel to the BRLMs as to Indian Law

Luthra & Luthra Law Offices
1st & 9th Floor, Ashoka Estate
Barakhamba Road
New Delhi-110 001, India
Tel: +91 11 4121 5100
Fax: +91 11 2372 3909

International Legal Counsel to the BRLMs

Herbert Smith Freehills LLP
50 Raffles Place
#24-01 Singapore Land Tower
Singapore 048623
Tel: +65 6868 8000
Fax: +65 6868 8001

Registrar to the Offer

Link Intime India Private Limited
C-101, 1st Floor, 247 Park
Lal Bahadur Shastri Marg
Vikhroli (West)
Mumbai – 400 083
Maharashtra, India
Tel: +91 22 4918 6200
Fax: +91 22 4918 6195
Email: flemingo.ipo@linkintime.co.in
Investor grievance e-mail: flemingo.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Shanti Gopalkrishnan
SEBI Registration No: INR000004058

Escrow Bank

[●]

Public Account Offer Bank

[●]

Refund Bank

[●]

Designated Intermediaries

Self –Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated Branches of the SCSBs, with which a Bidder (other than an Anchor Investor), not bidding through the Syndicate/sub-syndicate or through a Registered Broker, CRTA or CDP may submit the Bid cum Application Forms, is available at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, or at such other website as may be prescribed by SEBI from time to time.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investor) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes), or at such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI (http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes).

Registered Brokers

Bidders can submit Bid cum Application Forms in the Offer using the stock broker network of the Stock Exchanges, *i.e.* through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of BSE and NSE at www.bseindia.com and www.nseindia.com, respectively, as may be updated from time to time. In relation to ASBA Bids submitted to the Registered Brokers at the Broker Centres, the list of branches of the SCSBs at the Broker Centres named by the respective SCSBs to receive deposits of the ASBA Forms from the Registered Brokers will be available on the website of the SEBI (www.sebi.gov.in) or at such other website as may be prescribed by SEBI from time to time.

Collecting Registrar and Share Transfer Agents

The list of the CRTAs eligible to accept ASBA Forms at the Collection Centres, including details such as address, telephone number and e-mail address, are provided on the websites of BSE and NSE at www.bseindia.com and www.nseindia.com, respectively, as may be updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Collection Centres, including details such as name and contact details, are provided on the websites of BSE and NSE at www.bseindia.com and www.nseindia.com, respectively, as may be updated from time to time.

Auditors to our Company

S R B C & CO LLP, Chartered Accountants
14th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai – 400 028
Maharashtra, India
Tel: +91 22 6192 0000
Fax: +91 22 6192 1000
E-mail: srbc.co@in.ey.com
Firm registration number: 324982E/E300003

Independent Chartered Accountants

Uberoi Sood & Kapoor
606, Vishal Bhawan, 95, Nehru Place, New Delhi-110 019
Tel: +91 11 2641 6942/2642 9297
Fax: +91 11 2642 9297
E-mail id: uskca@vsnl.com
Firm registration number: 001462N
Peer Review number: 010214

Bankers to our Company

YES Bank Limited
Address: YES Bank Tower
IFC 2, 26th Floor, Elphinstone (W)
Senapati Bapat Marg
Mumbai-400 013
Maharashtra, India
Tel: +91 22 3347 9467
Fax: +91 22 2421 4514
E-mail: gitesh.kedia@yesbank.in
Contact Person: Gitesh Kedia
Website: www.yesbank.in

Credit Rating

As the Offer comprises of Equity Shares, there is no credit rating for the Offer.

Grading of the Offer

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

Appraising Entity

No appraising agency has been appointed in respect of any of the Objects of the Offer.

Monitoring Agency

In terms of Regulation 16(1) of the SEBI ICDR Regulations, a monitoring agency shall be appointed to monitor the utilisation of the Net Proceeds and details thereof shall be updated, prior to the filing of the Red Herring Prospectus with the RoC.

Expert

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

1. Our Company has received written consent from the Statutory Auditors namely, S R B C & CO LLP, Chartered Accountants, to include its name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and in its capacity as a statutory auditor, in respect of its examination reports on the Restated Consolidated Summary Statements and Restated Unconsolidated Summary Statements, each dated January 31, 2018 and its report dated February 8, 2018 on the statement of tax benefits, included in this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U. S. Securities Act. The consent of the Statutory Auditors has not been withdrawn as on the date of this Draft Red Herring Prospectus.

2. Our Company has received written consent from Uberoi Sood & Kapoor, Chartered Accountants, to include its name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act, 2013, in

respect of its (i) examination reports dated February 7, 2018 and February 11, 2018 on the Special Purpose Financial Statements of Flemingo UK and Flemingo India, respectively, (ii) examination reports dated February 7, 2018 and February 11, 2018 on the Summary Financial Statements of Flemingo UK and Flemingo India, respectively, and (iii) assurance report dated February 11, 2018 on the Proforma Financial Statements. The afore-mentioned consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Trustees

As the Offer comprises of Equity Shares, there are no trustees appointed for the Offer.

Book Building Process

Book building, in the context of the Offer, refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus and the Bid cum Application Forms. The Offer Price will be decided by our Company and the Selling Shareholder, in consultation with the BRLMs, and advertised in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Marathi newspaper, Marathi being the regional language of Maharashtra where our Registered Office is located), at least five Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purposes of uploading on their respective websites.

All Investors (except Anchor Investors) can participate in this Offer only through the ASBA process. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

In terms of the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors and Eligible Employees Bidding in the Employee Reservation Portion can revise their Bid(s) during the Bid/Offer Period and withdraw their Bid(s) until Bid/Offer Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date. Except Allocation to Retail Individual Investors and the Anchor Investors, Allocation in the Offer will be on a proportionate basis. Allocation to the Anchor Investors will be on a discretionary basis.

For further details on method and process of Bidding, see "*Offer Structure*" on page 287.

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

For further details, see "*Offer Structure*" and "*Offer Procedure*" on pages 287 and 294, respectively.

Illustration of Book Building Process and the Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, see "*Offer Procedure – Part B – Basis of Allocation – Illustration of the Book Building Process and Price Discovery Process*" on page 329.

Underwriting Agreement

After the determination of the Offer Price and allocation of Equity Shares but prior to the filing of the Prospectus with the RoC, our Company and the Selling Shareholder intend to enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to closing, as specified therein.

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

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

Name, address, telephone, fax and e-mail of the Underwriters	Indicative Number of Equity Shares to be underwritten	Amount underwritten (₹ in million)
[●]	[●]	[●]
[●]	[●]	[●]

The abovementioned amounts are provided for indicative purposes only and would be finalised after the determination of the Offer Price and finalisation of the Basis of Allotment, subject to the provisions of the SEBI ICDR Regulations.

In the opinion of our Board of Directors (based on representations made to our Company by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with the SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). Our Board/IPO Committee, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

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

In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscriptions for/subscribe to Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement.

CAPITAL STRUCTURE

The following table sets forth details of the share capital of our Company as at the date of this Draft Red Herring Prospectus:

No.	Particulars	Aggregate value at Face Value (₹)	Aggregate value at Offer Price (₹)
A	**Authorised Share Capital[(1)]**		
	100,000,000 Equity Shares	1,000,000,000	
B	**Issued, subscribed and paid up capital before the Offer**		
	39,062,628 Equity Shares[(2)]	390,626,280	
C	**Present Offer in terms of this Draft Red Herring Prospectus**		
	Up to [●] Equity Shares	[●]	[●]
	which includes		
	Fresh Issue[(3)] of up to [●] Equity Shares, aggregating to ₹ 24,230 million	[●]	[●]
	Offer for Sale[(4)] of up to 1,129,500 Equity Shares	[●]	[●]
	Employee Reservation Portion of up to 150,000 Equity Shares aggregating up to ₹ [●] million	[●]	[●]
E	**Issued, Subscribed and Paid Up Equity Capital after the Offer**		
	[●] Equity Shares	[●]	[●]
F	**Share Premium Account**		
	Before the Offer	₹ 1,515.60 million	
	After the Offer	[●]	

[(1)] *For details of the changes in the authorised share capital of our Company, see "History and Certain Corporate Matters - Amendments to our Memorandum of Association" on page 167.*

[(2)] *Pursuant to the resolutions passed by our Board and Shareholders on January 31, 2018, our Company, may in consultation with the BRLMs, issue and allot up to 5,900,000 Equity Shares for an amount not exceeding ₹5,000 million through a private placement in favour of certain investors prior to the filing of the Red Herring Prospectus with the RoC, at a price as the Board may determine in accordance with the Companies Act, and other applicable laws. If the Pre-IPO Placement is completed, the number of Equity Shares issued pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to a minimum Offer size of 10% of the post-Offer paid-up Equity Share capital of our Company being offered to the public.*

[(3)] *The Offer has been authorized by a resolution of our Board of Directors dated January 31, 2018 and by a resolution of the Shareholders of our Company dated January 31, 2018.*

[(4)] *The Selling Shareholder has specifically confirmed and authorised its participation in the Offer for Sale by way of its consent letter dated February 9, 2018, and the resolution passed by its board of directors dated February 9, 2018. For details see "Other Regulatory and Statutory Disclosures" on page 268.*

Notes to Capital Structure

1. **Equity share capital history of our Company**

   (a) *The history of the equity share capital of our Company is provided in the following table:*

Date of allotment of Equity Shares	No. of Equity Shares allotted	Face value (₹)	Issue price (₹)	Nature of consideration	Reason for allotment	Cumulative number of Equity Shares	Cumulative paid up Equity Share capital (₹)
June 30, 2008	10,000	10	10	Cash	Subscription to MoA[(1)]	10,000	100,000
March 12, 2009	5,000	10	10	Cash	Allotment[(2)]	15,000	150,000
November 10, 2014	27,178	10	13,554	Cash	Preferential Allotment[(3)]	42,178	421,780
November 18, 2014	86,164	10	13,554.07	Cash	Conversion of 11,678,730 CCDs[(4)]	128,342	1,283,420

Date of allotment of Equity Shares	No. of Equity Shares allotted	Face value (₹)	Issue price (₹)	Nature of considerati on	Reason for allotment	Cumulative number of Equity Shares	Cumulative paid up Equity Share capital (₹)
November 28, 2014	27,286	10	13,554	Cash	Preferential Allotment(5)	155,628	1,556,280
December 27, 2017	38,907,000	10	-	Bonus issue	Bonus issue(6)	39,062,628	390,626,280

(1) *9,999 Equity Shares and 1 Equity Share were allotted to DFS Venture Singapore and DFS Singapore, respectively, pursuant to a resolution of our Board dated June 30, 2008.*

(2) *500 Equity Shares and 4,500 Equity Shares were allotted to DFS Venture Singapore and Flemingo Mumbai, respectively, pursuant to the resolution of our Board dated March 12, 2009.*

(3) *13,861 Equity Shares and 13,317 Equity Shares were allotted to DFS Venture Singapore and Flemingo International, respectively, pursuant to the resolution of our Board dated November 10, 2014.*

(4) *86,164 Equity Shares were allotted to DFS Venture Singapore on account of conversion of 11,678,730 CCDs, pursuant to the resolution of our Board dated November 18, 2014.*

(5) *13,916 Equity Shares and 13,370 Equity Shares were allotted to DFS Venture Singapore and Flemingo International, respectively, pursuant to the resolution of our Board dated November 28, 2014.*

(6) *37,780,500 Equity Shares were allotted to Flemingo International, 1,125,000 Equity Shares were allotted to Flemingo Duty Free Shop Mumbai Private Limited and 250 Equity Shares each were allotted to the nominees of Flemingo International, viz., Viren Ahuja, Arjun Ahuja, Karan Ahuja, Atul Vini Ahuja, Vina Ahuja and Kabir Ahuja pursuant to a bonus issue in the ratio of 250 Equity Shares for each Equity Share held by the Shareholders of the Company, pursuant to a resolution of our Board dated December 27, 2017.*

(b) *Other than the bonus issue made on December 27, 2017, as disclosed above, our Company has not allotted any Equity Shares for consideration other than cash.*

As on the date of this Draft Red Herring Prospectus, 11,718,789 Equity Shares held by Flemingo International, which constitute 30% of the pre-Offer paid-up Equity Share capital of our Company ("**Pledged Shares**"), have been pledged with YES Bank Limited ("**Yes Bank**") as security for loan facilities aggregating ₹ 3,880 million availed by our Company from Yes Bank. Our Corporate Promoter has also executed a non-disposal undertaking in favour of Yes Bank in relation to the remaining 26,214,339 Equity Shares held by it ("**Promoter NDU Shares**"). Further, Flemingo Mumbai has also executed a non-disposal undertaking in favour of Yes Bank in relation to the 1,129,500 Equity Shares held by it ("**Flemingo Mumbai NDU Shares**"). The Promoter NDU Shares to the extent of 20% of the post-Offer capital and the Flemingo Mumbai NDU Shares shall be released prior to the filing of the RHP with the RoC. The Promoter NDU Shares shall be subject to lock-in requirements in accordance with the SEBI ICDR Regulations.

2. **Shareholding of our Promoters, Promoter Group and the directors of the Corporate Promoter**

Details of the Equity Shares held by our Promoters and members of the Promoter Group as on date of this Draft Red Herring Prospectus are as follows:

No.	Name of the shareholder	Pre-Offer		Post-Offer	
		Number of Equity Shares	Percentage (%)	Number of Equity Shares	Percentage (%)
(A) Promoters					
1.	Flemingo International	37,931,622*	97.11	[●]	[●]
2.	Atul Vini Ahuja^	251**	Negligible	[●]	[●]
	Total (A)	**37,931,873**	**97.11**	[●]	[●]
(B) Promoter Group					
1.	Flemingo Mumbai	1,129,500	2.89	[●]	[●]
2.	Viren Ahuja	251**	*Negligible*	[●]	[●]
3.	Karan Ahuja	251**	*Negligible*	[●]	[●]
4.	Arjun Ahuja	251**	*Negligible*	[●]	[●]

No.	Name of the shareholder	Pre-Offer		Post-Offer	
		Number of Equity Shares	Percentage (%)	Number of Equity Shares	Percentage (%)
	Total (B)	**1,130,253**	**2.89**	**[●]**	**[●]**
	Total (A+B)	**39,062,126***	**100.00**	**[●]**	**[●]**

** Additionally, Flemingo International holds 1,506 Equity Shares through its nominees namely, Viren Ahuja, Atul Vini Ahuja, Arjun Ahuja, Karan Ahuja, Kabir Ahuja and Vina Ahuja.*
***Held as nominees of Flemingo International.*
^ Atul Vini Ahuja is also a director on the board of our Corporate Promoter, Flemingo International.

3. **The details of Equity Shares allotted out of revaluation reserves**

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

4. **Issue of Equity Shares in the last two preceding years**

Other than the bonus issue made on December 27, 2017, as disclosed above, our Company has not issued any Equity Shares in the last two years immediately preceding the date of this Draft Red Herring Prospectus.

5. Other than the bonus issue made on December 27, 2017, as disclosed above, our Company has not made any issue of specified securities at a price lower than the Offer Price during the preceding one year from the date of filing of this Draft Red Herring Prospectus.

6. **Build-up of Promoters' Shareholding, Promoters' contribution and Lock-in**

As on the date of this Draft Red Herring Prospectus, our Corporate Promoter holds 37,933,128 Equity Shares (including 251 Equity Shares held through Atul Vini Ahuja as nominee of Flemingo International and another 1,255 Equity Shares held through five nominees), constituting 97.11% of the issued, subscribed and paid-up Equity Share capital of our Company. The details regarding our Promoters' shareholding is set out below.

(a) *Build-up of Equity Shares held by our Promoters*

The details of the build-up of our Promoter's shareholding in our Company is as follows:

1. Flemingo International

No.	Date of allotment/ transfer	Nature of allotment/Details of transfer	Number of Equity Shares	Face Value (₹)	Issue/transfer Price per Equity Share (₹)	Nature of consideration	Percentage of pre-Offer paid-up capital (%)	Percentage of post-Offer paid-up capital (%)
1.	November 10, 2014	Preferential Allotment	13,317	10	13,554.00	Cash	0.03	[●]
2.	November 10, 2014	Transfer from DFS Venture Singapore	2,850	10	USD 20.31 (approx. ₹ 1,248.05)**	Cash	0.01	
3.	November 28, 2014	Preferential Allotment	13,370	10	13,554.00	Cash	0.03	[●]
4.	November 28, 2014	Transfer from DFS Venture Singapore	42,220	10	USD 28.29 (approx. ₹ 1,753.13)#	Cash	0.11	[●]
5.	February 27, 2017	Transfer from DFS Venture Singapore	79,369	10	USD 1,079.45 (approx. ₹ 72,020.90) ##	Cash	0.20	[●]
6.	November 9, 2017	Transfer from DFS Venture Singapore	1	10	USD 5 (approx. ₹ 324.50) $	Cash	*Negligible*	[●]
7.	November 9, 2017	Transfer from DFS Singapore (Pte.) Limited	1	10	USD 5 (approx. ₹ 324.50) $	Cash	*Negligible*	[●]
8.	December 1, 2017	Creation of nomination$$	(6)	10	-	-	*Negligible*	[●]
9.	December 27, 2017	Bonus issue	37,780,500	10	-	Bonus issue	96.72	[●]

No.	Date of allotment/ transfer	Nature of allotment/Details of transfer	Number of Equity Shares	Face Value (₹)	Issue/transfer Price per Equity Share (₹)	Nature of consideration	Percentage of pre-Offer paid-up capital (%)	Percentage of post-Offer paid-up capital (%)
Total			37,931,622*				97.11*	

Additionally, Flemingo International holds 1,506 Equity Shares through its nominees namely, Viren Ahuja, Atul Vini Ahuja, Arjun Ahuja, Karan Ahuja, Kabir Ahuja and Vina Ahuja.
*** Based on the exchange rate of 1 USD = ₹61.45 as on November 10, 2014.*
[#] Based on the exchange rate of 1 USD = ₹61.97 as on November 28, 2014.
[##] Based on the exchange rate of 1 USD = ₹66.72 as on February 27, 2017.
[$] Based on the exchange rate of 1 USD = ₹64.90 as on November 9, 2017.
[$$]-Viren Ahuja, Atul Vini Ahuja, Arjun Ahuja, Karan Ahuja, Kabir Ahuja and Vina Ahuja were nominated as Shareholders of 1 Equity Share each. Beneficial ownership of these Equity Shares lies with Flemingo International.

2. Atul Vini Ahja

No.	Date of allotment/transfer	Nature of allotment/Details of transfer	Number of Equity Shares	Face Value (₹)	Issue/transfer Price per Equity Share (₹)	Nature of consideration	Percentage of pre-Offer paid-up capital (%)	Percentage of post-Offer paid-up capital (%)
1.	December 1, 2017	Nominated as a nominee of Flemingo International	1*	10	-	-	*Negligible*	[●]
2.	December 27, 2017	Bonus issue	250*	10	-	Bonus issue	*Negligible*	[●]
Total			251*				*Negligible*	

** Held as a nominee of Flemingo International.*

All the above Equity Shares were fully paid-up at the time of allotment or transfer, as the case may be.

A. *Details of Promoter's contribution locked-in for three years*

Pursuant the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer paid-up share capital of our Company held by our Corporate Promoter shall be locked-in for a period of three years from the date of Allotment of Equity Shares ("**Promoter's Contribution**") in the Offer and our Corporate Promoter's shareholding in excess of 20% shall be locked in for a period of one year from Allotment. Our Corporate Promoter, Flemingo International, has consented to the inclusion of such number of Equity Shares held by them, in aggregate, as may constitute 20% of the post-Offer Equity Share capital of our Company as Promoters' Contribution and have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner the Promoter's Contribution from the date of filing of the Draft Red Herring Prospectus, until the commencement of the lock-in period specified above, or for such other time as required under the SEBI ICDR Regulations. However, our Corporate Promoter has executed a non-disposal undertaking in favour of Yes Bank Limited in relation to 26,214,339 Equity Shares held by it ("**Promoter NDU Shares**"). The Promoter NDU Shares to the extent of 20% of the post-Offer capital shall be released prior to the filing of the RHP with the RoC. The Promoter NDU Shares shall be subject to lock-in requirements in accordance with the SEBI ICDR Regulations.

The details of the Equity Shares held by our Corporate Promoter, which shall be locked-in for a period of three years from the date of Allotment are set out in the following table:

Name of the Promoter	Date of transaction	Nature of transaction	No. of Equity Shares	Face value (₹)	Issue/acquisition price per Equity Share (₹)	No. of Equity Shares locked-in	Percentage of post-Offer paid-up capital (%)
Flemingo International	[●]	[●]	[●]	[●]	[●]	[●]	[●]

Our Promoters have confirmed that the acquisition of the Equity Shares forming part of the Promoter's Contribution have been financed from owned funds and no loans or financial assistance from any banks or financial institution has been availed by for this purpose.

The minimum Promoter's Contribution has been brought to the extent of not less than the specified minimum lot and from persons defined as 'Promoter' under the SEBI ICDR Regulations. The Equity Shares that are being locked-in are not ineligible for computation of Promoter's Contribution under Regulation 33 of the SEBI ICDR Regulations. In this connection, our Company confirms the following:

(i) The Equity Shares offered for minimum 20% Promoter's Contribution have not been acquired (a) in the last three years for consideration other than cash and revaluation of assets or capitalization of intangible assets; or; (b) pursuant to a bonus issue out of revaluation reserves, or unrealised profits of our Company; or (c) from a bonus issue against Equity Shares which are otherwise ineligible for computation of Promoter's Contribution;

(ii) The Company has not been formed by the conversion of a partnership firm into a company;

(iii) The Promoter's Contribution does not include any Equity Shares acquired during the preceding one year at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;

(iv) the Equity Shares held by our Corporate Promoter and offered for minimum 20% Promoter's Contribution are not subject to any pledge. Further, the Promoter NDU Shares to the extent of 20% of the post-Offer capital shall be released prior to the filing of the RHP with the RoC and shall be subject to lock-in requirements in accordance with the SEBI ICDR Regulations.

(v) All the Equity Shares held by our Promoters shall be in dematerialised form prior to the filing of the RHP with the RoC.

(vi) The Equity Shares offered for Promoter's Contribution do not consist of Equity Shares for which specific written consent has not been obtained from the Promoters for inclusion of its subscription in the Promoter's Contribution subject to lock-in.

B. Details of pre-Offer Equity Share capital locked-in for one year

In addition to the 20% of the fully diluted post-Offer shareholding of our Company held by our Promoters and locked-in for a period of three years as specified above, the entire pre-Offer Equity Share capital of our Company will be locked-in for a period of one year from the date of Allotment except the Equity Shares successfully transferred pursuant to the Offer for Sale. Further, any unsubscribed portion of the Equity Shares offered by the Selling Shareholder in the Offer for Sale shall also be locked-in for a period of one year from the date of Allotment.

C. Lock in of Equity Shares Allotted to Anchor Investors

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

D. Other requirements in respect of lock-in

The Equity Shares held by the Promoters which are locked-in for a period of one year from the date of Allotment in the Offer may be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or public financial institutions provided that the pledge of the Equity Shares is one of the terms of the sanction of such loans. Further, the Equity Shares held by our Corporate Promoter that are locked-in for a period of three years from the date of Allotment of Equity Shares in the Offer, may be pledged only with scheduled commercial banks or public financial institutions if, in addition to complying with the aforesaid condition, the loans have been granted by the scheduled commercial banks or public financial institutions for the purpose of financing one or more Objects of the Offer.

The Equity Shares held by persons other than the Promoters and locked-in for a period of one year from the date of Allotment in the Offer, may be transferred to any other person holding the Equity Shares which are locked-in subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Regulations, as applicable. Further, Equity Shares held by the Promoters and locked-in, may be transferred to and among the Promoters or Promoter Group or to a 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 Regulations, as applicable.

7. **Shareholding pattern of our Company**

Set forth below is the shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus:

Category (I)	**Category of Shareholder (II)**	**Number of Shareholders (III)**	**No. of fully paid up Equity Shares held (IV)**	**No. of partly paid-up Equity Shares held (V)**	**No. of shares underlying depository receipts (VI)**	**Total nos. shares held (VII) = (IV)+(V)+ (VI)**	**Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)**	**Number of voting rights held in each class of securities (IX)**			**No. of shares underlying outstanding convertible securities (including warrants) (X)**	**Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)**	**Number of locked in shares (XII)**		**Number of shares pledged or otherwise encumbered (XIII)**		**Number of Equity Shares held in dematerialised form (XIV)**
								No of voting rights									
								Class - Equity	**Total**	**Total as a % of (A+B+C)**			**No. (a)**	**As a % of total shares held (b)**	**No. (a)**	**As a % of total shares held (b)**	
(A)	**Promoter and Promoter Group**	8	39,062,628	Nil	Nil	39,062,628	100.00	39,062,628	39,062,628	100.00	Nil	100.00		Nil	37,931,873*		Nil
(B)	**Public**	-	-	-	-	-	-	-	-	-	-	-		-			-
(C)	**Non-Promoter Non-Public**	-	-	-	-	-	-	-	-	-	-	-		-			-
(C) (1)	**Shares underlying DRs**	-	-	-	-	-	-	-	-	-	-	-		-			-
(C) (2)	**Shares held by Employee Trusts**	-	-	-	-	-	-	-	-	-	-	-		-			-
	Total (A)+(B)+(C)	**8**	**39,062,628**	**Nil**	**Nil**	**39,062,628**	**100.00**	**39,062,628**	**39,062,628**	**100.00**	**Nil**	**100.00**		Nil			**Nil**

* *As on the date of this Draft Red Herring Prospectus, 11,718,789 Equity Shares held by Flemingo International, which constitute 30% of the pre-Offer paid-up Equity Share capital of our Company ("**Pledged Shares**"), have been pledged with YES Bank Limited ("**Yes Bank**") as security for loan facilities aggregating ₹3,880 million availed by our Company from Yes Bank. Our Promoter has also executed a non-disposal undertaking in favour of Yes Bank in relation to the remaining 26,214,339 Equity Shares held by it ("**Promoter NDU Shares**"). Further, Flemingo Mumbai has also executed a non-disposal undertaking in favour of Yes Bank in relation to the 1,129,500 Equity Shares held by it ("**Flemingo Mumbai NDU Shares**"). The Promoter NDU Shares to the extent of 20% of the post-Offer capital and the Flemingo Mumbai NDU Shares shall be released prior to the filing of the RHP with the RoC. The Promoter NDU Shares shall be subject to lock-in requirements in accordance with the SEBI ICDR Regulations.*

8. **Equity Shares held by top shareholders**

(a) On the date of this Draft Red Herring Prospectus, our top Shareholders are as follows:

No.	Name of the Shareholder	No. of Shares	Percentage of pre-Offer shareholding (%)	Percentage of post-Offer shareholding (%)
1.	Flemingo International	37,931,622	97.11	[●]
2.	Flemingo Mumbai	1,129,500	2.89	[●]
3.	Viren Ahuja	251*	*Negligible*	[●]
4.	Atul Vini Ahuja	251*	*Negligible*	[●]
5.	Karan Ahuja	251*	*Negligible*	[●]
6.	Arjun Ahuja	251*	*Negligible*	[●]
7.	Kabir Ahuja	251*	*Negligible*	[●]
8.	Vina Ahuja	251*	*Negligible*	[●]
Total		**39,062,628**	**100.00**	**[●]**

** Held as a nominee of Flemingo International*

(b) Ten days prior to the date of this Draft Red Herring Prospectus, our top Shareholders are as follows:

No.	Name of the Shareholder	No. of Shares	Percentage of pre-Offer shareholding (%)	Percentage of post-Offer shareholding (%)
1.	Flemingo International	37,931,622	97.11	[●]
2.	Flemingo Mumbai	1,129,500	2.89	[●]
3.	Viren Ahuja	251*	*Negligible*	[●]
4.	Atul Vini Ahuja	251*	*Negligible*	[●]
5.	Karan Ahuja	251*	*Negligible*	[●]
6.	Arjun Ahuja	251*	*Negligible*	[●]
7.	Kabir Ahuja	251*	*Negligible*	[●]
8.	Vina Ahuja	251*	*Negligible*	[●]
Total		**39,062,628**	**100.00**	**[●]**

** Held as a nominee of Flemingo International.*

(c) Two years prior to the date of filing this Draft Red Herring Prospectus, our top Shareholders were as follows:

No.	Name of the Shareholder	No. of Shares	Percentage of shareholding (%)
1.	DFS Venture Singapore	79,370	51.00
2.	Flemingo International	71,757	46.11
3.	Flemingo Mumbai	4,500	2.89
4.	DFS Singapore	1	Negligible
Total		**155,628**	**100.00**

9. **Employee Stock Option Scheme**

Pursuant to a special resolution dated January 31, 2018 our Shareholders approved the Flemingo Retail Employee Stock Option Plan 2018 ("**ESOP 2018**") which provides for granting options to employees of our Company, its holding company, and its Subsidiaries who meet the eligibility criteria under ESOP 2018. ESOP 2018 came into force upon approval by our Shareholders and shall continue to remain in force unless terminated by our Company on the advice of the Board. The purpose of ESOP 2018 is to reward the employees for their association and performance as well as to motivate them to contribute to the growth and profitability of our Company. The maximum number of options that can be granted pursuant to ESOP 2018 shall be exercisable into a maximum of 1,953,131 Equity Shares with each such option conferring a right upon the employee to apply for such number of Equity Shares of our Company as per the letter of grant given to them, in accordance with the terms and conditions of such grant. ESOP 2018 will be administered by the Nomination and Remuneration Committee.

The vesting period shall commence after a period of not less than one year from the date of grant of options under the scheme and the maximum vesting period may extend up to six years from the date of grant, unless otherwise decided by the Nomination and Remuneration Committee. The ESOP 2018 is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended.

As on the date of this Draft Red Herring Prospectus, no options under the ESOP 2018 have been granted by our Company. However, our Company may grant options under the ESOP 2018 during the period commencing from filing of this Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges pursuant to this Offer.

10. All Equity Shares of our Company shall be in dematerialised form prior to the filing of the RHP with the RoC.

11. Our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956.

12. As on the date of this Draft Red Herring Prospectus, except for Atul Vini Ahuja who holds 251 Equity Shares as a nominee Flemingo International, none of our Directors and Key Management Personnel hold any Equity Shares of our Company.

13. As of the date of this Draft Red Herring Prospectus, our Company has eight Shareholders. Except for the sale of Equity Shares in the Offer, our Promoters and the members of our Promoter Group will not participate in the Offer.

14. Other than with respect to the Offer for Sale by the Selling Shareholder and as beneficiaries of Net Proceeds from Objects of the Fresh Issue, the Promoters and Promoter Group will not receive any proceeds from the Offer.

15. There has been no financing arrangement whereby our Promoter Group, directors of our Corporate Promoter, our Directors and their relatives have financed the purchase by any other person of Equity Shares during the period of six months immediately preceding the date of filing of the Draft Red Herring Prospectus with SEBI.

16. Our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether on a preferential basis or by way of issue of bonus Equity Shares or on a rights basis or by way of further public issue of Equity Shares or qualified institutions placements or otherwise.

17. Except as disclosed below, our Promoters, Promoter Group, the directors of our Corporate Promoter, our Directors or their immediate relatives have not purchased or sold any securities of our Company or its Subsidiaries during the period commencing six months prior to the date of filing the Draft Red Herring Prospectus.

No.	Date of transfer	Details of transfer	Number of Equity Shares	Transfer price per Equity Share
1.	November 9, 2017	Transfer from DFS Venture Singapore to Flemingo International	1	USD 5 (approx. ₹ 324.50) $
2.	November 9, 2017	Transfer from DFS Singapore to Flemingo International	1	USD 5 (approx. ₹ 324.50) $

$ *Based on the exchange rate of 1 USD = ₹64.90 as on November 9, 2017.*

18. Our Company, our Directors and the Book Running Lead Managers have not entered into any buy-back and/or standby arrangements for purchase of Equity Shares being offered for sale pursuant to the Offer from any person.

19. As on the date of this Draft Red Herring Prospectus, none of the Book Running Lead Managers or their respective associates, as determined as per the definition of 'associate company' under Companies Act, 2013, hold any Equity Shares in our Company. The BRLMs and their affiliates may engage in transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company and/or our Subsidiaries, for which they may in the future receive customary compensation.

20. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments into Equity Shares as on the date of this Draft Red Herring Prospectus.

21. All Equity Shares allotted pursuant to the Offer will be fully paid up at the time of Allotment and there are no partly paid up Equity Shares as on the date of this Draft Red Herring Prospectus.

22. Any oversubscription to the extent of 10% of the Offer can be retained for the purposes of rounding off to the nearest multiple of minimum allotment lot.

23. The Offer is being made through the Book Building Process wherein at least 75% of the Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company and the Selling Shareholder in consultation with the Book Running Lead Managers may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not more than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not more than 10% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Under-subscription if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or a combination of categories (including the Employee Reservation Portion) at the discretion of our Company and the Selling Shareholder in consultation with the Book Running Lead Managers and the Designated Stock Exchange. Undersubscription, if any, in the Employee Reservation Portion will be added back to the Net Issue Portion. All potential investors, other than Anchor Investors, are mandatorily required to utilise the ASBA process by providing details of their respective bank accounts which will be blocked by the SCSBs to the extent of the respective Bid Amounts, to participate in the Offer. For further details, see "*Offer Procedure*" on page 294.

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

25. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or by our Promoters to the persons who are Allotted Equity Shares pursuant to the Offer.

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

27. No person connected with the Offer, including, but not limited to, the BRLMs, the members of the Syndicate, our Company, the Selling Shareholder, our Subsidiaries, the Directors, the Promoters or the members of our Promoter Group and Group Companies, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid in the Offer.

28. Other than the proposed Pre-IPO Placement and grant of any option under the ESOP 2018, if any, our Company shall not make any further issue of Equity Shares and/or any securities convertible into or exchangeable for Equity Shares, whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner, during the period commencing from filing of this Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges pursuant to this Offer.

OBJECTS OF THE OFFER

The Offer comprises a Fresh Issue and an Offer for Sale.

Offer for Sale

The Selling Shareholder will be entitled to its portion of the proceeds of the Offer for Sale net of its proportion of Offer related expenses. Our Company will not receive any proceeds from the Offer for Sale.

Fresh Issue

Our Company proposes to utilise the Net Proceeds from the Fresh Issue towards:

(i) acquisition of 100% of the issued and paid-up share capital of Flemingo Dutyfree Shop Private Limited ("**Flemingo India**") from our Corporate Promoter, Flemingo International, certain individual members of our Promoter Group being, Viren Ahuja, Arjun Ahuja and Karan Ahuja, and Symbolic Infra Projects Private Limited ("**Symbolic**");

(ii) acquisition of 100% of the equity interest in Flemingo International (UK) Limited ("**Flemingo UK**") from our Corporate Promoter, Flemingo International; and

(iii) general corporate purposes.

Net Proceeds

The details of the Net Proceeds are set forth below:

Particulars	Amount (in ₹ million)
Gross Proceeds of the Fresh Issue*	[●]
(Less) Offer related expenses in relation to the Fresh Issue#	[●]
Net Proceeds	[●]

**Includes, the proceeds, if any, received pursuant to the Pre-IPO Placement by our Company. Upon allotment of Equity Shares pursuant to the Pre-IPO Placement, we may utilise the proceeds from such Pre-IPO Placement towards the Objects of the Offer prior to the completion of the Offer.*
#To be determined upon finalisation of the Offer Price.

Utilisation of Net Proceeds

The Net Proceeds are proposed to be used in accordance with the details as set forth below:

Particulars	Amount (in ₹ million)
Acquisition of 100% of the issued and paid-up share capital of Flemingo India from our Corporate Promoter, Flemingo International, Symbolic, and certain individual members of our Promoter Group being, Viren Ahuja, Arjun Ahuja and Karan Ahuja	16,995.91
Acquisition of 100% of the equity interest in Flemingo UK from our Corporate Promoter, Flemingo International	5,229.51
General corporate purposes*	[●]
Net Proceeds	**[●]**

** To be determined upon finalisation of the Offer Price.*

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

Schedule of Implementation and Deployment of Net Proceeds

The Net Proceeds are currently expected to be deployed in accordance with the schedule set forth below:

(In ₹ million)

Particulars	Total estimated costs	Amount to be funded from the Net Proceeds	Deployment in Financial Year 2019
Acquisition of 100% of the issued and paid-up share capital of Flemingo India from our Corporate Promoter, Flemingo International, Symbolic, and certain individual members of our Promoter Group being, Viren Ahuja, Arjun Ahuja and Karan Ahuja	16,995.91	16,995.91	16,995.91
Acquisition of 100% of the equity interest in Flemingo UK by acquiring 100% from our Corporate Promoter, Flemingo International	5,229.51	5,229.51	5,229.51
General corporate purposes#	[●]	[●]	[●]
Total	[●]	[●]	[●]

To be determined upon finalisation of the Offer Price.

With a view to expand and consolidate our operations globally, our group is in the process of undertaking an internal restructuring under which our Company proposes to acquire the Target Companies. As indicated above, our Company proposes to deploy the entire Net Proceeds towards the objects as described herein during Fiscal 2019. In the event that the estimated utilization of the Net Proceeds is not completely met in Fiscal 2019, the same shall be utilised in the subsequent years, as may be decided by our Company, in accordance with applicable law.

Means of Finance

The entire requirement of funds towards objects of the Fresh Issue will be met from the Net Proceeds. 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, in addition to the Net Proceeds.

Details of the Objects of the Offer

1. ***Acquisition of 100% of the issued and paid-up share capital of Flemingo India***

On February 9, 2018, our Company entered into a share purchase agreement with our Corporate Promoter, Flemingo International, Symbolic and certain individual members of our Promoter Group being, Viren Ahuja, Arjun Ahuja and Karan Ahuja ("**Sellers**") ("**Flemingo India SPA**") to acquire from the Sellers 50,715 equity shares of Flemingo India aggregating to 100% of the issued and paid up capital of Flemingo India ("**Flemingo Shares**"). Flemingo India will become our subsidiary on completion of this acquisition.

Flemingo India presently comprises of the following travel retail businesses, which it operates either itself, or through its direct and indirect subsidiaries:

- Indian Subcontinent business: includes operations in India, Sri Lanka and Maldives;
- Europe business: includes Baltona operations under PHZ Baltona SA, CDD operations under CDD Holdings B.V. and Turkey operations under IRIS Ekspres Gumruksuz Satis Magazalari Ticaret Anonim Sirketi; and
- Rest of the World business: Middle East primarily in Lebanon and UAE and Africa operations primarily in Cape Verde, Morocco, Zambia, Uganda and Mozambique.

Post completion of the acquisition of Flemingo India, our Company's business operations will also include Flemingo India's operations in the Indian Subcontinent (Sri Lanka and Maldives operations), Europe (Baltona and Turkey operations) and the Rest of the World (Middle East and Africa operations).

The Flemingo Shares will be acquired for cash consideration payable by us to the Sellers aggregating to ₹ 16,995.91 million from the Net Proceeds of the Offer. We will comply with applicable foreign exchange laws for remitting payments to the Sellers for acquisition of the Flemingo Shares. There are no dividends assured on the shares of Flemingo India. Our Board of Directors had appointed Duff & Phelps to provide a report estimating the fair value of Flemingo India, on a consolidated basis, for purposes of the acquisition as set forth above. Duff & Phelps through their report dated February 7, 2018 ("**Valuation Report**") has estimated the equity fair value of Flemingo India, on a consolidated basis, to be USD

260.00 million i.e. ₹ 16,995.91 million (based on a conversion rate of USD 1= ₹ 65.37) as on November 15, 2017.

The sale and purchase of the Flemingo Shares is conditional upon certain matters, *inter alia*, including:

1. Receipt of consents from the lenders of Flemingo India for the change in shareholding pattern of Flemingo India;

2. Completion of the Pre-completion Restructuring; and

3. Sale of entire shareholding of Flemingo Mumbai in our Company.

For a detailed description of the Flemingo India SPA, please see the sub-section titled "*-Other Agreements*" in the section "*History and Certain Corporate Matters*" on page 166.

Corporate Information

Flemingo India was incorporated under the Companies Act, 1956 in Mumbai on March 5, 2004. The memorandum of association authorizes Flemingo India to carry on the business, *inter alia*, to set up and operate duty free shops at such places as may be permitted by the Government to carry on the business of exporters, importers and traders in different types of goods. The registered office of Flemingo India is located at D-73/1, TTC Industrial Area, MIDC, Turbhe, Navi Mumbai – 400 705, Maharashtra, India.

The following table sets forth the capital structure details of Flemingo India:

(in ₹, except share data)

Particulars	
Authorised capital	500,000,000
Equity shares of ₹ 10 each	10,000,000
Preference shares of ₹ 100 each	4,000,000
Issued, subscribed and paid up capital	
50,715 equity shares of ₹ 10 each	507,150

The following table sets forth the details of the present shareholding pattern of Flemingo India:

Name of the shareholder	**Number of equity shares held**	**Percentage of equity holding (%)**
Flemingo International	40,565	79.99
Viren Ahuja	5,000	9.86
Arjun Ahuja	2,500	4.93
Karan Ahuja	2,500	4.93
Symbolic	150	0.29
Total	**50,715**	**100.00**

Please also see the section on "*Our Business*" beginning on page 137 for a detailed description of Flemingo India's travel retail business as mentioned above. Further, for details in relation to the material subsidiaries of Flemingo India, please see section titled "*History and Certain Corporate Matters*" on page 166. Please also see risk factor titled "*Our business and operations are subject to various risks relating to the acquisitions proposed to be completed partially out of the Net Proceeds of the Offer. Our inability to complete and successfully integrate the acquisition of the Target Companies may affect our growth strategy, market share, profitability or competitive position.*" on page 23.

Financial Information

The following table sets forth details derived from the audited consolidated financial results of Flemingo India for the Financial Years 2017, 2016 and 2015:

(in ₹ million, except per share data)

Particulars	**For the Financial Year**		
	2017	**2016**	**2015**
Equity capital	0.51	0.51	0.51
Reserves (excluding revaluation reserves) and Surplus	3,593.31	4,289.53	3,442.16
Revenue from operations and other income	21,074.94	21,038.52	20,198.86

Particulars	For the Financial Year		
	2017	2016	2015
Profit / (Loss) after tax	43.99	408.21	199.32
Basic earnings per share	2,302.48	7,931.20	6,743.84
Diluted earnings per share	2,302.48	7,931.20	6,743.84
Net Asset Value per share	70,863.06	84,591.15	67,882.68

The Summary Financial Statements of Flemingo India have been disclosed in this Draft Red Herring Prospectus in accordance with requirements specified under SEBI ICDR Regulations. For further details, please see "*Financial Statements*" beginning on page 213.

In this Draft Red Herring Prospectus, we have also included Proforma Financial Statements, to give a proforma effect to our Company's proposed acquisitions of the Target Companies. For further details, please see section titled "*Financial Statements - Proforma Financial Statements*" on page 213.

Utilisation of proceeds by our Corporate Promoter

We have been informed by our Corporate Promoter that it intends to utilise proceeds from the sale of shares pursuant to the Flemingo India SPA for reducing its debt liabilities and to provide an exit option to certain of its investors.

2. ***Acquisition of 100% of the equity interest in Flemingo UK by acquiring 100% from our Corporate Promoter, Flemingo International***

On February 9, 2018, our Company entered into a share purchase agreement with our Corporate Promoter, Flemingo International ("**Flemingo UK SPA**") to acquire Flemingo International's 100% equity interest in Flemingo Cruise ("**Flemingo Cruise Shares**") and Flemingo International's 100% equity interest in Flemingo UK ("**Flemingo UK Shares**"). There are no dividends assured on the shares of Flemingo UK. In terms of the Flemingo UK SPA, upon completion of the Offer, our Company will acquire 100% of the equity interest in Flemingo Cruise which will be through its internal accruals. Thereafter, our Company will make an equity investment in Flemingo Cruise aggregating to ₹ 5,300 million from the Net Proceeds. Flemingo Cruise will utilise these funds to acquire the Flemingo UK Shares. Flemingo Cruise presently does not undertake any business operations.

Flemingo UK is the holding company of Harding Brothers Retail Limited and its direct and indirect subsidiaries ("**Harding Brothers Group**") which operates as a duty-free retailer of luxury products to international travellers on cruise ships. Flemingo Cruise, Flemingo UK and the Harding Brothers Group will become our subsidiaries on completion of this acquisition.

Harding Retail, which has more than 20 years of experience in the global cruise line duty-free operations. As of September 30, 2017, Harding Retail had 186 stores on-board 60 cruise ships and was in partnership with 17 cruise line operators including Carnival Cruises, P&O Cruises, P&O Australia, Cunard, Ocean Cruises, and other cruise line operators. Harding Retail is present in cruise routes primarily throughout the US/Caribbean, Europe, the Mediterranean and Australia.

Post completion of the acquisition of Flemingo UK, our Company's business operations will also include Flemingo UK's cruise line and travel retail operations in the United Kingdom.

The sale and purchase of the Flemingo UK Shares is conditional upon certain matters including:

(a) Receipt of consent from ICICI bank Limited, DIFC Branch, Dubai for the change in shareholding pattern of Flemingo UK;

(b) Documentary evidence of completion of the dissolution of Harding Brothers Retail LLC, a limited liability corporation constituted in United States of America, held by Harding Brothers Retail Limited, as provided by Flemingo UK;

(c) Application made by Flemingo UK to the relevant revenue authorities in the United Kingdom seeking waiver of stamp duties in relation to transactions set forth in the Flemingo UK SPA; and

(d) Compliance of our Company with the relevant Indian laws, including but not limited to regulations prescribed by the RBI under the FEMA for making an offshore investment.

For a detailed description of the Flemingo UK SPA, please see the sub-section titled "*-Other Agreements*" in the section "*History and Certain Corporate Matters*" on page 166.

Our Board of Directors has appointed Duff & Phelps to provide a report estimating the fair value of Flemingo Cruise (on the basis of the assumption that Flemingo UK and the Harding Brothers Group would be its subsidiaries) for the purposes of the acquisition of Flemingo UK Shares set forth above. Duff & Phelps through their report dated February 7, 2018 ("**Valuation Report**") has estimated that the equity fair value of Flemingo Cruise (assuming Flemingo UK and the Harding Brothers Group as its subsidiaries) is USD 80 million i.e. ₹ 5,229.51 million (based on a conversion rate of USD 1= ₹ 65.37) as on November 15, 2017.

We will comply with applicable foreign exchange laws for remitting payments for acquisition of the Flemingo UK Shares as set forth above.

Corporate Information

Flemingo Cruise was originally incorporated as 'Flemingo Aviation and Infrastructure Services Limited' in accordance with Offshore Companies Regulations of Jebel Ali Free Zone, 2003 on June 25, 2012. Subsequently, the name was changed to Flemingo Cruise on January 7, 2018. The memorandum of association authorizes Flemingo Cruise to carry on the business of, *inter alia*, general trading overseas, act as investment/ holding company or any other lawful business and activity. Flemingo Cruise presently does not undertake any business operations. The registered office of Flemingo Cruise is located at C/o BDO Chartered Accountants & Advisors, LOB 16, Office No. 124, P.O. Box 261253, Jebel Ali Free Zone, Dubai, UAE.

The following table sets forth the capital structure details of Flemingo Cruise:

Particulars	Shares of face value of USD 100 each
Authorised capital	100
Issued, subscribed and paid up capital	100

Flemingo UK was incorporated under the laws of England and Wales on September 17, 2014 with registration number 09223513. Flemingo UK through its subsidiaries is engaged in the business of operating duty free and duty paid stores on board cruise liners. Flemingo International holds 100% of the issued and paid-up capital of Flemingo UK. Flemingo UK, through its wholly owned subsidiary, Harding Brother Holdings Limited, holds 100% of the issued and paid-up capital of Harding Brothers Retail Limited.

The following table sets forth the capital structure details of Flemingo UK:

Particulars	Equity shares of face value of GBP 1 each
Authorised capital	1
Issued, subscribed and paid up capital	1

Harding Retail was incorporated under the laws of England and Wales on February 23, 2007 with registration number 06126331. The registered office of Harding Retail is located at C/O. Avonmouth Way, Bristol, England – BS 118DD. Harding Retail is engaged in the business of providing leisure cruises and ferry services.

The following table sets forth the capital structure details of Harding Retail:

Particulars	Equity shares of face value of GBP 0.10 each
Authorised capital	10,000
Issued, subscribed and paid up capital	10,000

Please also see the section on "*Our Business*" beginning on page 137 for a detailed description of Harding Retail's cruise line duty-free business as mentioned above. Further, for details in relation to the material subsidiaries of Flemingo UK, please see section titled "*History and Certain Corporate Matters*" on page 166. Please also see risk factor titled "*Our business and operations are subject to various risks relating to the acquisitions proposed to be completed partially out of the Net Proceeds of the Offer. Our inability to complete and successfully integrate the acquisition of the Target Companies may affect our growth strategy, market share, profitability or competitive position.*" on page 23.

The following table sets forth details derived from the audited consolidated financial statements of Flemingo UK for the periods ended December 31, 2016 and December 31, 2015:

(in GBP million, except per share data)

Particulars	Financial year ended December 31, 2016	Financial year ended December 31, 2015*
Equity capital	1	1
Reserves (excluding revaluation reserves) and Surplus	(6.41)	1.45
Revenue from operations and other income	142.74	106.29
Profit/(Loss) after Tax	0.21	(2.32)
Basic EPS (in GBP)	0.21	(2.32)
Diluted EPS (in GBP)	0.21	(2.32)
Net asset value per share (in GBP)	(6.41)	1.45

**The financial results for this period are for a period from September 7, 2014 until December 31, 2015.*

The Summary Financial Statements of Flemingo UK have been disclosed in this Draft Red Herring Prospectus in accordance with requirements specified under SEBI ICDR Regulations. Please see "*Financial Statements*" on page 213.

In this Draft Red Herring Prospectus, we have also included Proforma Financial Statements, to give a proforma effect to our Company's proposed acquisitions of the Target Companies. For further details, please see section titled "*Financial Statements - Proforma Financial Statements*" on page 213.

Utilisation of proceeds by our Corporate Promoter

We have been informed by our Corporate Promoter that it intends to utilise proceeds from the sale of shares pursuant to the Flemingo UK SPA for reducing its debt liabilities and to provide an exit option to certain of its investors.

3. ***General Corporate Purposes***

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹ [●] million (net of issue expenses in relation to the Fresh Issue) towards general corporate purposes, subject to such utilisation not exceeding 25% of the Net Proceeds, in compliance with the SEBI ICDR Regulations. The general corporate purposes for which our Company proposes to utilise Net Proceeds include strategic initiatives, partnerships and joint ventures, meeting fund requirements and expenses which our Company may face in the ordinary course of business, strengthening of marketing capabilities, as may be applicable. Further, our Company may utilise amounts towards other expenditure considered expedient and as approved periodically by the Board or a duly constituted committee thereof, subject to compliance with necessary provisions of the Companies Act. The quantum of utilisation of funds will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company, from time to time. Our Company's management, in accordance with the policies of the Board, shall have flexibility in utilising surplus amounts, if any.

Interim use of Net Proceeds

Our Company, in accordance with the policies formulated by our Board from time to time, will have flexibility to deploy the Net Proceeds. Pending utilization of the Net Proceeds for the purposes described above, our Company will temporarily invest the Net Proceeds in deposits in one or more scheduled commercial banks included in the Second Schedule of Reserve Bank of India Act, 1934 as may be approved by our Board. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Bridge Financing Facilities

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds.

Offer Expenses

The total Offer related expenses are estimated to be approximately ₹ [●] million. Except for listing fees which shall be solely borne by our Company, all Offer expenses will be shared, upon successful completion of the Offer, between our Company and the Selling Shareholder on a pro-rata basis, in proportion to the Equity Shares issued and allotted by our Company in the Fresh Issue and the Equity Shares sold by the Selling Shareholder in the Offer for Sale. The Offer related expenses consist of listing fees, underwriting fees, selling commission and brokerage, fees payable to the BRLMs, legal counsel to the Company and the BRLMs, Registrar to the Offer, Bankers to the Offer including processing fee to the SCSBs for processing ASBA Forms submitted by ASBA Bidders procured by the Syndicate and submitted to SCSBs, brokerage and selling commission payable to Registered Brokers, RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental expenses for listing the Equity Shares on the Stock Exchanges. Our Company will not receive any proceeds from the Offer for Sale. However, in the event that the Offer is withdrawn by our Company or not completed for any reason whatsoever, all the Offer related expenses will be solely borne by our Company. Any payments by our Company in relation to the Offer expenses on behalf of the Selling Shareholder shall be reimbursed by the Selling Shareholder to our Company inclusive of taxes. The break-up for the estimated Offer expenses are as follows:

Activity	Amount[(1)] (In ₹ million)	As a % of total estimated Offer related expenses[(1)]	As a % of Offer Size[(1)]
Payment to the BRLMs (including underwriting fees, brokerage and selling commission)	[●]	[●]	[●]
Commission and processing fees for SCSBs[(2)(3)]	[●]	[●]	[●]
Brokerage and selling commission for members of the Syndicate, Registered Brokers RTAs and CDPs [(4)(5)]	[●]	[●]	[●]
Fees payable to Registrar to the Offer	[●]	[●]	[●]
Printing and stationery expenses	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Others: • Listing fees; • SEBI, BSE and NSE processing fees; • Fees payable to legal counsels; and • Miscellaneous	[●]	[●]	[●]
Total estimated Offer expenses	**[●]**	**[●]**	**[●]**

(1) *Will be updated at the time of filing of the Prospectus.*

(2) *Selling commission payable to the SCSBs on the portion for Retail Individual Investors and Non-Institutional Investors, which are directly procured by them would be as follows:*

Portion for Retail Individual Investors	[●]*% of the amount Allotted (plus applicable taxes)**
Portion for Eligible Employees	[●]*% of the amount Allotted (plus applicable taxes)**
Portion for Non-Institutional Investors	[●]*% of the amount Allotted (plus applicable taxes)**

** Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.*
Selling Commission payable to the SCSBs will be determined on the basis of the bidding terminal ID as captured in the Bid book of BSE or NSE.

(3) *Processing fees payable to the SCSBs on the portion for Retail Individual Investors, Eligible Employees Bidding in the Employee Reservation Portion and Non-Institutional Investors which are procured by the members of the Syndicate/sub-Syndicate/Registered Brokers/RTA /CDPs and submitted to SCSBs for blocking would be as follows:*

Portion for Retail Individual Investors	₹ [●] *per valid ASBA Form (plus applicable taxes)*
Portion for Eligible Employees	₹ [●] *per valid ASBA Form (plus applicable taxes)*
Portion for Non-Institutional Investors	₹ [●] *per valid ASBA Form (plus applicable taxes)*

SCSBs will be entitled to a processing fee of ₹[●] (plus applicable taxes), per valid ASBA Form, for processing the ASBA Forms procured and bid for by the members of the Syndicate (including their sub-syndicate members), sub-syndicate, Registered Brokers, RTAs or CDPs from Retail Individual Investors and Non-Institutional Investors and submitted to the SCSBs. In case the total ASBA processing fees payable to SCSBs exceeds ₹5.00 million (plus applicable taxes), then the amount payable to SCSBs would be proportionately distributed based on the number of valid applications that are processed by the members of the Syndicate (including their sub-syndicate members), Registered Brokers,

RTAs or CDPs from Retail Individual Investors and Non-Institutional Investors and submitted to the SCSBs for blocking of funds such that the total ASBA processing charges payable does not exceed ₹5.00 million (plus applicable taxes).
No processing fees shall be payable by our Company and the Selling Shareholder to the SCSBs on the applications directly procured by them.

(4) Selling commission on the portion for Retail Individual Investors, Eligible Employees Bidding in the Employee Reservation Portion, and the portion for Non-Institutional Investors which are procured by members of the Syndicate (including their sub-syndicate members), Registered Brokers, RTAs and CDPs would be as follows:

Portion for Retail Individual Investors	[●]*% of the amount Allotted (plus applicable taxes)**
Portion for Eligible Employees	[●]*% of the amount Allotted (plus applicable taxes)**
Portion for Non-Institutional Investors	[●]*% of the amount Allotted (plus applicable taxes)**

* *Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.*

***Note**: The brokerage / selling commission payable to the Syndicate (including their sub-syndicate members), Registered Brokers, RTAs and CDPs will be determined on the basis of the ASBA Form number / series, provided that the application is also bid by the respective Syndicate (including their sub-syndicate members), Registered Brokers, RTAs and CDPs. For clarification, if an ASBA Application on the ASBA Form number / series of a member of the Syndicate (including their sub-syndicate members), Registered Brokers, RTAs and CDPs, is bid for by an SCSB, the brokerage / selling commission will be payable to the SCSB and not to the members of the Syndicate (including their sub-syndicate members), Registered Brokers, RTAs and CDPs. The brokerage / selling commission payable to the Registered Brokers, RTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the Bid book of either of the Stock Exchanges. Payment of brokerage / selling commission payable to the sub-brokers / agents of the sub-syndicate Members will be handled directly by the sub-syndicate Members, and the necessary records for the same shall be maintained by the respective Sub-Syndicate Member.*

(5) Bidding charges of ₹[●] (plus applicable taxes), per valid ASBA Form, for bidding the valid ASBA Forms procured by the members of the Syndicate, sub-syndicate, Registered Brokers, RTAs or CDPs from Retail Individual Investors, Eligible Employees Bidding in the Employee Reservation Portion, and Non-Institutional Investors and submitted to the SCSBs.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act, 2013, our Company shall not vary the objects of the Fresh Issue without our Company being authorised to do so by the Shareholders by way of a special resolution through a postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("**Postal Ballot Notice**") shall specify the prescribed details as required under the Companies Act, 2013. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Marathi, the vernacular language of the jurisdiction where our Registered Office is situated. Our Promoters will be required to provide an exit opportunity to such shareholders who do not agree to the above stated proposal, at a price and in such manner as may be prescribed by SEBI in Chapter VI-A of the SEBI ICDR Regulations.

Other Confirmations

Except as set forth above, no part of the Net Proceeds will be paid by our Company as consideration to our Promoters, our Board, our Key Management Personnel or our Group Companies. Except in the normal course of business and in compliance with applicable law and except as stated above, there are no existing or anticipated transactions in relation to utilisation of Net Proceeds with our Promoters, our Board, our Key Managerial Personnel, our associate company or our Group Companies.

Monitoring Agency

[●] has been appointed as the Monitoring Agency for monitoring the utilization of net proceeds, as our Offer size (excluding the offer for sale by the Selling Shareholder) exceeds ₹ 1,000 million, in accordance with Regulation 16 of the SEBI ICDR Regulations. Our Audit Committee and the Monitoring Agency will monitor the utilization of the Net Proceeds in accordance with the SEBI ICDR Regulations.

Pursuant to the SEBI Listing Regulations, our Company shall disclose to the Audit Committee the application of the Net Proceeds. The Audit Committee shall make recommendations to our Board for further action, if appropriate. Our Company shall, on an annual basis, prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee. Such disclosure shall be made only till such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditors of our Company. Furthermore, in accordance with the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement including deviations, if any, in the utilization of the Net Proceeds of the Offer from the objects of the Offer as stated above and details of category wise variation in the actual utilization of the Net Proceeds of the Offer from the objects of the Offer as stated above. The information will also be published in newspapers simultaneously with the submission of such information to the Stock Exchanges, after placing the same before the Audit Committee. We will disclose the utilization of the Net Proceeds under a separate head along with details in our balance sheet(s) until such time as the Net Proceeds remain unutilized clearly specifying the purpose for which such Net Proceeds have been utilized.

BASIS FOR OFFER PRICE

The Offer Price will be determined by our Company and the Selling Shareholder in consultation with the Book Running Lead Managers on the basis of an assessment of market demand for the Equity Shares through the 'Book Building Process' and on the basis of the following qualitative and quantitative factors. The face value of the Equity Shares of our Company is ₹ 10 each and the Offer Price is [●] times of the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band.

Bidders should also refer to the sections titled "*Our Business*", "*Risk Factors*" and "*Financial Statements*" on pages 137, 16 and 213, respectively, to have an informed view before making an investment decision.

Qualitative Factors

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

(a) Global travel retailer with diversified operations across multiple sales channel and geographic markets;
(b) Market leader in the fast growing Indian Subcontinent market;
(c) One of the largest global travel retailers in the cruise line travel retail market;
(d) Long term, diversified concession portfolio;
(e) Proven track record of successful acquisitions;
(f) Strong relationships with suppliers and a wide range of product offerings; and
(g) Experienced executive management team and a multinational workforce

For further details, see "*Our Business*" and "*Risk Factors*" on pages 137 and 16, respectively.

Quantitative Factors

Some of the information presented below relating to our Company is based on the Restated Consolidated Summary Statements and Restated Unconsolidated Summary Statements of our Company.

For details, see section "*Financial Statements*" on page 213.

1. Basic and Diluted Earnings per Share ("EPS"), as adjusted for changes in capital

As per our Restated Unconsolidated Summary Statements:

Year/Period ended	Basic EPS (₹)	Weight	Diluted EPS (₹)	Weight
March 31, 2015	(41.92)	1	(41.92)	1
March 31, 2016	(33.16)	2	(33.16)	2
March 31, 2017	(29.19)	3	(29.19)	3
Weighted Average	**(32.63)**		**(32.63)**	
September 30, 2017#	(11.47)		(11.47)	

Not Annualized

As per our Restated Consolidated Summary Statements:

Year/Period ended	Basic EPS (₹)	Weight	Diluted EPS (₹)	Weight
March 31, 2017	(29.25)	NA	(29.25)	NA
Weighted Average	**NA**		**NA**	
September 30, 2017#	(11.70)		(11.70)	

Not Annualized

Notes:

1) *The ratios have been computed as below:*

(a) *Basic earnings per share (INR)* $\dfrac{\textit{Restated net profit/(loss) after tax for the year/period ended}}{\textit{Weighted average number of equity shares outstanding during the year considered for calculating basic earnings per share}}$

(b) *Diluted earnings per share (INR)* = $\frac{\text{Restated net profit/(loss) after tax for the year/period ended}}{\text{Weighted average number of equity shares outstanding during the year considered for calculating diluted earnings per share}}$

2) *The face value of each Equity Share is ₹ 10.*

3) *Weighted average EPS is the aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. [(EPS x weight) for each year] / [total of weights]*

4) *Basic EPS and Diluted EPS calculations are in accordance with Accounting Standard 20 (AS-20) 'Earnings per Share', notified under Section 133 of Companies Act, 2013 read together along with paragraph 7 of the Companies (Accounts) Rules, 2014.*

5) *Subsequent to September 30, 2017, the Board of our Company in their meeting held on December 11, 2017, recommended to Shareholders for the issue and allotment of bonus shares in the ratio of two hundred and fifty (250) Equity Shares for every one (1) Equity Share held by the Equity Shareholders of our Company, which has been approved in extra-ordinary general meeting of the Shareholders held on December 11, 2017. The basic and diluted EPS has been re-calculated for the restated year/period ended based on this new bonus share issue ratio.*

6) *The above statement should be read with Significant Accounting Policies and the Notes to the Restated Summary Statements as appearing in Annexure IV included in "Financial Statement" on page 213.*

2. Price earning ratio (P/E) in relation to the Price Band of ₹ [●] to ₹ [●] per Equity Share

Particulars	P/E (Standalone)		P/E (Consolidated)	
	P/E at the Floor Price	P/E at the Cap Price	P/E at the Floor Price	P/E at the Cap Price
P/E ratio based on Basic EPS for the financial year ended March 31, 2017	[●]	[●]	[●]	[●]
P/E ratio based on Diluted EPS for the financial year ended March 31, 2017	[●]	[●]	[●]	[●]

Industry P/E ratio

There are no listed entities whose business portfolio is comparable with that of our business and comparable to our scale of operations.

3. Return on Net Worth ("RoNW")

RoNW as per Restated Unconsolidated Summary Statements:

Period/Year ended	RoNW (%)	Weight
March 31, 2015	(235.74)	1
March 31, 2016	(65.15)	2
March 31, 2017	(36.44)	3
Weighted Average	**(79.23)**	
September 30, 2017#	(12.53)	

Not Annualized

RoNW as per Restated Consolidated Summary Statements:

Period/Year ended	RoNW (%)	Weight
March 31, 2017	(36.50)	NA
Weighted Average	**NA**	
September 30, 2017#	(12.74)	

Not Annualized

1) *RoNW (%)* = $\frac{\text{Restated Net Profit/(Loss), attributable to equity shareholders}}{\text{Net worth at the end of the year/period}}$

*"**Net Worth**" means the aggregate of the paid up share capital and restated reserves and surplus (includes capital reserve, securities premium, foreign currency translation reserve, and net deficit in the restated consolidated/unconsolidated statement of profit and loss).*

2) *Weighted average RoNW is aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. [(RONW x weight) for each year] / [total of weights]*

4. **Minimum Return on Total Net Worth after the Offer needed to maintain pre- Offer EPS for the financial year ended March 31, 2017**

Particulars	At Floor Price	At Cap Price
To maintain pre-Offer Basic EPS		
On Consolidated basis	[●]%	[●]%
On Standalone basis	[●]%	[●]%
To maintain pre-Offer Diluted EPS		
On Consolidated basis	[●]%	[●]%
On Standalone basis	[●]%	[●]%

5. **Net Asset Value ("NAV") per Equity Share**

NAV	Unconsolidated (₹)	Consolidated (₹)
As on March 31, 2017	(80.09)	(80.13)
As on September 30, 2017	(91.56)	(91.84)
After the Offer	[●]	[●]
Offer Price	[●]	

a) *Net Asset Value Per Equity Share = Net Worth, as restated / Total number of Equity Shares outstanding as at the end of year/period.*

b) *The above computation has been computed after considering the impact of allotment of bonus shares in the ratio of 250 Equity Shares for every 1 Equity Share held by the existing Equity Shareholders which has been approved by the shareholders at their extra ordinary general meeting held on December 11, 2017.*

c) *The Offer Price will be determined by our Company and the Selling Shareholder in consultation with the BRLMs on the basis of assessment of the market demand from investors for the Equity Shares by way of book-building process.*

6. **Comparison with listed industry peers**

There are no listed entities whose business portfolio is comparable with that of our business and comparable to our scale of operations.

The Offer Price of ₹ [●] has been determined by our Company and the Selling Shareholder in consultation with the BRLMs on the basis of assessment of the market demand from investors for the Equity Shares by way of book-building. Our Company, and the Selling Shareholder and the BRLMs believe that the Offer Price of ₹ [●] is justified in view of the above qualitative and quantitative parameters. Investors should read the above mentioned information along with "*Risk Factors*", "*Our Business*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Financial Statements*" on pages 16, 137, 223 and 213, respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in "*Risk Factors*" and you may lose all or part of your investments.

STATEMENT OF TAX BENEFITS

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

To,
The Board of Directors
Flemingo Travel Retail Limited
Chhatrapati Shivaji International Airport,
Terminal 2C, Airside, Arrival level, Sahar,
Mumbai 400099, Maharashtra

Dear Sirs,

Subject: Statement of possible special tax benefits ('the Statement') available to Flemingo Travel Retail Limited (formerly known as DFS India Private Limited) (the" Company") and its Shareholders under Indian tax laws

1. We hereby confirm that the enclosed Statement, prepared by the Company states the possible special tax benefits available to the Company and to the Shareholders of the Company under the Income Tax Act, 1961 ("**Act**") as amended by Finance Act 2017, i.e. applicable for Financial Year 2017 – 18 relevant to assessment year 2018 – 19, presently in force in India as of the date hereof. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act and their interpretations. Hence, the ability of the Company or its Shareholders to derive tax benefits is dependent upon fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfil.

2. The benefits discussed in the enclosed Statement are not exhaustive and preparation of the contents stated is the responsibility of the Company's management. We are informed that this Statement is only intended to provide general information and to guide the investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of the Company particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which each investor can avail.

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

   (i) the Company or its shareholders will continue to obtain the benefits as per the Statement in future;

   (ii) the conditions prescribed for availing the benefits have been / would be met with; and

   (iii) the revenue authorities/ courts will concur with the views expressed herein.

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

5. Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing tax laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes

6. This report is intended solely for information and for the inclusion in the Draft Red Herring Prospectus in connection with the proposed initial public offering of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

per Firoz Pradhan
Partner
Membership No. 109360
Place: Mumbai
Date: February 8, 2018

Enclosed: Annexure to the Statement of Possible Special Tax Benefits available to the Company and to its Shareholders

Annexure to the statement of Possible Special Tax Benefits available to the Company and to its Shareholders

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholders under the Income Tax Act 1961 presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION.

i. BENEFITS AVAILABLE TO THE COMPANY - UNDER THE ACT

1. **Possible special tax benefits to the Company**

   There are no special tax benefits available to the Company.

2. **Possible special tax benefits to the Shareholders of the Company**

   There are no special tax benefits available to the Shareholders of the Company under the tax laws.

Notes:

1. *The above Statement of Possible Special Tax Benefits sets out the provisions of law (i.e. the Act as amended by the Finance Act 2017 "FA") presently in force in India, in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of equity shares;*

2. *The above Statement of Tax Benefits sets out the possible special tax benefits available to the Company and its shareholders under the current tax laws (i.e. the Act as amended by the Finance Act 2017) 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;*

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

4. *This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her/ its own tax consultant with respect to the specific tax implications arising out of their participation in the issue.*

SECTION IV: ABOUT THE COMPANY

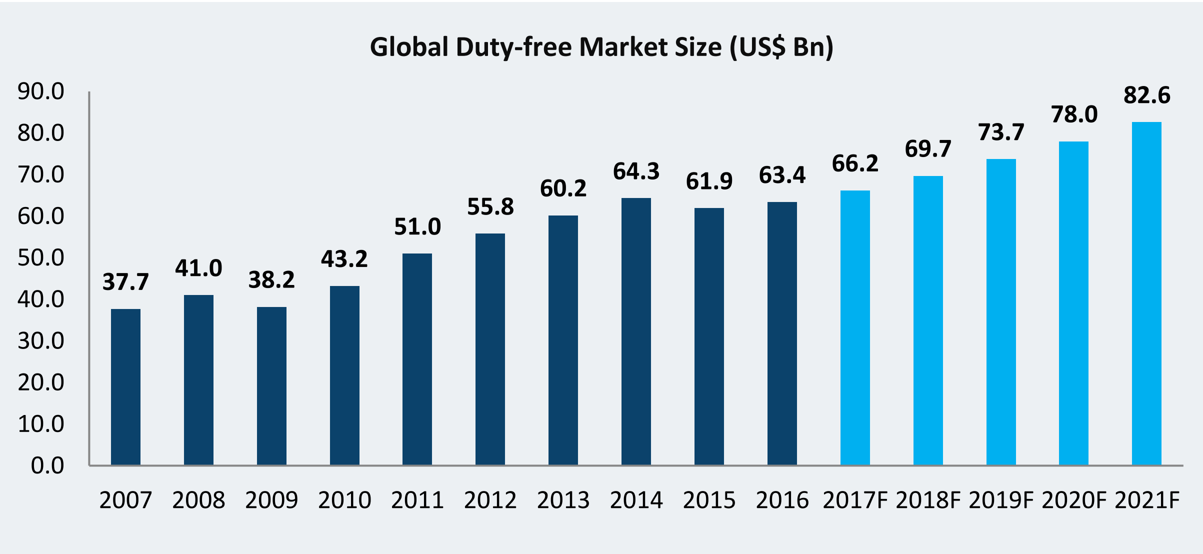
INDUSTRY OVERVIEW

*Unless noted otherwise, the information in this section has been obtained or derived from the report titled "Avalon Global Research – Duty-Free Industry Report-January, 2018", prepared by AGR Knowledge Services Private Limited ("**Avalon**", and such report, the "**Avalon Report**"). All information contained in the Avalon Report has been obtained by Avalon from sources believed by it to be accurate and reliable. Avalon obtains information for its analysis from sources it considers reliable, but does not guarantee the accuracy or completeness of its analysis or any information contained in the Avalon Report. Avalon has confirmed that certain third-party information used or cited in the Avalon Report has been obtained from publicly available information and acknowledgements of sources have been given wherever necessary in the Avalon Report. In other cases, Avalon has obtained specific consent from the persons/companies having intellectual rights in the information for use of such information in the Avalon Report. Avalon and its affiliates make no representation or warranty, either express or implied, with respect to the information or analysis from the Avalon Report, including without limitation the implied warranties of fitness for a particular purpose and merchantability and Avalon specifically disclaims any such warranty. The Avalon Report and information therein is not a comprehensive evaluation of the industry, the Company or the Equity Shares and all material within the Avalon Report should be deemed as expressions of opinion which are subject to change without notice.*

None of the Company, the Selling Shareholder, the BRLMs and any other person connected with the Offer has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on, or base their investment decision on this information. The information in this section must be read in conjunction with "Risk Factors" and "Our Business" on pages 16 and 137, respectively.

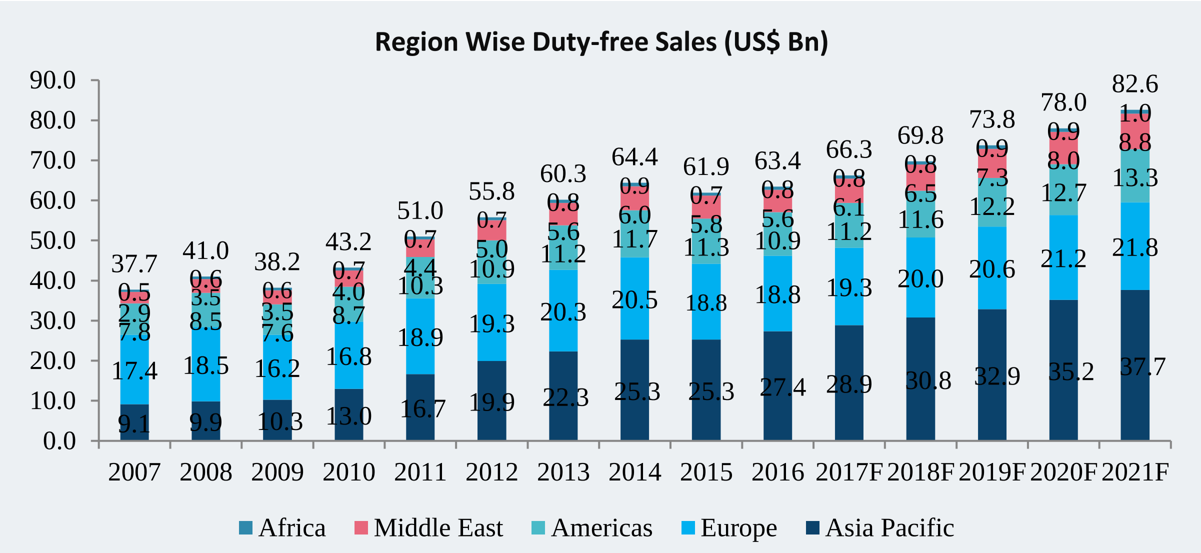
In connection with the Offer, our Group is in the process of undertaking an internal restructuring under which our Company will acquire the Target Companies subject to the completion of the Offer. For further details, see "Objects of the Offer" and "Our Business – Our Proposed Restructuring" on pages 98 and 139. In this section, unless the context otherwise requires, a reference to "Flemingo" or "Flemingo Group" is a reference to our Company and its Subsidiaries, the Target Companies and the Target Companies' direct and indirect subsidiaries.

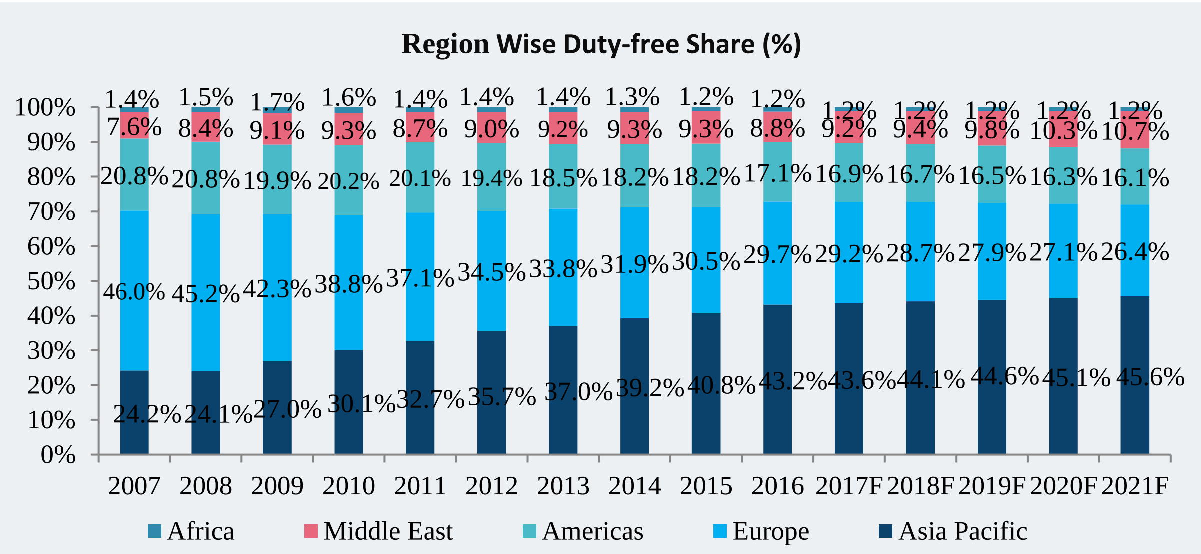
Global Overview – Duty-free



Source: *Avalon Report*

The total value of the global duty-free sector is estimated to be US$ 63.4 billion in 2016 and is forecasted to grow to US$ 82.6 billion in 2021 registering a CAGR of 5.4% during the period.[11] Looking ahead, the duty-free market presents an optimistic outlook based on strong growth in the international travel industry. This is because duty-free shopping has moved beyond liquor and souvenirs to a wider retail offering with upscale luxury retail, clothing, fragrances & cosmetics and also due to the growth in the number of international travellers especially to and from China, Southeast Asia and the Indian Subcontinent (India, Sri Lanka, Pakistan, Bangladesh, Nepal and Bhutan).





Source: *Avalon Report*
**Totals may not to add up to 100% due to rounding*

Asia Pacific is now the largest duty-free retail market of the world in terms of revenue. As of 2016, it had revenue of US$ 27.4 billion and market share of approximately 43%. The region is expected to remain the largest market in the world through 2021 with expected retail revenue of US$ 37.7 billion and a share of approximately 46% of the market.[12]

The second largest region is Europe with a market share of approximately 30% in 2016. It is expected to reach around US$ 22 billion in sales by 2021 with a share of approximately 26% of the market, maintaining its position.[13]

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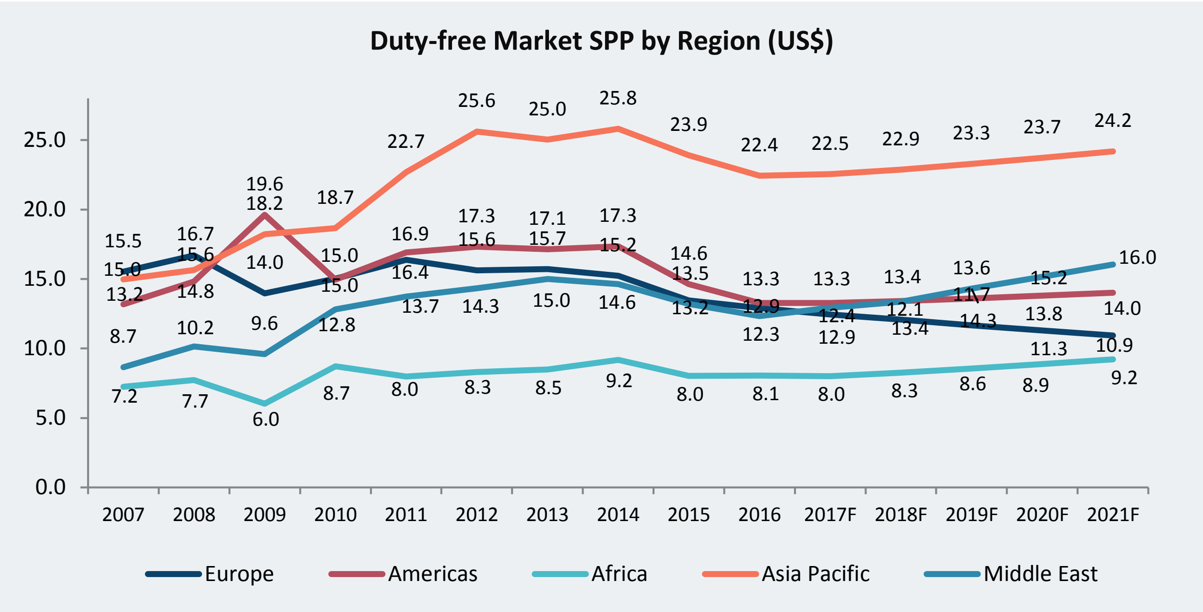
[11] Avalon Report
[12] Avalon Report
[13] Avalon Report

In 2016, the other three regions constituted approximately 27% share of the market collectively, in which Africa's share constituted 1.2%.

APAC Growth Story

APAC will lead global economic growth with a forecast of approximately 4% annually over the next two decades resulting in the region's share of global GDP rising to 40%. This will result in the airlines of the region registering significant growth and playing a vital role in global aviation development.[14]

Looking at the number of international travellers in different regions, people are traveling mostly in Europe but the growth of travellers traveling to Asia-Pacific is greater. For instance, Asia has remained the dominant region for city tourism, having over one third of its cities in the top 100 city travel destinations in 2014.[15] This is significantly influenced by the growing number of outbound Chinese travellers travelling mainly to Hong Kong, Macau and Taipei, which is a result of improved flight connections from China and relaxed, or exemptions from, visa requirements for Chinese visitors. This growth has a noticeable effect on duty-free sales as reflected in the highest sales volumes recorded in the APAC in recent times.

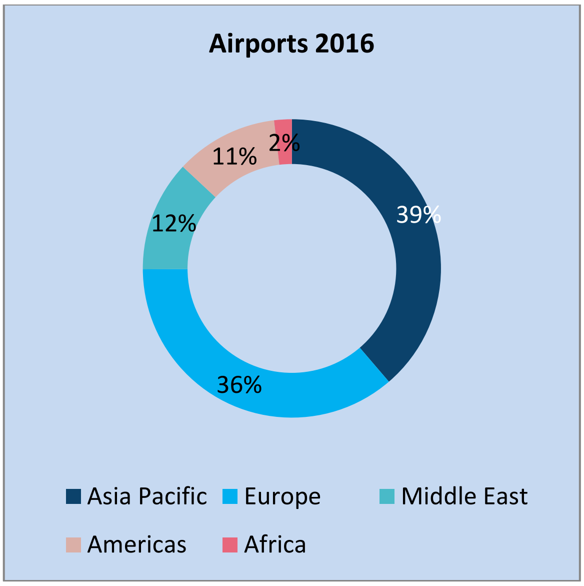


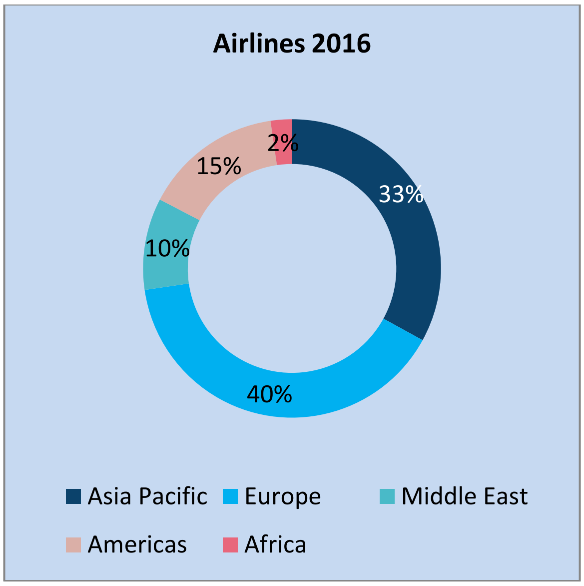
Source: *Avalon Report*

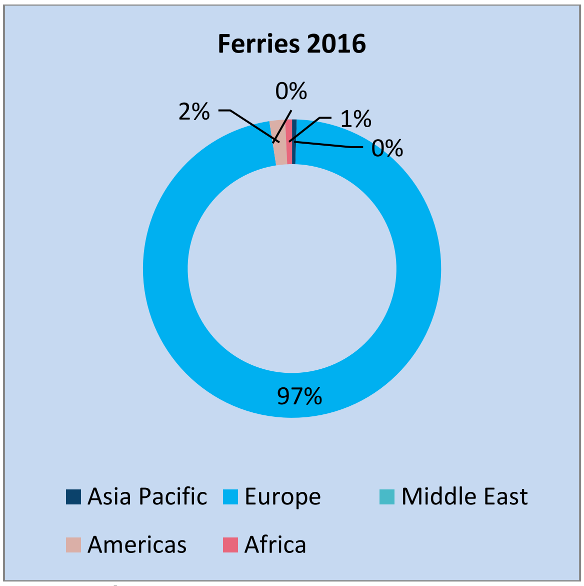
The SPP which is a critical matrix for gauging potential for duty-free sales shows significant increase in the APAC as compared to other regions from US$15 in 2007 to US$22.4 in 2016. This trend is likely to continue through the next five years.

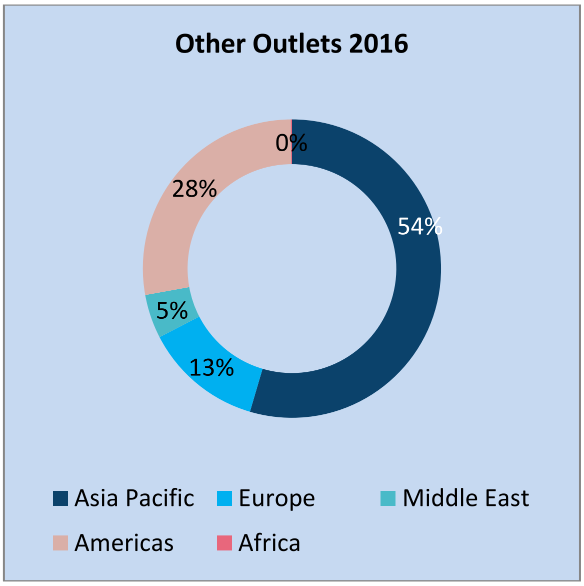
Duty-free outlets can be found in different locations such as airports, border shops, downtown, on-board airlines and ferries, cruise lines and ports. International airports however continue to dominate the global duty-free retail.[16] Despite a decline in overall duty-free sales in 2015, the only channel which managed to increase its sales share were other shops - downtown duty-free stores and border stores.

[14] Avalon Report
[15] Avalon Report
[16] Avalon Report









Source: *Avalon Report*

Duty-free Retail - Demand Drivers

A billion new consumers in emerging markets

Today, approximately five billion people live in 37 countries where the nominal GDP per capita is less than US$ 1,000 a year. Despite representing roughly 70% of the world's population, these countries account for only 35% of the world's GDP. However, this scenario is fast changing. The collective GDP of these countries, also referred to as emerging markets, is expected to overtake that of the developed economies for the first time by year 2020. In addition, consumer spending in emerging markets is expected to grow at a much faster pace than in developed nations over the next coming decade.

An emerging market is a country that has some characteristics of a developed market, but does not meet standards to be a developed market. The IMF classification is based on criteria including per capita income, export diversification and integration into the global financial system.

Growing consumer spending on travel and tourism

Consumer spending on travel and tourism is rapidly growing due to factors such as growing disposable incomes, evolving lifestyles and improved standard of living, customised holiday packages with itinerary and tour executives, budget airlines/ low-cost carriers, and ease of connectivity due to smart phones and internet. FTAs rose by 3.9% in 2016, at a faster rate than overall (global) GDP growth.[17]

Similar to air passenger traffic, overall tourism has grown sustainably since the 2008 financial crisis, with 300 million additional foreign tourists in 2016 compared to the pre-crisis record.[18]

This trend is projected to continue, with the direct contribution of tourism and travel to global GDP expected to grow 4% per year in real terms over the next 10 years, according to the Avalon Report.

Higher spending on travel shopping

A 2017 luxury retail market report found that almost 50% of purchases are made by international travellers or while at the airport. This proportion rises to around 60% with respect to travellers from emerging markets who usually do not have access to the same range and quality of products as in developed economies.[19]

Rise of millennials

People born between 1980 and 2000 (and thus currently aged 18-38) are categorised as millennials. Millennials around the world represent 20% of international tourists. Millennials are seen by many in the international tourism industry as a new key market to generate much of the industry's targeted growth in the coming years.[20]

Airline liberalisation

A key factor that has contributed to strong passenger travel growth over the last 35 years is increasingly liberalised airline markets. Liberalisation has driven significant traffic growth by removing constraints on route entry, pricing, service capacity and airline cooperative arrangements. As airline competition and operating efficiency have grown, pricing has decreased in real terms, while flight frequencies and product choices have increased for passengers globally.

Airport infrastructure growth

Investments in airport projects have grown at a brisk pace supporting air travel growth and are likely to continue over the next two decades.

Characteristics favouring duty-free over traditional retail

- **Price arbitrage** – The shops are called "Duty-free Shop" within which the products (either all or only certain categories, depending on the country regulations) do not bear any taxes (such as VAT or imports) or duties (such as excise) applicable to the country of arrival or departure, creating substantial savings in comparison to regular retail stores.
- **Access to captive audience –** People with higher disposable income take commercial flights and cruises. With greater spending power and long waiting times at the airport or cruise centres, these consumers look for unique products.
- **Barriers to entry –** To establish duty-free shops at a location generally requires winning the contract through a competitive process. Once successful in obtaining the contract, the duty-free retailer acquires the concession to undertake duty-free retail. Acquiring retail spaces at prime locations, clearances and cost arbitrage create strong entry barriers for other standalone retailers.
- **Attractive product assortment –** A plethora of brands offer exclusive products and assortments at duty-free shops, creating an attractive product offering.

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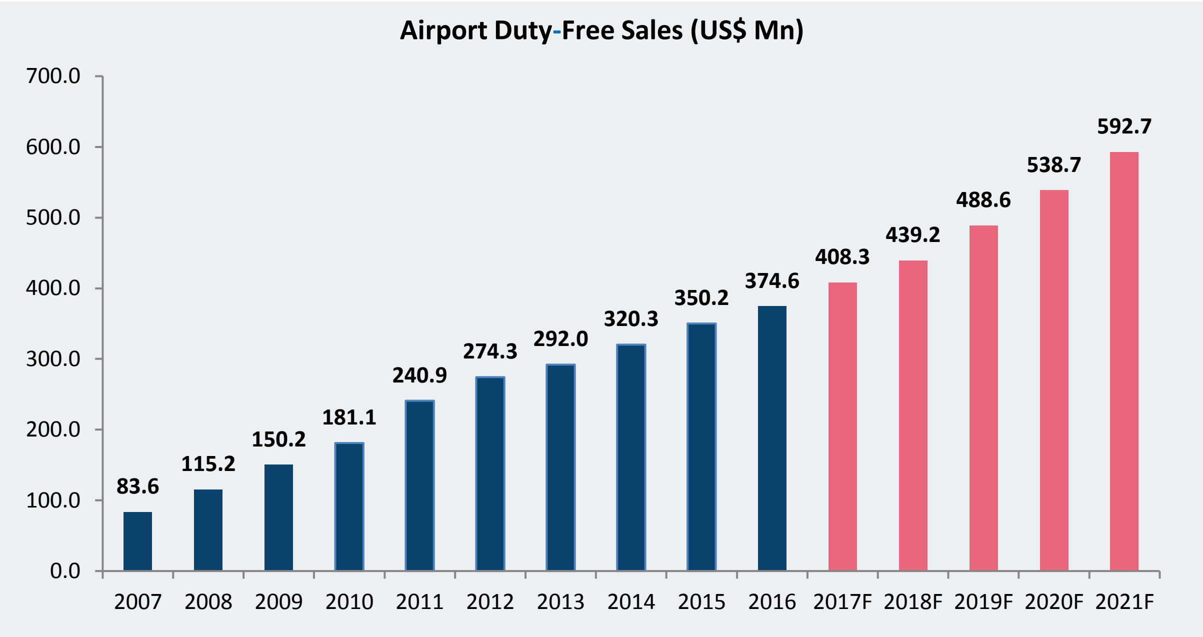
[17] Avalon Report
[18] Avalon Report
[19] Avalon Report
[20] Avalon Report

India – Airport Duty-free Market

The airport duty-free business in India has evolved from traditionally retailing only liquor and tobacco products. As part of this evolution, fragrances, cosmetics and confectionery have been added to the duty-free offering and now luxury and fashion brands are being added similar to with leading global duty-free locations.

The airport duty-free market in India had sales of around US$ 374.6 million in 2016.[21] It is estimated to reach around US$ 592.7 million by the year 2021, growing at a CAGR of 9.6% for the period of 2016-2022.[22] This growth will be primarily be driven by growth in passenger traffic. India has seen healthy passenger traffic growth over the last ten years, as low-cost airlines have been gaining popularity. At present, airport security protocols mandate international passengers to report in advance (at least one-and-a-half hours and preferably three hours). Once consumers pass through security and immigration checks, they get considerable time to spend at the airport, especially in the retail area where duty-free outlets dominate the retail offering. This waiting time contributes towards duty-free sales at airports.

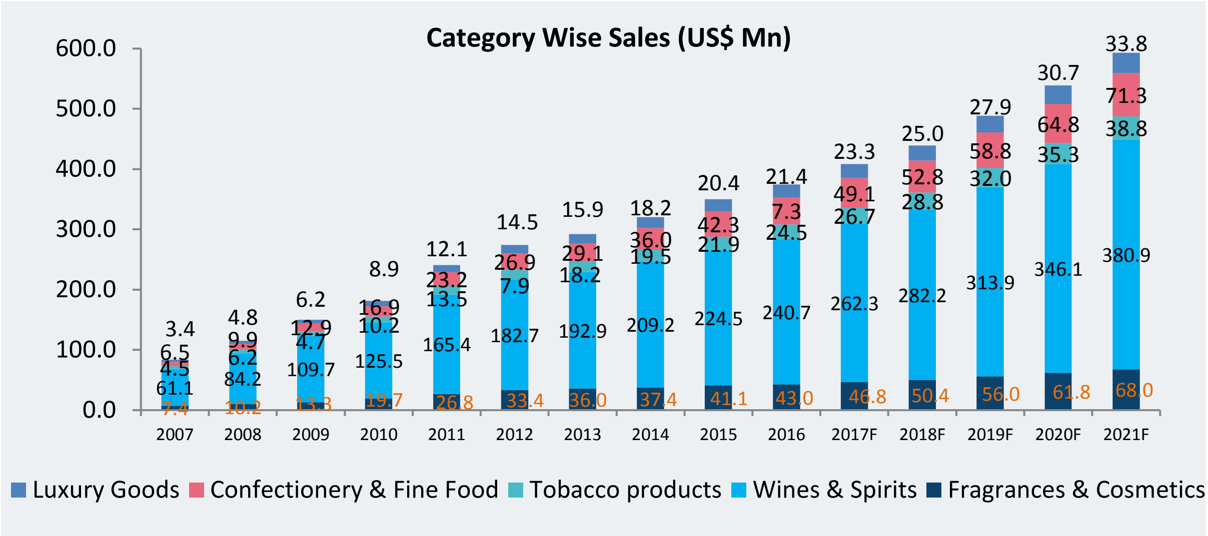
Travelers typically buy products at duty-free shops either for gifting purposes or personal use. Availability of a wide range of products including luxury goods at duty-free outlets together with a superior shopping experience attracts new consumers.



Source: *Avalon Report*

Category wise – Share

[21] Estimation by the Company; Avalon Report
[22] Avalon Report



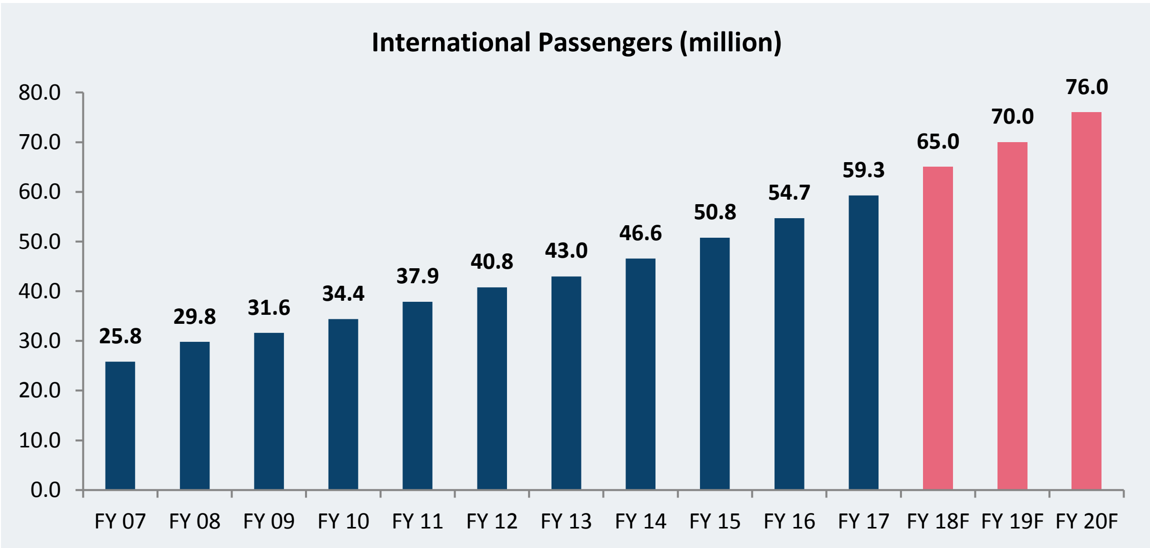
Source: *Avalon Report*

**Totals may not to add up to 100% due to rounding*

Wines and spirits dominate the sales in the Indian duty-free industry with a 64.3% share in 2016. This is followed by confectionery and fine food, and fragrances and cosmetics with a 12% and a 11.5% share, respectively. Availability of goods and cost advantages play a big role for these product categories.

Airport Traffic – India

Airport traffic in India is likely to increase at an annualised rate of 8.6% during the period FY2017-2020 and is expected to reach 76 million by FY2020.



Source: *Avalon Report*

India Tourist Arrivals and Indian Nationals Departures (million)

CY Year	FTAs	NRIs	International Tourist Arrivals	Indian Nationals Departures
2007	5.08		5.08	9.78
2008	5.28		5.28	10.87
2009	5.17		5.17	11.07

2010	5.78		5.78	12.99
2011	6.31		6.31	13.99
2012	6.58		6.58	14.92
2013	6.97		6.97	16.63
2014	7.68	5.43	13.11	18.33
2015	8.03	5.26	13.29	20.38
2016	8.80	5.77	14.57	21.87

Source: *Avalon Report*

FTAs in India have recorded accelerating growth. While they grew at an average rate of 5.6% from 2007 to 2011, their growth has accelerated to 6.9% per annum from 2011 to 2016. NRIs arriving in India between 2014 and 2016 have increased at 3.1% p.a. Indian nationals, departures have maintained a healthy growth of 9.4% and 9.3% between 2007 to 2011 and 2011 to 2016, respectively.

Propensity to Travel

Year	GDP per Capita (US$)	Trips per Capita
2016	5,719	0.09
2017F	6,079	0.10
2018F	6,472	0.11
2019F	6,900	0.12
2020F	7,346	0.13
2021F	7,819	0.15
2026F	10,272	0.21
2031F	12,938	0.29
2036F	16,052	0.37

Source: *Avalon Report*

With rising disposable income levels and improved living standards, there has been an exponential rise in air travel in India, thereby benefiting the Indian travel and tourism market. According to the Avalon Report, the ten largest international carriers servicing India currently achieve a year-round average load factor of 90% or higher, indicating constrained capacity.

It is estimated that India is expected to witness a sustained increase in propensity to travel at a CAGR of 7.3% between 2016 and 2036. However, this increase is expected to be front loaded with a CAGR of 10.8% between 2016 and 2021.

SPP

US$	Major Indian Airports						
FYE	**Mumbai**	**Chennai**	**Kolkata**	**Delhi**	**Cochin**	**Hyderabad**	**Bangalore**
March, 2012	4.57	3.58	2.56	9.25	7.23	2.70	6.45
March, 2013	4.94	3.61	2.20	9.54	7.17	2.82	6.61
March, 2014	4.92	3.15	2.49	9.73	7.04	3.37	NA
March, 2015	5.80	3.18	2.74	9.69	7.22	3.45	6.00
March, 2016	6.96	2.90	3.01	10.20	7.01	3.89	5.70
March, 2017	7.04	3.34	3.55	9.61	7.34	NA	NA
September, 2016	6.96	2.74	3.53	NA	NA	NA	NA
September, 2017	7.02	4.10	4.23	NA	NA	NA	NA

Source: *Avalon Report*

1. *Flemingo Group for Mumbai and Flemingo locations.*
2. *Other locations - RoC, Corporate disclosures and company websites.*
3. *Pax data from the Avalon report.*
4. *Duty-free operations only and excludes luxury retail.*
5. *For Bangalore, SPP is for 12 month period ended December 2012 and December 2013 and 15 month period ended March 2015 owing to change in accounting period.*
6. *March 2017 financials not available for Hyderabad and Bangalore.*

Observation

Delhi has the highest SPP in India followed by Cochin and Mumbai. As size of retail outlets increases along with improvement in retail environment, SPP increases. This has been demonstrated by:

(i) Mumbai, post the commencement of the new T2 terminal in February 2014; and
(ii) Chennai, post the commencement of the current concession contract in January 2016 and February 2016, respectively.

Airport authority/ operator, duty-free retail and allotment of contracts for duty-free retail

Role of airport authority/ operator in duty-free retail

The airport authority/ operator is instrumental in designing, constructing and operating the airport. Its revenues are split between aeronautical and non-aeronautical revenue. The relationship between the airport authority/ operator and the duty-free operator is that of a licensor and licensee.

The size and location of the duty-free store is determined by the airport authority/ operator. Once a terminal is constructed, the size and location of the retail area remains fixed, implying that passenger flows and accessibility to retail outlets remain constant. Airport authorities appreciate that improvements in retail environment is an essential enabler towards increasing duty-free sales. Thus, airport authorities at the time of construction of new terminals/ expansion of existing terminals, specifically focus on:

- Increasing size of retail area
- Designing the terminal such that passenger flow beside and through retail areas is maximised i.e. 100% 'walk through' store design is targeted
- Designing the retail space such that architecture, lighting, build quality etc. creates a retail environment that attracts customers

Nature of the process

The contracts are awarded through competitive bidding procedures. The airport authority selects the most competitive bidder. The awarding authority for each airport is the airport managing entity. The process is usually managed by terms of reference prepared by the airport authorities, who aim to provide a level playing field for different bidders.

Procedure

The airport authority issues an RFP which is generally accessible through the website of the authority. The RFP provides for the stages of the process and the deadlines for each of the stages. The RFP also stipulates the technical criteria that the bidders need to meet and the floor terms of the financial bid.

The technical criteria include:

- Past experience of duty-free retailing
- Number of years of experience within duty-free space
- Revenue from duty-free sales

The floor terms for the financial bids are also stated in the RFP. The RFP usually provides a MAG amount and a floor revenue share rate. The bidders are expected to bid above the floor rate. Earnings of the airport authority are the higher of the MAG and revenue share. Thus, duty-free concessions are awarded to a prospective operator upon first successfully meeting the technical criteria and thereafter the financial criteria. As the duty-free contracts in India progressively become larger in value, the technical and financial criteria have become larger in size and scope, thus limiting competition from new entrants. Only existing duty-free operators across the world that meet the technical and financial criteria and desire to operate in India will pose a competitive threat to the incumbents.

Stages of Bidding

Stage 1: Submission of clarifications	This stage requires bidders to submit their requests for further information from the authority and any clarifications needed
Stage 2: Pre-bid meeting	This stage provides the bidders an opportunity to undertake a site visit and obtain responses to the queries raised in Stage 1
Stage 3: Bidding	In this stage, the bidders submit the following: • Technical bid – Documents that illustrate that the bidder is adhering to the technical criteria; and • Financial bid – The bidders' financial proposal
Stage 4: Opening of technical bids	In this stage, the technical bids are opened and evaluated. The airport authority retains the right to seek clarifications/ additional documents while evaluating the bidders' technical bids. Post evaluation, the successful bidders are identified and cleared for participating in the opening of the financial bids.
Stage 5: Opening of financial bids and award	The financial bids are opened and the bidder with the highest bid is awarded the contract.

Competitive Intensity

The complex characteristics of the duty-free industry limit threats from new entrants and provides existing operators an advantage for renewal of existing concessions or successfully bidding for new concessions.

- Airports are high security zones; therefore, the operating company, its directors and its staff need to be security-cleared before operating at the airport.
- There are numerous approvals including but not limited to customs clearances for shops, custom bonded warehouses, stops and establishments licenses that have to be procured prior to launch of operations.
- Obtaining these security clearances and other approvals can take up to 60 – 90 days as multiple regulatory authorities such as airport owner/ manager, Customs and CISF are involved.
- Airports on the other hand prefer operators to commence operations immediately on the grant of a concession, thereby requiring the operators to pay minimum guarantee, rentals and other airport levies. This is a significant upfront cost to a new operator.
- The logistics of procuring the inventory and transferring it is challenging as it involves road permits and multiple check points.
- Existing operators are well aware of seasonality, trends and demand. Thus, the existing operator is better equipped to plan inventory and the concurrent investment in it.

Growth Opportunities and New Initiatives for increasing retail

Indians entering India are allowed to carry duty-free products of up to INR 50,000 in value. However, the low per person duty-free spends illustrate the significant growth that duty-free operators will try to obtain in consumer spends. This growth in duty-free retail in India is expected to be driven by core duty-free and new initiatives.

- Core duty-free consists of traditional duty-free products like liquor, tobacco, confectionery, perfumes and cosmetics. New and wider selection of products in all of the core duty-free categories is key to obtaining this growth.
- New initiatives.
- Comprise luxury products like fashion, fashion accessories, eyewear, jewellery, premium and super premium watches. Mumbai and New Delhi have started these outlets.
- Supermarket type products and categories are increasingly being focused on by the duty-free operators
- Tying up with credit card companies and product vendors for innovative offers.
- 'Sense of Place'- Core duty-free outlets are progressively incorporating 'sense of place' elements while designing their shops including décor and attire of staff.

No.	Duty-Free Operator	Number of Locations	Area (Sq.m)	FY 16 Revenue (US$ Mn)	FY16 International PAX (million)	FY17 International PAX (million)
1	Flemingo	11	7,300	123.1	25.9	28.2
2	GMR	2	5,580	156.6	17.3	18.8
3	Cochin Airport	1	2,500	32.6	4.6	5.0
4	Dufry	1	NA	19.2	3.3	3.5
5	AGM	4	260	NA	2.9	2.9
Total		**19**	**15,640**	**331.5**	**54.1**	**58.6**

Source: *Avalon Report*

1. *Revenue and area for Flemingo locations including Trivandrum from Flemingo.*
2. *Revenue and area for non-Flemingo locations from RoC, Company Filings.*
3. *Areas for Madurai, Pune and Coimbatore from RFP.*
4. *PAX data from the Avalon Report.*
5. *Duty Free in Trivandrum was managed by Flemingo till August 2017.*
6. *AGM commenced operations in FY18.*
7. *Gaya has no duty-free store.*

Flemingo is a leading duty-free operator in India by:

- locations (present in 11 of top 20 international airports in India (in terms of number of passengers in Fiscal 2017)) and retail area as of September 30, 2017; and
- access to number of passengers in Fiscal 2017.

Growth Drivers

The growth drivers in the Indian market include:

- Growing middle income group and working population;
- Growth of domestic and foreign tourists;
- The PPP model adopted by airports – currently, five international airports; (Delhi, Mumbai, Cochin, Hyderabad, Bengaluru) have been completed and are operational;
- Expansion and refurbishment of airports by AAI e.g. Chennai, Kolkata, Lucknow;
- Emergence of LCCs / new carriers;
- Greater focus on infrastructure development;
- Liberalisation policy (ex: Open Sky Policy, UDAN); and
- Large-scale collaborations, M&A deals with top airlines.

Policy support leading to the growth in Airport Sector

Focus on infrastructure	• Indian government plans to invest US$ 11.4 billion to upgrade airport infrastructure under the 12th Five Year Plan (2012 to 2017) • Plans are afoot to invest US$ 1.83 billion to develop airport infrastructure along with aviation navigation services by 2026
Liberalisation, Open Sky Policy	• With this, 60% of airport traffic is handled under the PPP model, while the remaining 40% is managed by the AAI • There will be increased traffic rights under bilateral agreements with foreign countries • India has signed its first open sky agreement with Greece
Encouragement to FDI	• The Government of India has allowed 100 % FDI under automatic route for Greenfield projects, whereas 74 % FDI is permitted under automatic route for Brownfield projects

	• 100% FDI is allowed under automatic route in scheduled air transport service, regional air transport service and domestic scheduled passenger airline. However, FDI over 49 % would require governmental approval. • Approval of 49% FDI in aviation for foreign carriers.
Taxes and duties	• 100% tax exemption for airport projects for a period of 10 years • Indian aircraft MRO service providers are exempted completely from customs and countervailing duties
Budgetary support	• In the Union Budget for FY17, the government has earmarked US$ 255.86 million for Air India Limited for the purpose of equity infusion • In addition, a budget of about US$ 14.98 million has been allocated to the AAI, of which US$ 4.29 million has been attributed towards Pakyong, Sikkim project. • The GoI has planned to allocate a sum of US$ 11.80 million to Directorate General of Civil Aviation to rollout various schemes • The government has also supported the Bureau of Civil Aviation Security with US$ 9.71 million to meet their expenditure

***AAI investments*[23]**

Metro airports	• Aims to bring approximately 250 airports under operation by 2020 • The AAI has developed and upgraded over 23 metro airports over the last five years
Non-metro airports	• The AAI has plans to invest US$ 1.3 billion on non-metro projects during 2013 to 2017, mainly focused on modernisation and upgrade works of airports • About 22 airports to get connected under the regional connectivity scheme of the AAI
Northeast India	• More than 30 airport development projects are underway across various cities in northeast India • The AAI plans to develop over 20 airports in tier II and III cities over the next five years • The AAI plans to develop Guwahati as an inter-regional hub and Agartala, Imphal & Dibrugarh as intra-regional hubs

Sri Lanka – Airport Duty-free Market

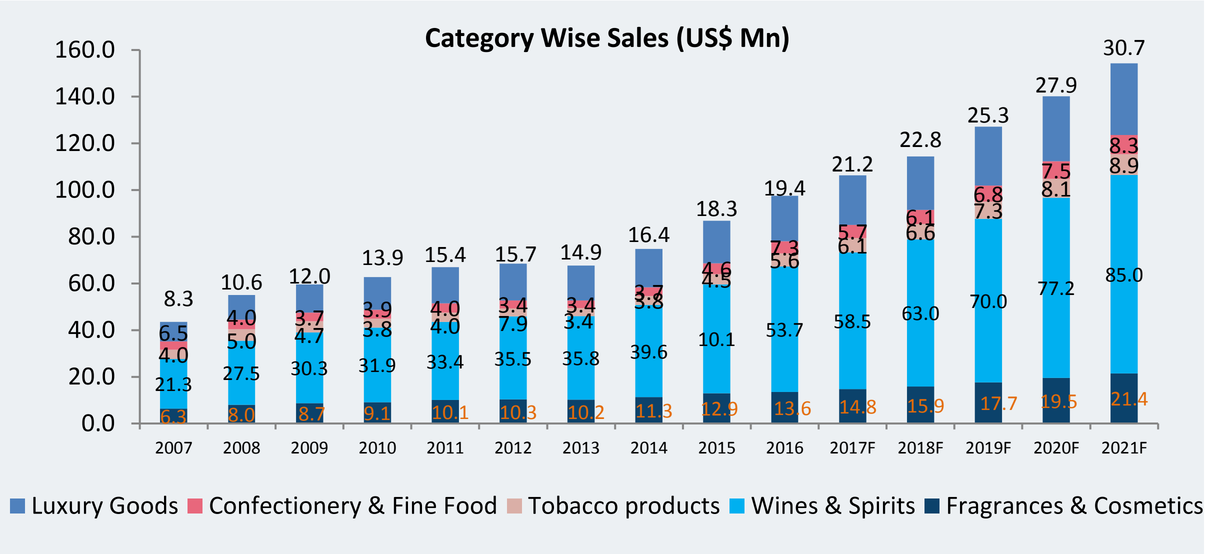
In 1983, AASL was incorporated and appointed as the agent of the Government to discharge its duties as a member of ICAO.

The year 2016 has been a year of strong growth for Airport & Aviation Services (Sri Lanka). The aviation revenue increased from US$ 109.2 million in 2015 to US$ 123.2 million in 2016, a growth of 17%.[24] This resulted in the Revenue per passenger for AASL increasing to US$ 13.6 from US$ 12.9 in 2015.[25]

[23] Avalon Report
[24] Avalon Report
[25] Avalon Report

Source: *Avalon Report*

The airport duty-free market for Sri Lanka was estimated to be US$ 97.5 million in the year 2016, a significant growth from US$ 43.5 million in 2007.[26] Between 2016 to 2021, the market is expected to grow at 9.6% to reach US$ 154.3 million.



Source: *Avalon Report*

Wines & spirits have the biggest share 55% among all the categories. Together with fragrances and cosmetics and luxury goods, these categories constitute around 89% of the market. The reason for the high share of revenues for these three categories is availability and cost advantages.

Airports in Sri Lanka

Commissioned in 1967, BIA is operated by AASL. BIA has handled 99% of international traffic in Sri Lanka in 2015.[27] In addition to BIA, AASL also develops and manages other three airports - Colombo Airport, Mattala Rajapaksa International Airport and Batticaloa Airport.

In 2016, Sri Lankan airports handled 9.47 million international passengers, representing an increase of 11.3% from 2015. Air traffic growth in Sri Lanka has averaged 9% per year over the last five years as passenger volumes have surged from 6.15 million to 9.47 million in the same period. In 2016, there were 61,637 international aircraft movements signifying a 10 % growth.[28]

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[26] Avalon Report
[27] World Bank Report 2016 (Options Study for Private Sector Participation in the Development of the Domestic Airports Sector in Sri Lanka); Avalon Report
[28] Avalon Report

Source: *Avalon Report*

Propensity to Travel

Year	GDP per Capita (US$)	Trips per Capita
2016	12,066	0.16
2017F	12,669	0.17
2018F	13,318	0.18
2019F	13,996	0.19
2020F	14,705	0.20
2021F	15,447	0.21
2026F	19,677	0.26
2031F	24,829	0.33
2036F	30,984	0.42

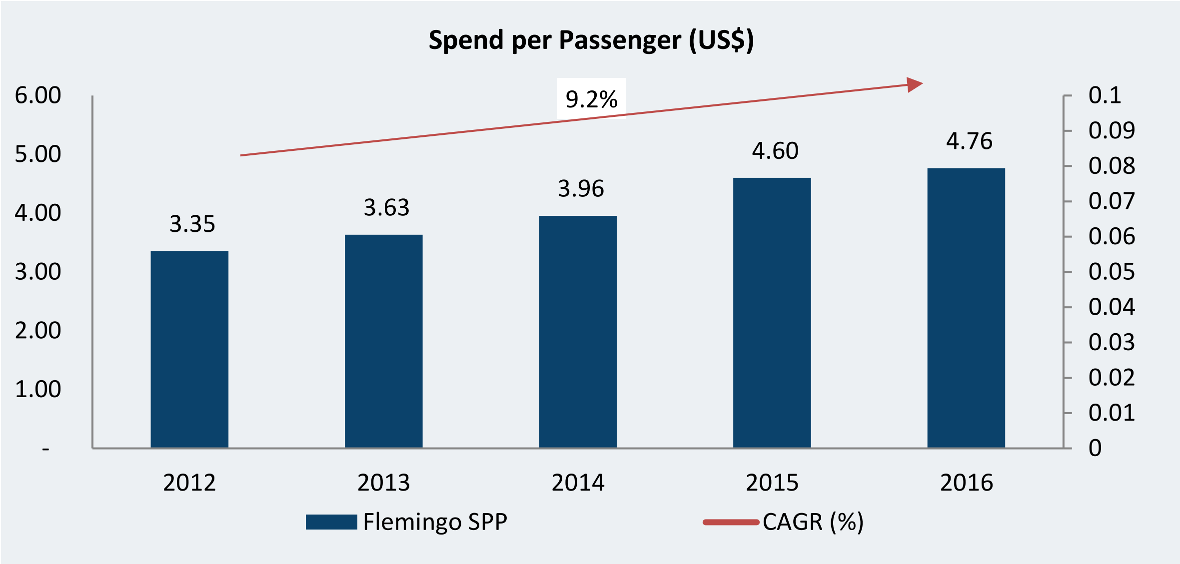
Source: *Avalon Report*

Sri Lanka is expected to witness a sustained increase in propensity to travel at a CAGR of 4.9% between 2016 and 2036.

Future Mega Projects in the pipeline

BIA Phase II Stage 2	• Capacity expansion of additional 9 million passengers annually at second terminal (T2), BIA • Funded with Japan International Corporation Agency Official Development Assistance Loan • The terminal building (Terminal 2) that spans two floors will have an approximate floor area of 180,000 square meters. Arrivals and departures are to be separated vertically, consisting two pier buildings, namely Pier 2 and Pier 3
Runway Overlay and Associated works at BIA	• The project is a joint venture between China National Aero Technology International Group and Shanghai New Era Airport Design • The contract was to overlay the runway and construction of associated works on a 'design and build' basis • The cost of the entire project is estimated to be US$ 48 million excluding taxes and duties

Airport SPP



Source: *Avalon Report*

SPP in Sri Lanka has seen steady rise over the past few years, which has contributed to the growth of Flemingo. In Colombo, Dufry is the competing duty-free operator. However, as Flemingo has moved into a larger duty-free retail area in Colombo, it has recorded strong growth consistently. SPP of US$ 4.76 in 2016 is an increase of 3.6% over SPP in 2015 of US$ 4.60. Flemingo has a larger duty-free retail area in Colombo over Dufry.

Growth Opportunities and New Initiatives for increasing retail

New retail opportunities in Sri Lanka will arise when the new terminal being constructed at Colombo Airport is completed by 2021. There will be opportunities to set up seaport shops. Currently, Sri Lanka has three seaport shops and one downtown shop.

Airport Concessions

No	Location	PAX million (CY 2016)	Duty-free Operator	Area (Sq.m)	Financial Criteria
1	Colombo – Concession 1	9.5	Flemingo	716	Higher of MAG or revenue share
2	Colombo – Concession 2	9.5	Dufry	532	Higher of MAG or revenue share

Source: *Avalon Report*

1. *Area from RFP.*
2. *PAX data from the Avalon Report.*
3. *Avalon Report.*

Flemingo is a leading duty-free operator in Sri Lanka with the largest retail area.

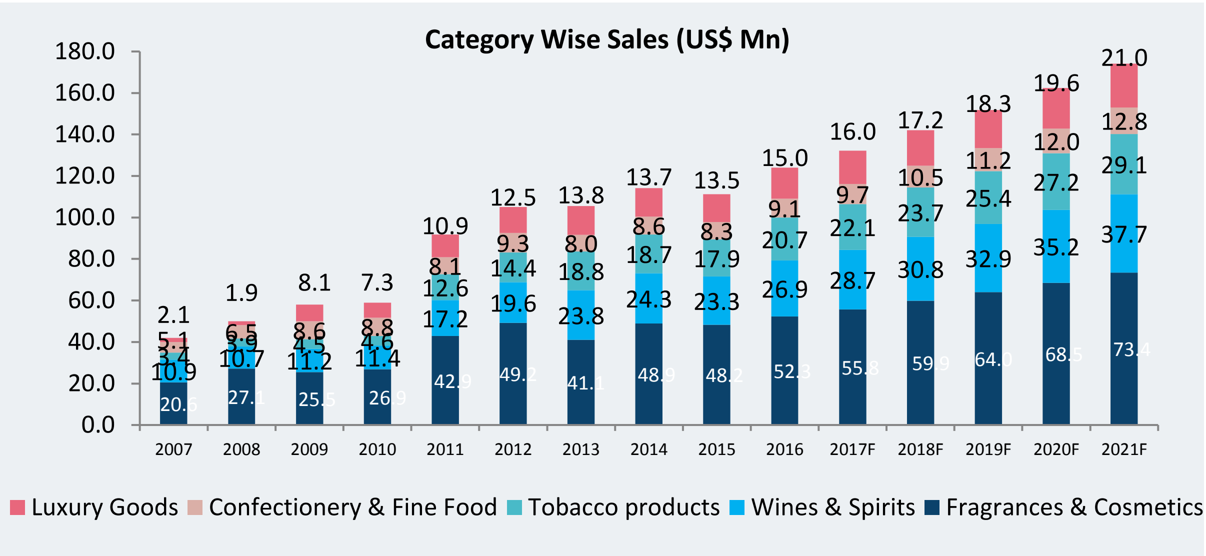
***Poland* – Airport Duty-free Market**

The Airport duty-free market for Poland was around US$ 124 million in year 2016, registering an impressive CAGR of 12.8% during the period 2007 to 2016. By 2021, the market is expected to reach US$ 174.1 million, growing at annualised rate of 7% in the next five years[29].

[29] Avalon Report

Source: *Avalon Report*

Fragrances and cosmetics have the biggest share of duty-free sales among all the categories of products. Together with wines and spirits and Tobacco products, these three categories constitute approximately 80% of the duty-free market revenue.



Source: *Avalon Report*

Polish airports

Polish airports handled almost 34 million passengers in 2016, representing an increase of 11.6% from the previous year. The CAGR for the period 2007 to 2016 stood at 6.6%.[30] This was due to Poland's strong economic growth, expansion of air transport infrastructure and growing accessibility of air transport services for Polish citizens.

Majority of airports in Poland recorded positive growth during the year 2016. Warsaw Chopin Airport saw the highest passenger traffic with 12.8 million passengers (37.6% share), followed by Kraków Airport with 4.9 million passenger traffic (14.6% share) and Gdańsk Airport with 4 million passenger traffic (11.7% share). Passenger traffic for Kraków Airport and Warsaw Chopin Airport increased by 18% and 14%, respectively, from the previous year.

Poland - Traffic forecast

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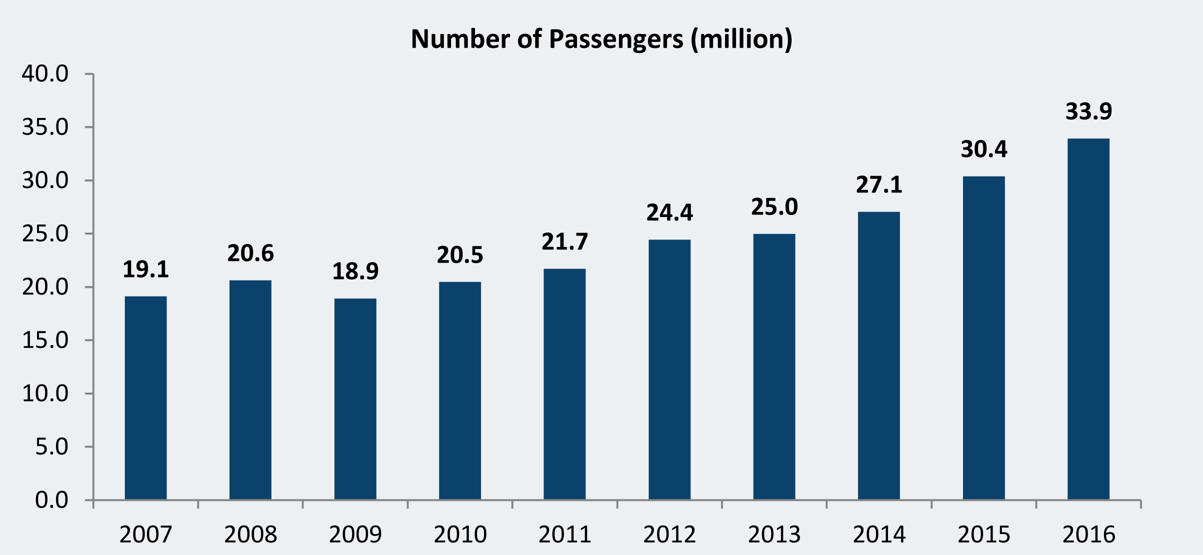
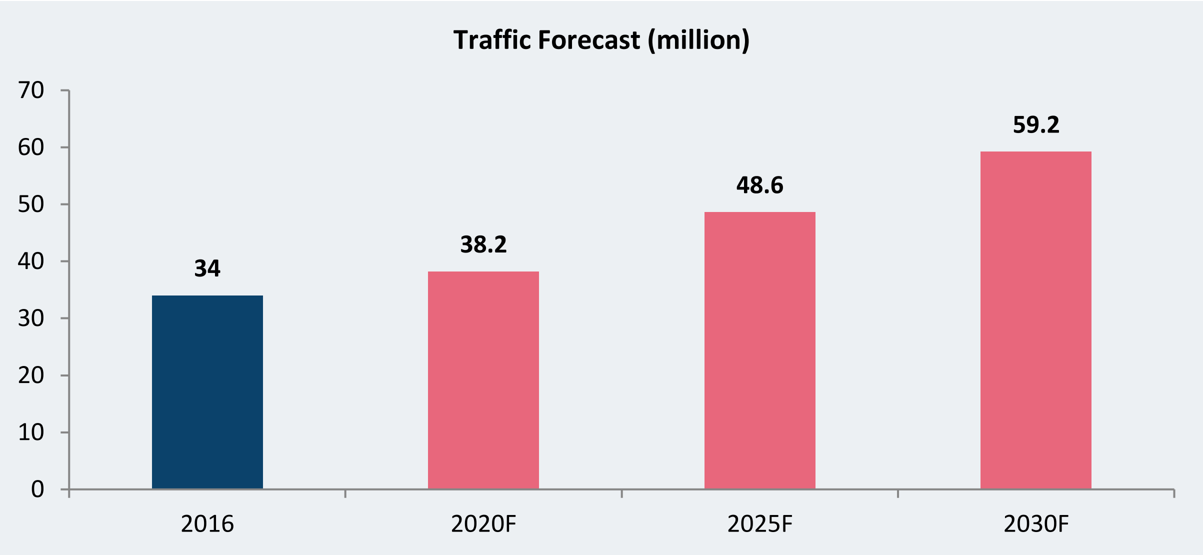
[30] Avalon Report



Source: *Avalon Report*

According to the Avalon Report, the traffic forecast for Poland is optimistic, with an expected forecast of 48.6 million passengers by 2025 and 59.2 million passengers by 2030. This is attributed to a low mobility rate currently observed in the country that forms a strong basis for dynamic traffic growth.



Source: *Avalon Report*

Propensity to Travel

Year	GDP per Capita (US$)	Trips per Capita
2016	24,664	0.39
2017F	25,446	0.42
2018F	26,278	0.45
2019F	27,096	0.48
2020F	27,952	0.51
2021F	28,817	0.54
2026F	33,536	0.70
2031F	38,757	0.86
2036F	44,207	1.04

Source: *Avalon Report*

It is estimated that Poland's propensity to travel by air is expected to grow by 5.0% between 2016 to 2036 with the growth being higher at 6.7% between 2016 to 2021.

Airport Concessions

No	Location	Duty Free Operator (s)	Concession end
1	Warsaw	Aelia	T1 - May 2025
		Aelia	T2 – December 2018
2	Krakow	Aelia and Keraniss	September 2022
3	Gdansk	Aelia	January 2028
4	Katowice	Baltona	Schengen Terminal – September 2019 Non-Schengen Terminal – July 2021
5	Modlin	Aelia	October 2019
6	Wroclaw	Baltona	January 2023
7	Poznan	Baltona	August 2019
8	Rzeszow	Baltona	December 2018
9	Szczecin	Aelia	November 2019
10	Lublin	Aelia	August 2018
11	Bydgoszcz	Baltona	May 2021
12	Lodz	Aelia and Keraniss	Oct 2018
13	Olszytn	Aelia	August 2020

Source: *Avalon Report*

The remaining two airports (Radom and Zielona Góra) do not have any duty-free shops due to low passenger traffic.

Regulatory regime of granting concession for airports

The Polish legal framework enables private investors to manage airports or parts of their assets such as terminals. There are two of such methods:

- Change in the ownership structure of the airport managing company which involves sales of shares.
- No change in the ownership structure of the airport managing company. These include in general:
- Public works concession (construction and management);
- Different forms of public-private partnership;
- Management contract.

In Poland, the acquisition of shares is complicated and demands a consent from the Ministry of Infrastructure to obtain the majority of votes in the general assembly of shareholders of an existing public utility airport (article 64a of the Aviation Law). The Ministry of Infrastructure may refuse shareholders' approval on the grounds of:

- Threat to public order or public security; or
- If the acquiring entity is not a Polish public administration unit, Polish state or self-government unit or it is registered outside of the EU, the European Free Trade Association or Switzerland.

Additionally, the land currently used by airports for aviation purposes may belong to the State Treasury, self-government, state-owned enterprises or companies with a majority shareholding belonging to the abovementioned public entities (article 65 of the Aviation Law). This rule complicates the M&A transactions in the airports sector in Poland.

The instances which do not involve a change in the ownership structure of the airport managing company seem more flexible and preferable to private investors. Unfortunately, no transactions of this kind have been observed in the Polish aviation sector so far. This results from at least two factors:

- The owners of the airport managing company are not inclined to sharing the ownership of their assets with profit-oriented entities;
- Their financing needs have been easily fulfilled by EU funding, public funding and bank loans thus far.

This may, however, change in the near future due to:

- Growing need of know-how;
- Lack of EU funding and the increasing capital expenditure requirements for the airports in the years to come.

Cruise Line

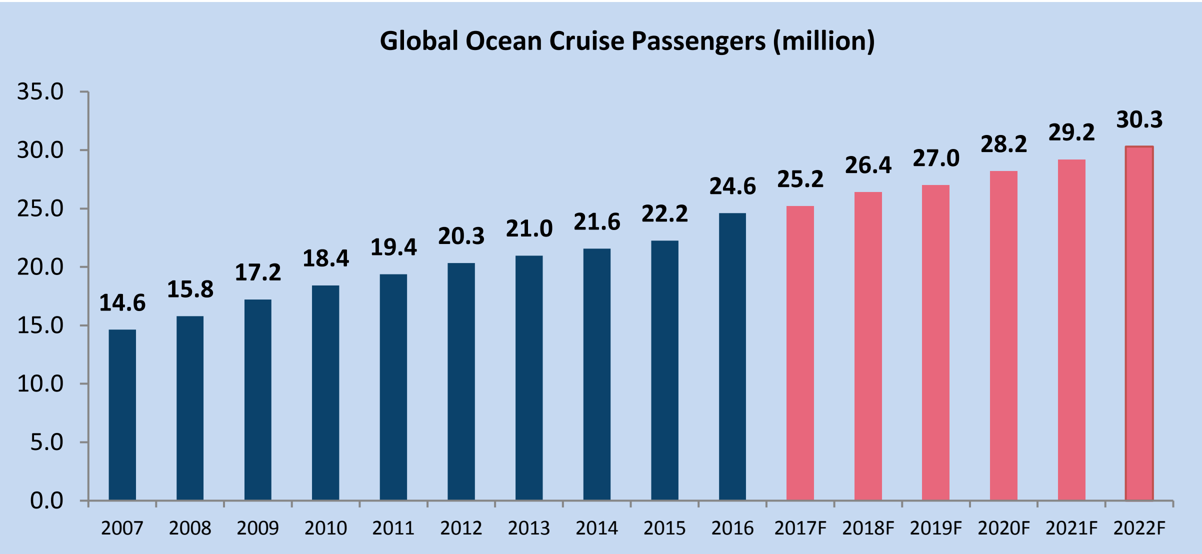
Over the last decades, the modern cruise industry has responded to market and consumer expectations with the presentation of innovative naval design concepts, new ship lengths, more exotic destinations around the globe, and new on-board and on-shore activities and themes, which have been developed to offer a satisfactory vacation alternative.

In recent decades, cruise activities have evolved from serving only the affluent as cruises provide a host of activities and entertainment options.

Cruise line – Global

The modern cruise industry has not only gained popularity over the past few years but has also become a major part of the tourism sector. The industry recorded an average of 8.5% annual growth over the last two decades and nearly 90 million passengers since 1980.[31] It also offers of airlift options and modernised port structures that have enabled cruising to emerge as a vacation alternative.

In order to cater to the dynamic vacation pattern of today's customers, the cruise industry is currently undergoing significant investment into new, more innovative and bigger vessels capable of carrying more than 5,000 passengers. In addition to this, inclusion of on-board activities such as multi-story shopping centres, restaurants, cafés and pubs, nightclubs, discos, casinos, art galleries and museums, theatres and cinemas, libraries, personal care areas and spas, gyms, swimming pools, tennis courts and ice skating rinks, increase the passenger footfall.



Source: *Avalon Report*

Global cruise passenger numbers have grown consistently from 14.6 million in 2007 to 24.6 million in 2016. Going forward, this steady growth is likely to continue and the number of passengers is likely to reach 30.3 million by 2022, registering a CAGR of 4% between 2016 and 2022.

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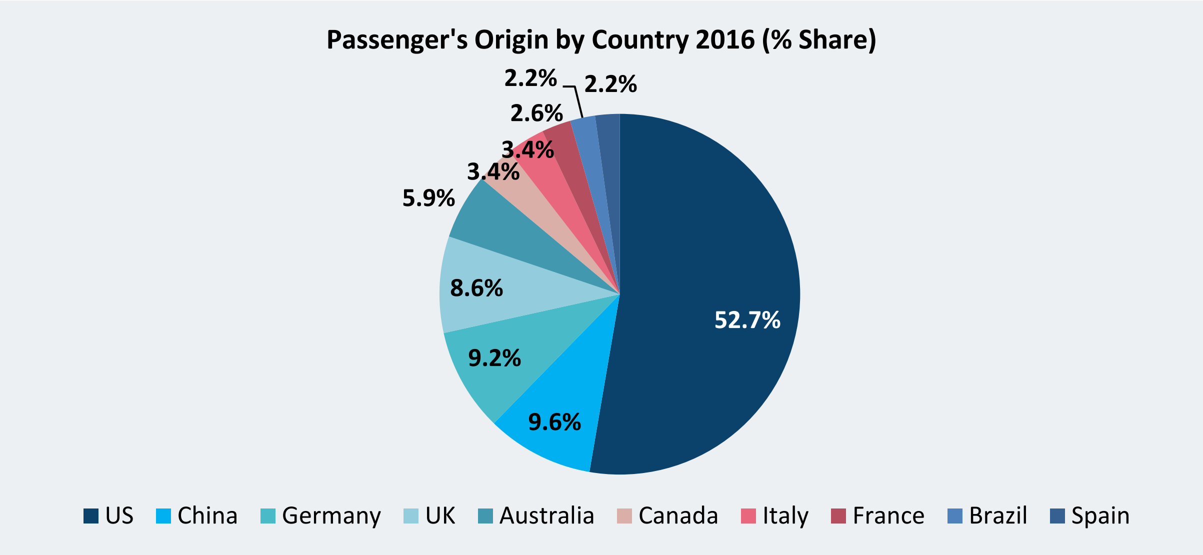
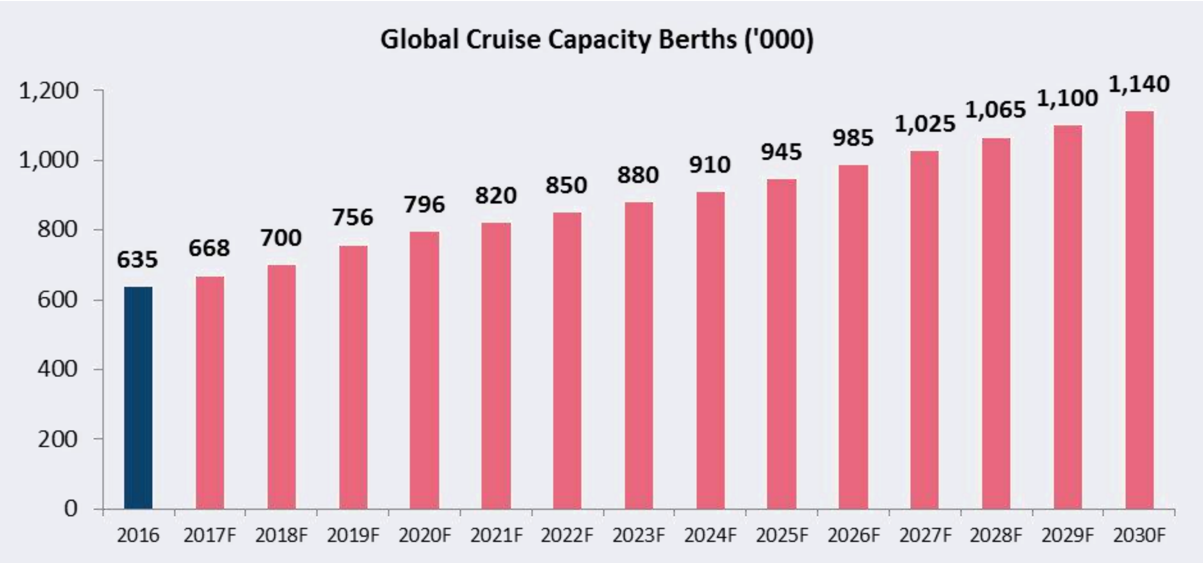
[31] Avalon Report



Source: *Avalon Report*

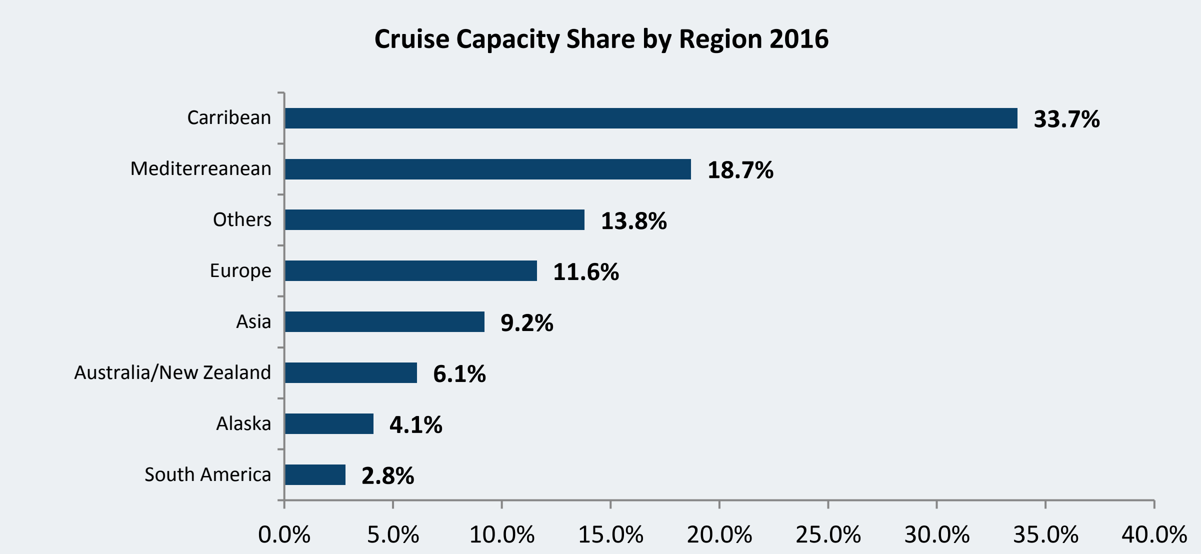
**Total may not to add up to 100% due to rounding*

Cruise capacity in terms of berths is likely to grow from 635,000 in 2016 to 114,000 in 2030, registering a CAGR of 4% during the period.



Source: *Avalon Report*

Cruiseliners – Region Split



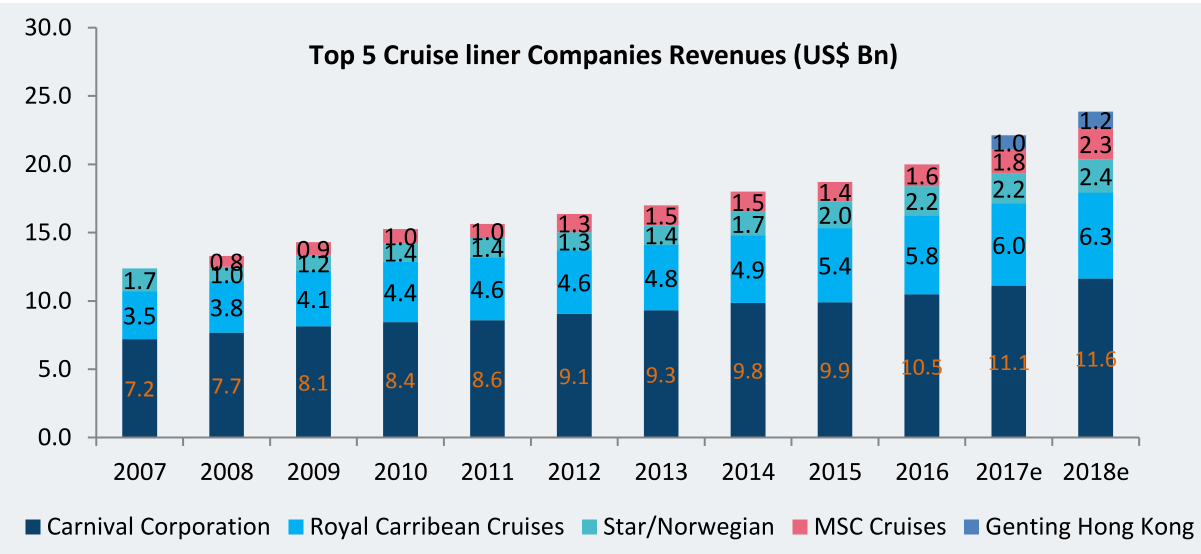
Source: *Avalon Report*

A challenge consistently faced by the cruise line industry is that many passengers are looking out for new travel destinations. In response to this, many companies are offering new itineraries and fresh destinations. Southeast Asia, in particular countries like Cambodia, Vietnam, and Myanmar, is experiencing robust growth numbers.

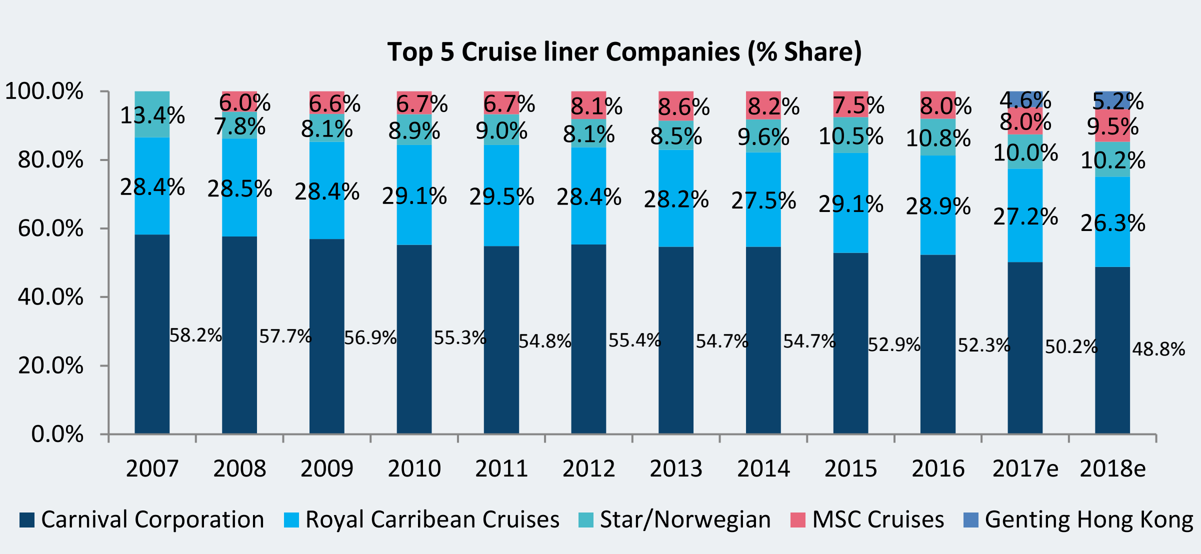
Other popular new cruise destinations include India, the UAE, Norway, Australia, and the scenic Northwest Passage. New ships can accommodate more passengers, which call for a wider variety of destinations and ports.

Cruise liners – Competitors

The cruise industry may be considered an oligopoly with a limited number of players. US-based Carnival Corporation primarily competes with Royal Caribbean, Norwegian Cruise Line Holdings and MSC Cruises. The cruise industry indirectly competes for discretionary consumer spending with providers of other vacation alternatives such as land based resorts and hotels.



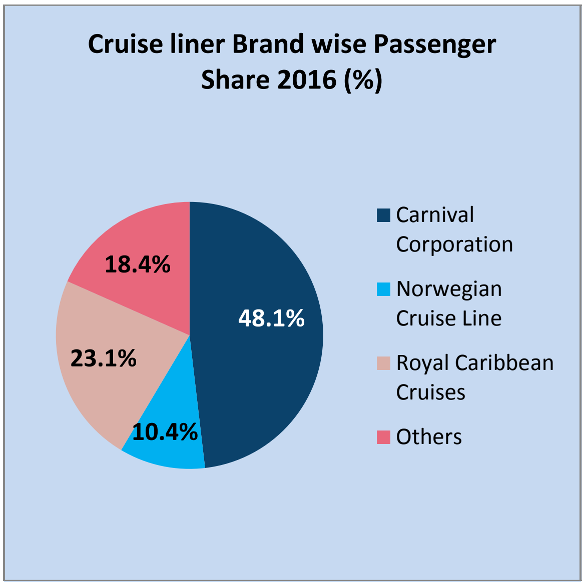
Source: *Avalon Report*

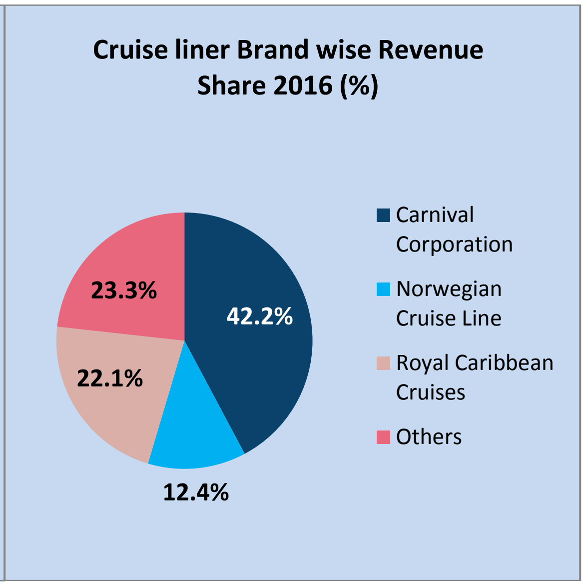


Source: *Avalon Report*

**Totals may not to add up to 100% due to rounding*

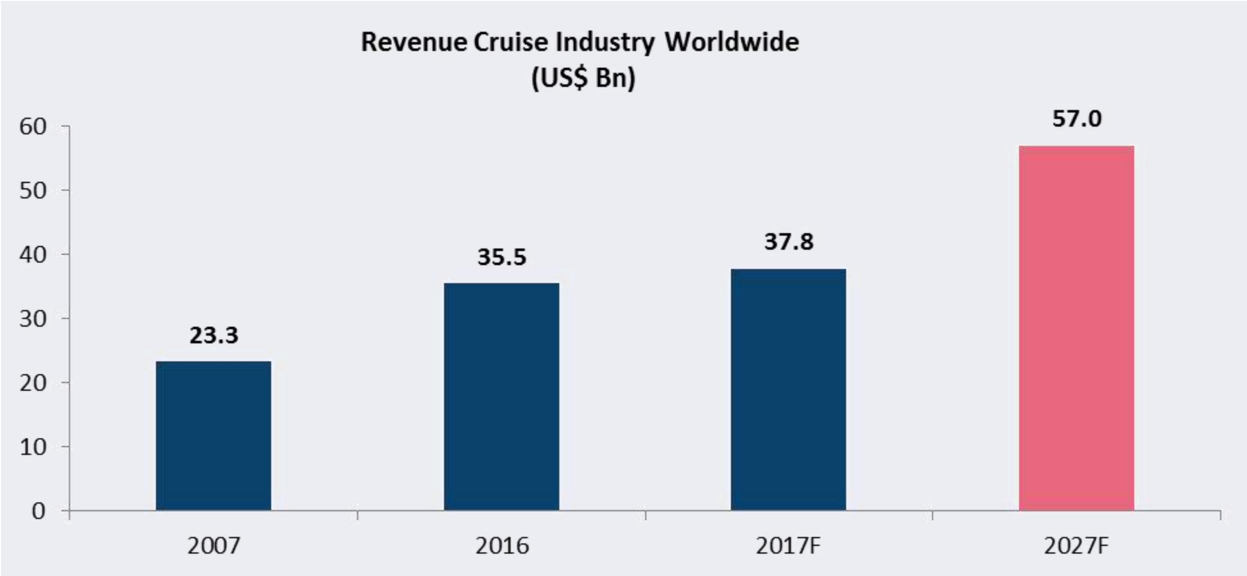
With revenue almost double that of its closest competitor; Carnival Corporation is the largest cruise company. The second largest worldwide is Royal Caribbean Cruises which had revenue of US$ 5.8 billion in 2016, a figure which has shown steady annual growth since 2007.





Source: *Avalon Report*

Global Revenue



Source: *Statista; Avalon Report*

The global cruise industry recovered significantly in terms of revenue after it slipped below US$ 25 billion during the 2008 financial crisis. In 2016, the industry generated an estimated US$ 35.5 billion in revenue, a figure that has grown by approximately US$ 12 billion over the last decade. An average cruise passenger generated about US$ 1,779 revenue against an average profit of only US$ 226 in 2015 due to higher expenses per passenger.[32]

Type[33]	Expense
Ticket	**US$ 1,350**
Onboard Spending	**US$ 429**
-Casino & Bar	US$ 236
-Shore excursions (cruise line portion)	US$ 86
-Spa	US$ 43
-All other onboard spending	US$ 64
Total spending	**US$ 1,779**

The main revenues in the cruise industry have been typically generated from passenger ticketing. Therefore, the ability to attract and maintain recurring clientele is essential to its financial success. Cruise line players are also venturing into non-ticketing based revenue sources to boost profitability.Cruise companies have introduced diverse practices to attract customers to spend their money. Nowadays, cruise ships offer an increasing range of shipboard stores and boutiques, spa and personal care services, photography departments and art auctions at prices that compete with land-based establishments. Most of these services are now also being provided and managed by third-party subcontractors.

In the early 1990s, cruise companies began marketing a diversity of onshore activities and services. Since then, guided excursions and port lecturers, contracted with local concessionaires and local tour operators to be sold to passengers on-board, have become the largest growing source of income for some cruise companies.

A few retailers dominate the cruise line retail landscape with Starboard Cruise Services being the market leader followed by Harding.

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[32] Avalon Report
[33] Avalon Report

Key Cruise line Retailers	Brief Description	Revenue 2016 (USD Mn)
Starboard Cruise Services	▪ Starboard Cruise services is part of the LVMH Group ▪ It started operations in 1958 ▪ It has retail operations in 100 ships with 700 retail outlets	915
Harding	▪ Harding has its origins from more than 200 years ago. In 1930, it started supplying provisions to ships in Europe ▪ In the 1980s, it evolved into establishing shops on board cruise ships ▪ It has cruise retail operations in 17 cruise lines, 60 ships, 186 shops and a retail area of 15,467 square meters employing over 800 employees	187
Dufry	▪ Dufry is the leader in the global travel retail industry with CY16 revenues of approximately US$8.1 billion ▪ Its sales were approximately 53% higher than its closest rival in CY16 ▪ Dufry focuses essentially on retailing through airports, with over 90% of its sales in CY16 taking place through the airport channel ▪ Dufry operates in a retail area of approximately 6,500 sq.m in its cruise line retail operations in 14 cruise lines and 20 ferries ▪ Its cruise liner and seaport revenues are approximately 2% of its annual revenues	162
Heinemann	▪ Established in 1879, Heinemann is a travel retailer focusing on Germany and Western Europe ▪ Its primary business activity consists of retail, distribution, and purchasing and logistics ▪ Heinemann's cruise line retail has operated for more than ten years ▪ It has 28 shops aboard 12 cruise liners and two ferries	NA

Source *-Avalon Report*

Commercial Terms

Contracts between cruise lines and cruise line retail operators typically include the following commercial terms:

- Percentage of revenue paid to cruise line for the grant of operation of shops onboard ships
- In some cases, an additional percentage of revenue is paid as a credit card fee
- Percentage of revenue paid can vary by cruise brand, itinerary, ship, number of passengers, product range or brand
- Some agreements may need the operator to pay a minimum guarantee of sales per passenger head onboard
- Minimum guarantee of sales per passenger onboard can vary by cruise brand, ship and itinerary
- Victualling cost is fixed per staff onboard per day and the amount vary by cruise brand and geographical location

Key Highlights /Trends[34]

[34] Avalon Report

- Younger generations, especially millennials, are choosing cruise travel more than before, rating it as a preferred vacation type.

- Approximately 92% of people who take cruises responded that they will probably or definitively book a cruise as a next vacation, according to the Avalon Report.

- Cruises are a preferred vacation choice for families, especially those with children under the age of 18. Cruises for six to eight days are the most popular across the older age group. Younger generation are more likely to choose shorter cruises (five days or less).

- The most popular cruise destinations include the Caribbean, Bermuda, Mexico and Alaska and Pacific Northwest.

OUR BUSINESS

Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" on page 15 for a discussion of the risks and uncertainties related to such statements and also "Risk Factors" on page 16 for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

In connection with the Offer, our Group is in the process of undertaking an internal restructuring under which our Company will acquire the Target Companies subject to, among other things, the completion of the Offer. For further details, see "Objects of the Offer" on page 98 and "Our Business – Our Proposed Restructuring" on page 139. In this section, a reference to the "Company" or "our Company" is a reference to Flemingo Travel Retail Limited (previously DFS India Private Limited) prior to February 28, 2017, and to Flemingo Travel Retail Limited and its Subsidiaries on and after February 28, 2017, as the context requires. Until February 28, 2017, the Company did not have any subsidiaries. Any reference to "we", "us", "our" or "our Group" is a reference to our Company, its Subsidiaries, the Target Companies and the Target Companies' respective direct and indirect subsidiaries.

Our Company was owned by Flemingo Mumbai as to 30% between March 12, 2009 and November 10, 2014 and as to 49% by Flemingo International (among which ~2.90% was indirectly owned through Flemingo Mumbai) between November 10, 2014 and February 27, 2017. On February 27, 2017, Flemingo International acquired an additional ~51.00% equity interest in our Company and our Company became a ~100.00% owned subsidiary of Flemingo International (among which ~2.90% is indirectly owned through Flemingo Mumbai). On November 9, 2017, the remaining shares held by DFS Venture Singapore and DFS Singapore were transferred to Flemingo International, subsequent to which our Company has become a 100% owned subsidiary of Flemingo International (among which ~2.90% is indirectly owned through Flemingo Mumbai). Until February 28, 2017, the Company did not have any subsidiaries. For further details, see "History and Certain Corporate Matters" on page 166.

In this Draft Red Herring Prospectus, we have included the Restated Summary Statements of our Company and the Special Purpose Financial Statements of the Target Companies. For further details, see "Financial Statements" on page 213. Flemingo UK acquired Harding Brothers Group on November 17, 2014. The special purpose restated consolidated financial statements of Flemingo UK and its subsidiaries for the year ended December 31, 2015 cover the period from the acquisition date to December 31, 2015. Our Company's, its Subsidiaries' and the Indian Target Companies' financial years end on March 31 of each year, while the Non-Indian Target Companies' financial years end on December 31 of each year. The Special Purpose Financial Statements of the Target Companies in this Draft Red Herring Prospectus reflects such different year ends for the Indian and non-Indian entities.

In this Draft Red Herring Prospectus, we have also included Proforma Financial Statements of our Company and the Target Companies to give proforma effect to our Company's proposed acquisitions of the Target Companies. The Proforma Financial Statements consist of the proforma balance sheet as of March 31, 2017 and the proforma of profit and loss for the years ended March 31, 2015, 2016 and 2017 and related notes. For further details, see "Financial Statements" on page 213. The Proforma Financial Statements are based on: (i) the restated consolidated balance sheet and profit and loss accounts of the Company as of and for the year ended March 31, 2017, and (ii) the audited balance sheets and profit and loss accounts of the Target Companies prepared in accordance with Indian GAAP as of and for the years ended March 31, 2017, 2016 and 2015 in respect of Flemingo India, December 31, 2016 and 2015 in respect of Flemingo UK, and December 31, 2016, 2015 and 2014 in respect of Flemingo Cruise. See "Risk Factors – Internal Risk Factors - The Proforma Financial Statements included in this Draft Red Herring Prospectus may not accurately reflect our results of operations and financial condition" on page 25.

Potential investors should carefully take into account the disclosures above and our Restated Summary Statements, the Special Purpose Financial Statements of the Target Companies and the Proforma Financial Statements in evaluating our business and financial performance and in making any investment decision. The following section should be read in conjunction with such financial information and the respective independent chartered accountants' reports thereon, included in "Financial Statements" on page 213, and the "Risk Factors" on page 16.

Overview

We are a global travel retailer with a leading position in the high growth Indian and Sri Lanka travel retail markets in terms of the number of locations where we operated core duty-free stores and the aggregate retail area of core duty-free stores we had as of September 30, 2017, and in terms of access to the number of passengers in Fiscal 2017, according to the Avalon Report.

As of September 30, 2017, we had operations in 119 locations in 26 countries spread across the Indian Subcontinent (our India, Sri Lanka and Maldives operations), the US/Caribbean, Europe, the Mediterranean and Australia (our cruise line travel retail operations), Europe (our Baltona, Chacalli and Turkey operations) and the Rest of the World (our Middle East, Africa and St. Marteen operations). We started travel retail operations in India in 2003 and have expanded our operations successively into other emerging markets and, to diversify our revenue streams, into duty-free sales on cruise ships. According to the Avalon Report, along with our leading market position in the core duty-free segment in India and Sri Lanka, we are also one of the key players in the global cruise line travel retail market.

We derive our revenues from multiple sales channels, including airports, cruise lines, in-flight sales and other channels (including stores at seaport, border-crossing and downtown diplomatic/military duty-free locations). As of September 30, 2017, we operated 308 stores with an aggregate retail area of 39,625 square meters, including 99 stores located in 39 airports, 186 stores on-board 60 cruise ships, 23 stores at seaport, border-crossing and downtown diplomatic/military duty-free locations, and in-flight duty-free retail operations for seven airlines. In addition, we have recently forayed into a new sales channel, duty-free retail on ferries, which commenced operation out of Świnoujście, Poland in November 2017.

Our operations consist of different store formats, including: (i) core duty-free/duty-paid stores, (ii) duty-free/duty-paid speciality stores focusing on fashion, souvenirs, technology, watches and jewellery, (iii) duty-paid F&B outlets, (iv) diplomatic/military duty-free/duty-paid stores specially operated for retail sales to diplomats and envoys, and (v) duty-free/duty-paid convenience stores. We sell a large range of products in the following main product categories: liquor, tobacco products, watches and jewellery, cosmetics and toiletries, food and candies, apparel and accessories and other products.

As we have grown, we have diversified our business geographically. However, emerging markets (such as India, Sri Lanka, Poland, Turkey, Ukraine and the African countries in which we operate) continue to be our focus. Emerging markets have experienced significant growth in recent years and there remains significant room for continued growth. For Fiscals 2015, 2016 and 2017, our revenue generated from emerging markets was ₹ 18,819.14 million, ₹ 20,204.41 million and ₹ 21,494.84 million, respectively, which represented 78.19%, 56.57% and 55.19% of our total revenue for the corresponding periods, on a proforma consolidated basis.

Within emerging economies, India is one of our fastest growing markets and according to the Avalon Report, we were the market leader in the Indian travel retail market, in terms of the number of locations where we operated core duty-free stores and the aggregate retail area of core duty free stores we had as of September 30, 2017 and in terms of access to the number of passengers in Fiscal 2017. We were also the second largest duty-free operator in India in terms of the revenue generated in India in Fiscal 2016, according to the Avalon Report. As of September 30, 2017, we operated 28 core duty-free stores in 11 of the top 20 international airports in India (in terms of international passenger traffic in Fiscal 2017), according to the Avalon Report. In addition, as of September 30, 2017, we had a total of 16 speciality stores in Mumbai and Delhi airports with an aggregate retail area of 1,678 square meters and eight core duty-free stores at eight seaports in India with an aggregate retail area of 1,345 square meters. We also operate two core duty-free stores in BIA, Colombo (Sri Lanka's only international airport with duty-free retail) alongside the other duty-free operator on a split concession model with a retail area of 715 square meters out of a total retail area of approximately 1,247 square meters. For Fiscals 2015, 2016 and 2017, our India and Sri Lanka operations generated revenue of ₹ 10,781.80 million, ₹ 12,114.41 million and ₹13,895.78 million, respectively, which represented 44.80%, 33.92% and 35.68% of our total revenue for the corresponding periods, on a proforma consolidated basis.

As we have grown and diversified our sales channels, we have become one of the key players in the cruise line duty-free market. We acquired Harding Retail through Flemingo UK in November 2014 and entered into the cruise line travel retail market. As of September 30, 2017, Harding Retail had 186 stores on-board 60 cruise ships in partnership with 17 cruise line operators. For the years ended December 31, 2015 and 2016, our United Kingdom segment had revenue of ₹ 9,702.39 million and ₹ 12,542.87 million, respectively, which represented

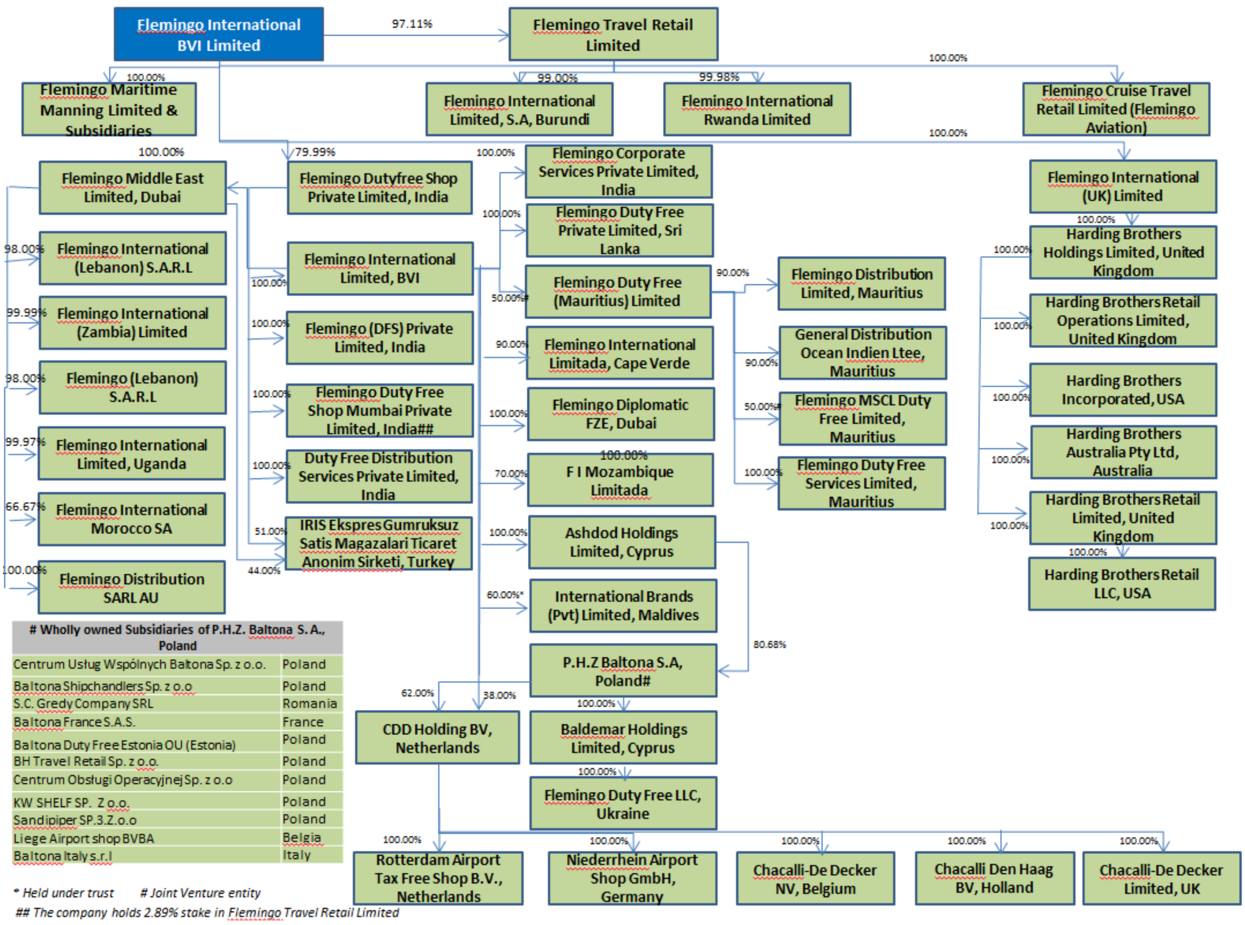
27.17% and 32.20% of our total revenue for Fiscals 2016 and 2017, respectively, on a proforma consolidated basis.

We have developed expertise in building strong relationships with our concession landlords (including airport authorities and operators as well as some of the world's major cruise liners) as evidenced by a high renewal rate of our concessions. We believe that the location of many of our operations, including in India and other emerging markets, gives us a competitive advantage in helping us lower our operating costs.

For Fiscals 2015, 2016 and 2017, on a proforma consolidated basis, our total revenue was ₹ 24,069.08 million, ₹ 35,713.83 million and ₹ 38,950.10 million, respectively, which increased at a CAGR of 27.21%. Our EBITDA was ₹ 1,346.02 million, ₹ 2,115.78 million and ₹ 1,622.04 million, respectively. For Fiscals 2015, 2016 and 2017, our Company, on an unconsolidated basis, generated total revenue of ₹ 4,253.71 million, ₹ 5,474.61 million and ₹ 6,063.79 million, respectively, which increased at a CAGR of 19.40%, and had an EBITDA of ₹ 308.89 million, ₹ 441.41 million and ₹ 550.24 million, respectively. In this section, CAGR is computed as CAGR=(ending value/starting value)$^{(1/\text{number of years})}$-1.

Our Proposed Restructuring

In connection with the Offer, our Group is in the process of undertaking an internal restructuring under which, subject to the completion of the Offer among other things, our Company will acquire the Target Companies and all entities within our Group will be held, directly or indirectly by our Company (the "**Restructuring**"). The following chart shows our Group structure as of the date of this Draft Red Herring Prospectus:



As of the date of this Draft Red Herring Prospectus, our Group's business operations comprise the following four business segments:

- Indian Subcontinent segment: includes our operations in India (under Flemingo Dutyfree Shop Private Limited ("**Flemingo India**") and our Company), Sri Lanka and Maldives;

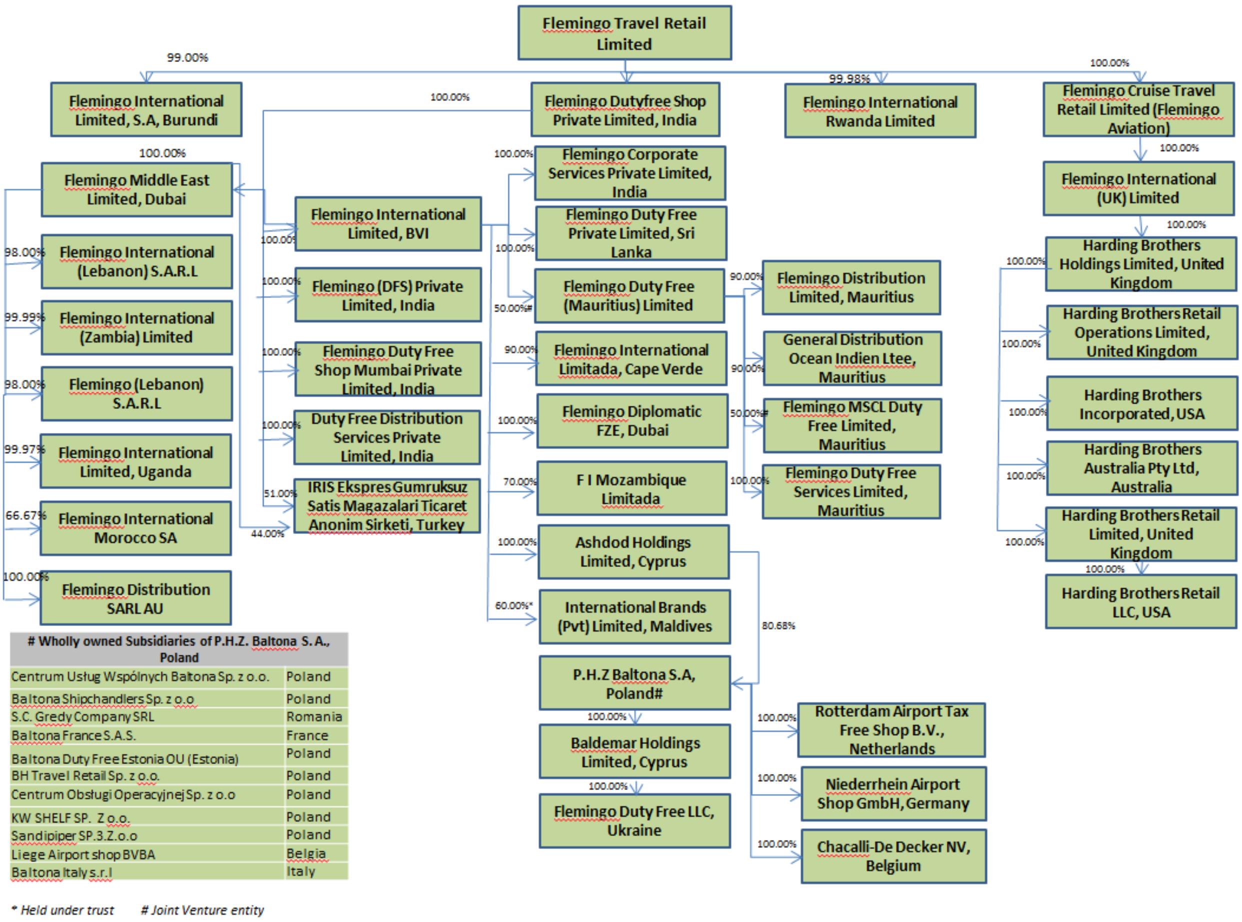
- United Kingdom segment: includes our cruise line travel retail operations under Flemingo International (UK) Limited ("**Flemingo UK**");

- Europe segment: includes operations under PHZ Baltona S.A. ("**Baltona**"), CDD Holdings B.V ("**Chacalli**") and İris Ekspres Gümrüksüz Satış Mağazaları Ticaret Anonim Şirketi ("**IRIS Ekspres**"); and

- Rest of the World segment: includes our Middle East and Africa operations in UAE, Lebanon, Uganda, Burundi, Zambia, Morocco, Cape Verde, Mozambique and Rwanda.

On February 9, 2018, our Company entered into the Flemingo India SPA with Flemingo International, Viren Ahuja, Arjun Ahuja, Karan Ahuja, Symbolic and Flemingo India to acquire a 100% of the issued and paid up capital of Flemingo India. Flemingo India will become a subsidiary of our Company on completion of this acquisition along with its direct and indirect subsidiaries, except certain excluded subsidiaries. Some of the direct or indirect subsidiaries of Flemingo India are either dormant or in the process of being wound up or otherwise are not intended to be transferred to our Company, pursuant to the Flemingo India SPA. Accordingly, such subsidiaries of Flemingo India will be either wound up or transferred to a third party, prior to the date of completion of the Offer, i.e. the Pre-completion Restructuring. On February 9, 2018, our Company entered into the Flemingo UK SPA with our Corporate Promoter, Flemingo International, Flemingo UK and Flemingo Cruise to acquire from Flemingo International a 100% equity interest in Flemingo UK by acquiring a 100% of the issued and paid up capital of Flemingo Cruise which will be the immediate holding company of Flemingo UK. Upon completion of this transaction, Flemingo UK and Flemingo Cruise, along with their direct or indirect subsidiaries, will become subsidiaries of our Company. The completion of the Restructuring is subject to certain conditions set forth in the Flemingo India SPA and the Flemingo UK SPA. The net proceeds raised by our Company from this Offer will be used to pay the consideration for our Company's acquisitions of the Target Companies. See "*Objects of the Offer*" on page 98 and "*History and certain Corporate Matters – Other agreements*" on page 171 for a discussion of the Flemingo India SPA and the Flemingo UK SPA.

The following chart shows our Group structure after completion of the Restructuring:



For further details, see "*History and certain Corporate Matters*" and "*Our Group Companies*" on page 166 and page 200, respectively.

Post Restructuring, our Group's business operations will continue to consist of four business segments, namely the Indian Subcontinent (our India, Sri Lanka and Maldives operations), the United Kingdom (our cruise line travel retail operations), Europe (our Baltona and Turkey operations) and the Rest of the World (our Middle East and Africa operations).

Key Competitive Strengths

We attribute our success to the following key competitive strengths:

Global travel retailer with diversified operations across multiple sales channel and geographic markets

We are a global travel retailer with geographically diverse business operations across the Indian Subcontinent (our India, Sri Lanka and Maldives operations), the US/Caribbean, Europe, the Mediterranean and Australia (our cruise line travel retail operations), Europe (our Baltona and Turkey operations) and the Rest of the World (our Middle East, Africa and St. Marteen operations). As of September 30, 2017, we had operations in 119 locations in 26 countries.

We derive our revenues from different geographic markets supported by multiple sales channels, including airports, cruise lines, in-flight retail and other channels (including stores at seaport, border-crossing and downtown diplomatic/military duty-free locations). As of September 30, 2017, we had the following stores in four geographic markets:

Sales Channels	Indian Subcontinent		United Kingdom (Cruise Line)		Europe		Rest of the World(2)	
	Number of stores	**Retail area (square meters)**	**Number of stores**	**Retail area (square meters)**	**Number of stores**	**Retail area (square meters)**	**Number of stores**	**Retail area (square meters)**
Airports	46	9,559	-	-	36	6,331	17	1,463
Cruise ships	-	-	186	15,570	-	-	-	-
In-flight	-	-	-	-	-	-	-	-
(airlines)(3)								
Others(1)	8	1,345	-	-	7	1,114	8	4,245
Total(3)	**54**	**10,904**	**186**	**15,570**	**43**	**7,444**	**25**	**5,708**

Notes:

(4) Includes stores at seaport, border-crossing and downtown locations.

(5) Includes Middle East, Africa and St. Marteen. We have closed our F&B outlet in St. Marteen as of the date of this Draft Red Herring Prospectus due to the destruction of Princess Juliana International Airport in a hurricane.

(6) Does not include in-flight retails on-board seven airlines. We do not count retail businesses on-board airlines as stores.

The following table sets forth the distribution of our revenue from concession sales, on a proforma consolidated basis, by sales channels and the percentage of such revenue attributable to each sales channel for the periods indicated:

Sales channels	Revenue from Concession Sales(1)(2)(3)					
	Fiscal					
	2015		**2016**		**2017**	
	(in ₹ million)	**(%)**	**(in ₹ million)**	**(%)**	**(in ₹ million)**	**(%)**
Airports	13,737.97	79.09	15,950.22	55.33	17,522.56	52.98
Cruise ships	-	-	9,654.25	33.49	12,510.22	37.83
In-flight	2,106.93	12.13	1,949.46	6.76	1,854.87	5.61

Other(4)	1,524.78	8.78	1,273.30	4.42	1,182.25	3.58
Total	**17,369.68**	**100.00**	**28,827.23**	**100.00**	**33,069.90**	**100.00**

Notes:

(5) *Includes revenue of our Company since April 1, 2014.*

(6) *Includes revenue of Flemingo UK and its subsidiaries since November 17, 2014.*

(7) *Includes stores at seaport, border-crossing and downtown locations.*

(8) *We also had revenue from non-concession sales of ₹ 6,699.4 million, ₹ 6,886.6 million and ₹ 5,880.20 million for Fiscals 2015, 2016 and 2017, respectively, which represented revenue from our wholesale business for the corresponding period on a proforma consolidated basis.*

We have developed expertise in operating in several of the world's fast-growing travel retail markets which is a function of our origins in the Indian market and our subsequent experience in other emerging markets. Our overall operational track record in the travel retail market is greater than 14 years with some of our acquired companies having been in the business for more than 20 years. For Fiscals 2015, 2016 and 2017, on a proforma consolidated basis, 78.19%, 56.57% and 55.19% of our total revenue, respectively, was generated from emerging markets, and the remaining 21.81%, 43.43% and 44.81% of our total revenue, respectively, was generated from developed markets.

Market leader in the fast growing Indian and Sri Lanka travel retail market

We have a well-established presence in India and Sri Lanka. We had a total of 54 stores in India and Sri Lanka covering an aggregate retail area of 10,904 square meters as of September 30, 2017. According to the Avalon Report, we were the market leader in the fast growing Indian travel retail market, in terms of the number of locations where we operated core duty-free stores and the aggregate retail area of core duty-free stores we had as of September 30, 2017, and in terms of access to the number of passengers in Fiscal 2017. We were also the second largest duty-free operator in India in terms of the revenue generated in India in Fiscal 2016, according to the Avalon Report. As of September 30, 2017, we had 28 core duty-free stores in 11 out of the top 20 international airports in India (in terms of international passenger traffic in Fiscal 2017), where we operated 46.7% of the aggregate retail area of core duty-free stores. Passenger flow through our core duty-free stores in India represented approximately 48.1% of international air passengers from or to the top 20 international airports in Fiscal 2017 and 37.1% of the Indian duty-free retail market in terms of revenue generated in Fiscal 2016, based on the Avalon Report. As of September 30, 2017, we also had a total of 16 speciality stores in Mumbai and Delhi airports with an aggregate retail area of 1,678 square meters. As of September 30, 2017, our concession contracts with airport authorities and operators in India had an Average Remaining Concession Life of 8.36 years. We are one of the two duty-free operators in Sri Lanka's BIA, Colombo with the larger retail area of 715 square meters and our concession is until March 2022. In addition, we also had eight core duty-free stores at eight seaports in India with an aggregate retail area of 1,345 square meters as of September 30, 2017.

According to the Avalon Report, Indian and Sri Lanka travel retail market is one of the fastest growing markets in air traffic and duty-free spending globally, as customers in these countries have increasing disposable income and are expanding their duty-free shopping beyond liquor and tobacco products. Also, according to the Avalon Report, FTA in India have increased at a CAGR of 6.9% from 6.3 million tourists in 2011 to 8.8 million in 2016. Further, Indian national departures have also shown growth at a CAGR of 9.3% from 14.0 million tourists in 2011 to 21.9 million in 2016. As per the AAI, international passenger traffic in India is likely to increase at an annualised rate of 8.6% during the period of Fiscals 2017 to 2020 and is expected to reach 76 million by Fiscal 2020. We have also witnessed a steady increase in spend per passenger in the India market. Spend per passenger in our Indian stores has increased from ₹ 154.12 in Fiscal 2012 to ₹ 299.39 in Fiscal 2017 with a CAGR of 14.2%. We have witnessed spend per passenger in our Indian stores at ₹ 301.00 in the six months ended September 30, 2017 as compared to ₹ 288.82 in the six months ended September 30, 2016, a growth of 4.2%. In addition, the government has adopted favourable policy measures (high budgetary allocation, relaxation of foreign investment and tax exemptions) for the development of airport infrastructure in India, which is expected to drive long-term sustainable growth in the Indian duty free market. Also, according to the Avalon Report, Sri Lankan airports have seen a growth of 11.3% in passenger traffic in 2016 as compared to 2015 and a CAGR of 7.6% between the period of 2012 and 2016, and the spend per passenger in our Colombo stores has increased from US$3.35 in 2012 to US$4.76 in 2016. As a leading duty-free operator, we are well-positioned to capture the growth in the travel retail market in India and Sri Lanka.

We believe that India continues to be a complex market for duty-free operations, requiring in-depth knowledge of the regulatory regime. Over the years, we have strengthened our presence in India and Sri Lanka, which we believe provides us with greater background and knowledge than potential new entrants in this market.

One of the largest global travel retailers in the cruise line travel retail market

We are one of the largest global travel retailers in the cruise line travel retail market according to the Avalon Report. As of September 30, 2017, Harding Retail, which has more than 20 years of experience in the global cruise line travel retail operations, operated on 60 cruise ships with 186 on-board stores covering a total retail area of 15,570 square meters by entering into concession agreements with 17 cruise line operators, including Carnival Cruises, P&O Cruises, P&O Australia, Cunard, Ocean Cruises, and other cruise line operators. Harding Retail is present in cruise routes primarily throughout the US/Caribbean, Europe, the Mediterranean and Australia. The table below set forth the movement of cruise line operators and cruise ships Harding Retail operated on in the periods indicated.

	2015		**2016**		**Nine months ended September 30, 2017**	
	Cruise Line Operators	**Cruise Ships**	**Cruise Line Operators**	**Cruise Ships**	**Cruise Line Operators**	**Cruise Ships**
Opening number at the beginning of the period	16	43	17	45	17	58
New additions	2	6	1	14	1	5
Termination/Expiry	1	4	1	1	1	3
Closing number at the end of the period	17	45	17	58	17	60

With an average of approximately ten years of business operations with its cruise line operators, we believe that Harding Retail has built strong relationships with and is a preferred partner of many well-known cruise line operators. In 2017, Harding Retail was awarded the "Cruise & Ferry Line Retailer of the Year" by Frontier Magazine published by Metropolis International Group Ltd. Harding Retail is well-placed to increase penetration in an industry with high entry barriers including complex logistics with long-lead times and on time delivery requirements, complex worldwide regulatory frameworks and market preference for reliable partners with proven capabilities. Harding Retail operates an in-house logistics function from three distribution centres (Bristol, Miami and Sydney) through road, sea and air freight with over 1,100 deliveries across the globe annually. With a network of long-standing logistics partners and experts in customs, its in-house team of customs administrators, and a dedicated team of port agents, Harding Retail is responsible for timely delivery of goods to cruise ships, which is a critical factor in the success of the cruise line travel retail industry. We periodically reassess our various product offerings, provide differentiating in-house design and store-building services and introduce leading-edge concepts to drive growth in cruise line travel retail. For example, we have partnered with Holovis International, a company specialised in digital integration and multisensory, immersive and interactive platforms, exclusively for cruise retail to offer augmented reality experiences that include virtual reality and mobile apps to enhance our duty-free stores on cruise lines.

Long term, diversified concession portfolio

We have assembled a diversified portfolio of travel retail concessions, and we had the following concessions as of September 30, 2017:

	Concession							
	Indian Subcontinent		**United Kingdom (Cruise Line)**		**Europe**		**Rest of the World**(2)	
Sales Channel	**Number of Concessions**	**Retail area (square meters)**	**Number of Concessions**	**Retail area (square meters)**	**Number of Concessions**	**Retail area (square meters)**	**Number of Concessions**	**Retail area (square meters)**
Airports	17	9,559	-	-	36	6,331	14	1,463
Cruise ships	-	-	60	15,570	-	-	-	-
In-flight	1	-	-	-	6	-	-	-

Sales Channel	Concession							
	Indian Subcontinent		United Kingdom (Cruise Line)		Europe		Rest of the World(2)	
	Number of Concessions	Retail area (square meters)	Number of Concessions	Retail area (square meters)	Number of Concessions	Retail area (square meters)	Number of Concessions	Retail area (square meters)
Others(1)	8	1,345	-	-	7	1,114	7	4,245
Total	**26**	**10,904**	**60**	**15,570**	**49**	**7,444**	**21**	**5,708**

Notes:

(3) Includes stores at seaport, border-crossing and downtown locations.

(4) Includes Middle East, Africa and St. Marteen.

For Fiscals 2015, 2016 and 2017, 28.02%, 22.35% and 23.49% of our revenue (on a proforma consolidated basis) were generated from concessions with a remaining term of five or more years, respectively. The table below sets out certain information for our concessions as of September 30, 2017.

Geographic regions	No. of Concessions	Remaining Concession Life				
		</= 1 year	1-3 years	3-4 years	4-5 years	>5 years
Indian Subcontinent						
India	25	4	3	1	4	13
Sri Lanka	1	-	-	-	1	-
United Kingdom	**60**	**12**	**30**	**17**	**1**	**-**
Europe	**49**	**2**	**17**	**6**	**23**	**1**
ROW(1)	**21**	**4**	**5**	**3**	**3**	**6**
Total	**156**	**22**	**55**	**27**	**32**	**20**

Note:

(2) Includes the Middle East, Africa and St. Marteen.

As we have grown and diversified, we have won concession contracts across various geographic markets, pursued concessions in evolving market conditions, and maintained a track record of success in winning/renewing concessions. In the last three years and the nine months ended September 30, 2017, we successfully acquired 11 out of 12 airport concessions we bid for in India and Sri Lanka in this period (including both new and renewed concessions), achieving a win rate of 91.67%. Our relatively low operating costs model (primarily as a function of operating in emerging markets) enables us to offer a higher revenue share to the airport authorities and operators and other facility landlords. Our global footprint and scale of business operations enable us to meet our concession landlords' technical requirements. Our relationships with brands, in particular Harding Retail's strong relationships with many premiums brands, enable us to introduce new brands to the other markets in which we operate. In addition, over the years we have established long-term relationships with many airport authorities and well-known cruise line operators. For example, our concession agreement with the Mumbai airport authority for the flagship store (including four core duty-free stores) at the Chhatrapati Shivaji International Airport in Mumbai is valid until December 31, 2024. Subsequently, in 2016, our Company also secured an option to extend the concession for another three years until December 31, 2027. All these factors provide us competitive advantages for winning new concessions.

Proven track record of successful acquisitions

We have a proven track record of growth through strategic acquisitions, which we believe is particularly important as the global travel retail sector has experienced significant consolidation and is increasingly dominated by large, global players across geographies, sales channels and retail formats. We have pursued selective strategic acquisitions as a means to expand our operations, enhance our global competitive position and capitalise on potential operational synergies. Set forth below are some of our past acquisitions which have added new markets, sales channels or concessions to our business operations:

- Between 2010 and 2011, we acquired an 80.68% equity interest in Baltona and entered the European market.

- Between 2011 and 2012, we acquired a 95% equity interest in IRIS Ekspres and added the in-flight sales channel to our business.

- In 2014, we acquired a 100% equity interest in Harding Retail, which brought us a broad cruise line duty-free business. We also strengthened our presence in the European market and enhanced synergies in procurement, manpower and logistics.

- Our Company was owned by Flemingo Mumbai as to 30% between March 12, 2009 and November 10, 2014 and as to 49% by Flemingo International (among which ~2.90% was indirectly owned through Flemingo Mumbai) between November 10, 2014 and February 27, 2017. On February 27, 2017, Flemingo International acquired an additional ~51.00% equity interest in our Company and our Company became a ~100.00% owned subsidiary of Flemingo International (among which ~2.90% is indirectly owned through Flemingo Mumbai). On November 9, 2017, the remaining shares held by DFS Venture Singapore and DFS Singapore were transferred to Flemingo International, subsequent to which our Company has become a 100% owned subsidiary of Flemingo International (among which ~2.90% is indirectly owned through Flemingo Mumbai). Consequent to the acquisition of an additional ~51.00% stake in our Company in February 2017, Mumbai core duty-free stores contributed the highest revenue within our Group in the six months ended September 30, 2017.

We have historically introduced operating efficiencies, revenue growth and/or increased profitability in our acquired businesses, resulting in increased operating margins. For example, we have significantly grown the business and improved the financial performance of Harding Retail following its acquisition by Flemingo UK. In the years ended December 31, 2015 and 2016, the United Kingdom segment generated revenue of ₹ 9,702.39 million and ₹ 12,542.87 million, respectively, and an EBITDA of ₹ 146.90 million and ₹ 40.99 million for the corresponding periods. For further details, see *"Management's Discussion and Analysis of Financial Condition and Results of Operations – Results of Operations of the Target Companies – Harding Operations"* on page 253.

Strong relationships with suppliers and a wide range of product offerings

A reliable procurement network is crucial in operating a travel retail business and we believe we have a strong reputation among our suppliers. This reputation is a result of relationships built and consolidated through the years as we have expanded our geographic footprint, sales channels and range of products.

The strong relationships with our suppliers enable us to offer a wide range of attractive brands for several product categories at competitive prices and also allow us to access leading global brands. Leveraging our strong relationship with our suppliers, we have introduced a number of firsts in in the Indian travel retail market and cruise line duty-free retail. For example, our flagship operations in our Mumbai flagship store include a single malt assortment of more than 100 SKUs. It was also the first store to launch specialty products like Absolut India and Glenlivet Single cask edition. In addition, the Mumbai flagship store was the world's first to launch a branded "JW House" (Johnny Walker Whisky) in an airport location and the first to launch a "Luxe Boutique" multi-branded luxury store from Pernod Ricard.

We believe that our wide range of products caters effectively to our customers' needs that are evolving to include a greater range of products beyond liquor and tobacco products. In addition, our scale of business provides us bargaining power when we negotiate contract terms with our suppliers. Leveraging Harding Retail's strong relationship with premium brands, we are able to introduce high-quality products to stores in India, Sri Lanka and other emerging markets, which gives us a competitive advantage when negotiating new concessions.

Experienced executive management team and a multinational workforce

We believe that the experience, depth and diversity of our executive management team are distinct competitive advantages. Our key group level management team has extensive experience in and in-depth knowledge of the global travel retail industry. Our individual Promoter, Atul Vini Ahuja, has approximately 15 years of experience in travel retail operations and management. In addition, our regional management teams possess in-depth knowledge of their specific markets. For example, the Harding Retail management team has, on average, approximately 11 years of experience in the cruise line travel retail business. With their diverse expertise and multicultural backgrounds, our regional management teams bring considerable insight and experience gained in the market. Each member of our management team possesses values, ideas and leadership capabilities that define our organisational decisions and drive our business success. We believe that with such extensive industry-related experience and operation management skills among our management team, we are well-positioned to identify and pursue growth opportunities.

In addition, as of September 30, 2017, we had 2,616 full-time employees and 628 temporary retail staff on-board cruise ships who represented around 50 nationalities, providing us with strong local knowledge at our retail locations and in our day-to-day operations. Knowledge and skills are shared through our "Retail Excellence" initiative within our Group to maximise commercial opportunities and introduce the latest thinking into our retail operations.

Our Strategy

Our goal is to take advantage of various growth opportunities to profitably grow our business by scaling up our existing operations and diversifying our business further across multiple geographies and sales channels. Our mission is to be a preferred travel retailer delivering high value for both our concession landlords and customers through being the partner of choice for brands. Our strategies to achieve our goal and mission include:

Capitalise on the growth in the Indian and Sri Lanka travel retail market

We intend to capitalise on the growth of the travel retail market in India and Sri Lanka. Leveraging our global footprint, our relatively low operating costs model and our access to premium brands and applying our local market knowledge, we plan to increase our retail area further by winning new concessions. We also plan to expand sales channels and retail formats, such as border-crossing stores and in-flight duty-free retail, and increase the scale of our web-based pre-order operations. Another potential area of growth is expansion into duty paid business in domestic airports. The current duty paid regulations in India do not allow us to operate duty paid business in domestic airports. However, given our scale and experience in the Indian travel retail sector, we are well placed to capture this upside when the regulations change. We already have a master concession in Kolkata where due to regulatory restrictions, we lease out the retail areas to third parties.

We aim to drive our growth in India and Sri Lanka by focusing on measures to increase conversion rate of passenger traffic into customers and enhance passenger spend at our stores, including through improved store layout and customer service, shifting product mix towards higher margin products (and taking advantage of increases in duty-free allowances by the GoI), innovative marketing and promotional campaigns and offering more attractive product assortments to customers.

Capture growth opportunities in the cruise line market and improve the operating performance of our cruise line travel retail business

According to the Avalon Report, the number of global ocean cruise passengers has increased from 19.4 million in 2011 to 24.6 million in 2016, increasing at a CAGR of 4.9% over this period and the number of passengers is expected to grow at a rate of 4% between 2016 – 2022 to reach 30.2 million by 2022. In order to cater to the dynamic vacation pattern of today's customers, the cruise industry is currently undergoing significant investment into new, more innovative and ever-bigger vessels capable of carrying more than 5,000 passengers. In addition to this, inclusion of onboard activities such as multi-story shopping centers, restaurants, cafés and pubs, nightclubs, discos, casinos, art galleries and museums, theatres and cinemas, libraries, personal care areas and spas, gyms, swimming pools, tennis courts and ice skating rinks increase passenger footfall. According to the Avalon Report, the top three cruise line operators are expected to add additional capacity of 115,920 berths (amounting to 42.3 million passenger cruise days per annum) to the cruise line market between 2018 and 2022.

We plan to leverage the overall projected growth in cruise line tourist traffic and capacity expansion, position ourselves favourably with cruise line operators and focus on larger passenger capacity ships and a wider range of cruise line operators. We intend to expand our current portfolio of cruise line business by leveraging our credentials as a long-standing maritime retailer with a broad geographical footprint, underpinned by our experience and expertise in recruitment, shop design and fit out, consumer data intelligence, supply chain management and marketing. We will also consider expanding our cruise line travel retail business into Asia. We plan to drive innovative partnerships with cruise line operators and offer attractive revenue sharing models. We will also engage with cruise line operators in the early design stage of vessels with a focus on retail area design.

In addition, we aim to enhance margins through vendor negotiation, product mix management and tighter stock control. We will focus on higher margin products such as jewellery, watches and beauty products. We will continue to negotiate for better trade and pricing terms by leveraging our strong relationships with suppliers, which will enable us to offer more competitive prices to our customers. Also, we plan to reduce our expenses. For instance, we plan to have key brands fund promotion activities in our stores. We also plan to develop an integrated digital platform in partnership with our key brands and an exclusive cruise retail partnership with a market leading digital solution provider, Holovis International, to drive customer engagement, conversion and sales.

Build strong growth momentum in Europe

In Europe, we plan to consolidate our airport position in the region by adding new retail areas and product categories, in particular F&B spaces, through direct negotiations, acquisitions or participation in new tenders. We will continue to work on innovative marketing strategies for higher conversion rates**,** including development of leading airport digital platform solutions. We also plan to grow our in-flight retail portfolio through new contracts outside of Turkey and expand the ferry travel retail business model throughout the Nordic/Baltic and UK/Irish ferry channels in view of the impending exit of the UK from the EU.

Expand our operations globally through strategic acquisitions

We operate in a global travel retail market with industry worldwide revenue in 2016 according to the Avalon Report amounting to US$63.4 billion which is forecasted to grow to US$82.6 billion in 2021. The global travel retail market will grow at a rate of 5.4% to US$82.6 billion in 2021. In 2016, Asia Pacific had duty-free retail revenue of US$ 27.4 billion and a market share of approximately 43%, and the region is expected to remain the largest market in the world through 2021 with expected duty-free retail revenue of US$37.7 billion and a market share of approximately 46%. In particular, airport duty-free in India and Sri Lanka is estimated to grow with a CAGR of 9.6% from 2017 to 2021 and airport duty-free in Poland is estimated to grow with a CAGR of 7.0% during the same period. The second largest region is Europe with a market share of approximately 30% in 2016, and Europe is expected to reach approximately US$22 billion in sales by 2021 with a market share of approximately 26%.

In the past we have successfully used acquisitions to expand our operations and consolidate our presence in new markets and travel retail channels. We believe that the highly fragmented nature of the industry and the continued growth of the global travel retail market will continue to offer consolidation opportunities. We intend to continue our expansion in a cost effective manner through strategic acquisitions in high growth markets and geographies that complement our existing operations. We believe our track record as an active acquirer in the industry combined with our knowledgeable local and regional teams allow us to quickly identify, structure, execute and integrate acquisitions.

Expand our concession portfolio

We will constantly seek new opportunities to acquire more concession agreements by leveraging our global operations and applying our local market knowledge. For example, we believe that the GoI's proposed investments towards development and upgrading of airport infrastructure for Indian airports will offer us an opportunity to strengthen our leadership position in the India market through bidding for new concessions, expanding retail area and increasing passenger traffic through our stores. We believe that the combination of our global market expertise and our local knowledge in each of our target markets positions us well to acquire new concessions in promising locations on attractive terms.

We seek to structure our relationships with concession landlords as long-term partnerships. We may provide expertise in the development of all or a significant part of the amenities offered at a facility, or may offer the facility operator or owner a profit share. Our goal is to offer our concession landlords a comprehensive package, which allows us to develop the full potential of each of our locations. This approach is designed to create incentives for better long-term development of the facility for us as well as our concession landlords, thereby resulting in longer concession terms and higher renewal rates.

Business Operations

We operate all of our stores and are responsible for ownership and all aspects of the management of inventory and employees within each store, except for our duty-free downtown and distribution operations in Mauritius which is a 50:50 joint venture with our local partner. We operated our Company as a joint venture until Flemingo

International acquired an additional ~51.00% stake on February 27, 2017. We operate our stores at airports, on-board cruise ships and ferries, and at seaport, border-crossing and downtown locations. Further, we operate full trolley in-flight sales on airlines.

Our retail formats

Our retail formats across our network include the following.

Core duty-free/duty-paid stores

Our core duty-free/duty-paid stores are typically located in airports and seaports, and are also present on cruise ships and at border-crossing and downtown locations.

Our airport duty-free stores are mainly operated under the "Go Duty Free" and "Baltona Duty Free" brands or co-branded with the airports. Our stores are tailored to provide travellers with an easy lay-out to navigate and an attractive product assortment. We offer a large selection of products and cover a wide range of product categories in our core duty-free/duty-paid stores, including liquor, tobacco products, watches and jewellery, cosmetics and toiletries, food and candies, apparel and accessories, and other products. Our duty-free stores offer prestigious international and local brands across product categories tailored to the needs and expectations of the traveling customers. As of September 30, 2017, we operated 240 core duty-free/duty-paid stores with an aggregate retail area of approximately 30,813 square meters.

Speciality stores

Our speciality stores offer fashion and accessory products, such as watches, jewellery, handbags, sunglasses, apparel, souvenirs and technology. Our speciality stores are located in airports and on-board cruise ships. As of September 30, 2017, we operated 42 specialty stores with an aggregate retail area of approximately 3,305 square meters.

F&B outlets

Our F&B outlets are designed in line with modern restaurant and bar concepts to adapt to the need of passengers at airports and seaports. Our F&B offering varies from a classical dining experience in our Travel Chef and Cavarious restaurants to a take-away coffee/bar offer in our Coffee Express stores in Poland. As of September 30, 2017, we operated 16 F&B outlets with an aggregate retail area of approximately 1,816 square meters.

Diplomatic/military duty-free stores

We operate diplomatic/military duty-free stores used by diplomats and envoys of embassies, consulates, military and international organisations. Our diplomatic stores offer a large selection of products across white goods, consumer goods and core duty-free goods. We also provide online order services including delivery to the customers' residence or embassy under the applicable customs rules and regulations. As of September 30, 2017, we operated seven diplomatic/military duty-free stores in the Netherlands, Belgium, Burundi, South Africa, Lebanon with an aggregate retail area of approximately 3,360 square meters.

Convenience stores

Our convenience stores offer a wide assortment of products ranging from soft drinks, confectionery, tobacco, souvenirs, publication items such as newspapers, magazines and books and other convenience and household products. Convenience stores are located at public areas of airports, within restricted transit areas in airports. As of September 30, 2017, we operated three convenience stores in Abu Dhabi, Modlin and Poznan with an aggregate retail area of approximately 331 square meters.

In-flight

Through our in-flight channel, we operate full trolley sales on-board several international flights out of Turkey and India, selling a tailored and limited offer across core categories of international and local products as well as well-known watches, jewellery, accessories, souvenirs, toys and electronic items. We operate full in-flight retail services for six Turkey-based airlines from all international airports in Turkey (including Antalya, İstanbul Atatürk, Istanbul Sabiha Gokcen, Izmir Adnan Menderes, Ankara Esenboğa, Dalaman and Bodrum Milas airports) under a master contract with the General Directorate of State Airports Authority and the Havaalani Isletme ve Havacilik Endustrileri A.S (authority for Instanbul Sabhia Gokcen) which is valid for five years to June 8, 2019 for all airlines operating out of Turkey through our subsidiary, IRIS Ekspres. The operations cover all aspects of brand/product selection, catalogue production, buying, warehousing and trolley handling as well sales and product training to all airline crew members. Transportation of the trolleys is outsourced to the corresponding airline F&B caterer and the sales transaction is performed by the airline crew members. In addition, as of September 30, 2017, we operated in-flight retail on Jet Airways out of Mumbai and Delhi, India.

Distribution (B2B)

We also run B2B business in India, the UAE and Poland. Our distribution operation sells core category products to third party travel retailers, distributors and ship chandlers.

Pre-order

Our retail offer and marketing is enhanced by use of various e-commerce initiatives such as web-based pre-order for airport passengers for pick-up at departure or arrival counters, or for airline passengers through seat delivery to airline passengers. IRIS Ekspres operates the pre-order service for Nordic flights with three airlines.

Our geographic markets

We operate in four key geographic markets, namely the Indian Subcontinent, the United Kingdom (cruise line travel retail), Europe and the Rest of the World. The following chart shows certain information of our operations in the four geographic markets as of September 30, 2017.

	Indian Subcontinent	**United Kingdom (Cruise Line Travel Retail)**	**Europe**	**Rest of the World**
Key markets	India, Sri Lanka, Maldives	the US/Caribbean, Europe, the Mediterranean, Australia	Poland, Belgium, the Netherlands[(1)], Germany, Romania, Italy, Ukraine, France, Turkey	UAE and Africa (Uganda, Burundi, Zambia, Rwanda, Mozambique, Cape Verde, Morocco)
Sales channels	• 13 airports • eight seaports • in-flight sales on one airline	• 60 cruise ships	• 14 airports • three seaports • in-flight sales on six airlines	• 12 airports • three seaports
Retail formats	• 38 core duty-free stores • 16 speciality stores • in-flight sales on one airline • B2B sales	• 161 core-duty free/paid stores • 25 speciality stores	• 23 core duty-free stores • one speciality store • in-flight sales on six airlines • 14 F&B outlets • three diplomatic/ military duty-free stores • two convenience store • B2B sales	• 18 core duty-free stores • four diplomatic/ military duty-free stores • one convenience store • two F&B outlets
No. of stores	54	186	43	25
Retail area (square meters)	10,904	15,570	7,444	5,708

Note:

(1) Diplomatic operations under Chacalli will be transferred out of our Group prior to the completion of the Offer, as part of the Pre-completion Restructuring.

The following table sets forth our revenues by key geographic markets, on a proforma consolidated basis, for the periods indicated:

Particulars	Fiscal					
	2015		2016		2017	
	(in ₹million)	(%)	(in ₹million)	(%)	(in ₹million)	(%)
Indian Subcontinent(1)	10,928.61	45.41	12,261.58	34.33	14,040.53	36.05
United Kingdom(2)	-	-	9,702.39	27.17	12,542.87	32.20
Europe	9,081.54	37.73	9,417.10	26.37	8,564.39	21.99
Rest of the World(3)	4,058.93	16.86	4,332.76	12.13	3,802.31	9.76
Total Revenue	**24,069.08**	**100.00**	**35,713.83**	**100.00**	**38,950.10**	**100.00**

Notes:

(1) Includes revenue of the Company since April 1, 2014.

(2) Includes revenue of Flemingo UK and its subsidiaries since November 17, 2014.

(3) Includes Middle East and Africa. The revenue for the Rest of the World did not include that of St. Marteen which was treated as part of discontinued operations of the Group.

Indian Subcontinent

The Indian Subcontinent segment includes our operations in India, Sri Lanka and Maldives. The following table sets forth the locations of our stores as of September 30, 2017:

	City	Store Location	Retail Format	Retail Area (square meters)
India		**Airports**		
	Mumbai	Chhatrapati Shivaji International Airport	Core duty free store and specialty store	6,627
	Kolkata	Netaji Subhas Chandra Bose International Airport	Core duty-free store	605
	Chennai	Chennai International Airport	Core duty-free store	505
	Delhi	Indira Gandhi International Airport	Specialty stores	291
	Amritsar	Sri Guru Ram Dass Jee International Airport	Core duty-free store	238
	Calicut	Calicut International Airport	Core duty-free store	187
	Goa	Goa International Airport	Core duty-free store	120
	Tiruchirappalli	Tiruchirappalli International Airport	Core duty-free store	75
	Ahmedabad	Sardar Vallabhbhai Patel International Airport	Core duty-free store	66
	Mangaluru	Mangaluru Airport	Core duty-free store	54
	Jaipur	Jaipur International Airport	Core duty-free store	43
	Lucknow	Chaudhary Charan Singh International Airport	Core duty-free store	33
		Seaports		
	Navi Mumbai	Jawaharlal Nehru Port	Core duty-free store	500
	Haldia	Haldia Port	Core duty-free store	300
	Goa	Goa Sea Port	Core duty-free store	145
	Kolkata	Kolkata Port	Core duty-free store	103
	Mumbai	Mumbai International Cruise Terminal (Mumbai Port Trust)	Core duty-free store	100
	Mangaluru	Mangaluru Port	Core duty-free store	68
	Paradeep	Paradeep Port	Core duty-free store	68
	Mundra	Mundra Port	Core duty-free store	61
Sri Lanka	Colombo	BIA	Core duty-free store	715
Total				**10,904**

We have established our presence in India since 2003 when we won the bid for the first set of four airport concessions opened to private duty-free operations, namely Thiruvananthapuram, Amritsar, Lucknow and Jaipur. As of September 30, 2017, we had expanded our presence to 12 international airports with a total of 44 stores with 8,844 square meters retail area. Among these 12 international airports, we had 28 core duty-free stores in 11 airports. We also had eight stores at eight seaports in India with a total of 1,345 square meters retail areas as of September 30, 2017. Passenger flow through our core duty-free stores in Indian airports represented approximately 48.1% of international air passengers from or to India's top 20 international airports (in terms of international passenger traffic in Fiscal 2017), 46.7% of aggregate retail area of core duty-free stores in India's top 20 international airports as of September 30, 2017 and 37.1% of the Indian duty-free retail market in terms of revenue in Fiscal 2016, based on the Avalon Report.

On April 25, 2016, we entered into a five-year contract with Jet Airways, which became effective on August 1, 2016, and pursuant to this contract, we started to provide full in-flight retail services on the airline for international flights out of Mumbai and Delhi. We offer an assortment of products covering all of our customary product categories. We also offer a pre-order facility in departure services, which enable our customers to book duty-free products when they depart from the airport and collect the products when arrive their destinations.

Our business in India expanded substantially following the full acquisition of our Company by our Corporate Promoter, Flemingo International, in 2017. Our Company's duty-free business comprises 17 stores of 6,627 square meters at the Chhatrapati Shivaji International Airport in Mumbai including four core duty-free stores, one Indian gourmet store and 12 speciality stores, and three stores at the New Delhi airport with an aggregate retail area of approximately 291 square meters as of September 30, 2017. In May 2014, our Company secured a new concession agreement with the Mumbai airport authority for the flagship store (including four core duty-free stores) at the Mumbai airport until December 31, 2024. Subsequently, in 2016, our Company also secured an option to extend the concession for another three years until December 31, 2027. The retail area is 5,374 square metres under the new concession agreement compared to 2,786 square metres under the old concession agreement. As of September 30, 2017, the Average Remaining Concession Life of our Company in Mumbai airport was 9.75 years. As of September 30, 2017 our Company also had three stores in Burundi with an aggregate retail area of 1,170 square meters and one store in Rwanda with a retail area of 90 square meters.

Our presence in Sri Lanka started in 2011 with a concession agreement to operate two duty-free stores at the BIA, Colombo, the largest airport in Sri Lanka. In March 2017, we successfully won a concession contract for a larger retail area from the airport authority until 2022. As of September 30, 2017, we operated one store at each arrival and departure area with a total retail area of approximately 715 square meters.

In the Maldives, we run a wholesale distribution business primarily supplying products to hotels.

As of September 30, 2017, we had 26 concession agreements for our operations in India and Sri Lanka. As of September 30, 2017, our Average Remaining Concession Life in India and Sri Lanka was 7.46 years with a total available retail area of approximately 10,904 square meters. In Fiscals 2015, 2016 and 2017, we incurred concession fees (including linearisation of concession fees of ₹4,771.86 million, ₹5,256.16 million and ₹5,919.74 million in the Indian Subcontinent segment, respectively, representing 43.66%, 42.87% and 42.16% of our proforma consolidated revenue from the Indian Subcontinent segment for the corresponding periods.

Liquor is the most popular product category of our sales in the Indian Subcontinent segment, which contributed more than 50% of our revenue generated in the segment in each of the Fiscals 2015, 2016 and 2017. The following table sets forth the revenue of the Indian Subcontinent segment by product category in the periods indicated:

Particulars	**Fiscal**		
	2015	**2016**	**2017**
	Revenue(1) by percentage (%)		
Liquor	69.92	68.88	66.92
Tobacco products	7.30	7.91	8.27
Watches and jewellery	0.40	0.32	0.18
Cosmetics and toiletries	7.23	8.85	9.12
Food and candies	11.22	12.65	13.14
Others(2)	3.93	1.39	2.37
Total	**100.00**	**100.00**	**100.00**

Notes:

(1) *Includes revenue of the Company since April 1, 2014.*

(2) *Primarily includes souvenirs, logo items and electronic and technology products.*

United Kingdom (Cruise Line Travel Retail)

Harding Retail operates the cruise line duty-free business of our Group. We acquired Harding Retail on November 17, 2014 through Flemingo UK. As of September 30, 2017, Harding Retail operated on 60 cruise ships with 186 on-board stores (including 161 core duty-free stores and 25 speciality stores) in partnership with 17 cruise line partners. Through strong relationships with our diversified well-known cruise operators, Harding Retail is present in cruise routes primarily throughout the US/Caribbean, Europe, the Mediterranean and Australia. Harding Retail's cruise ships operations span a broad spectrum of ship sizes and types with various passenger capacities, crew sizes and retail areas. The retail opportunities on the ships vary significantly. British nationals constitute the majority of passengers with other important nationalities including Americans and Australians. Accordingly, Harding Retail pursues a flexible strategy catering to varied customer preferences which maximise conversion of passenger traffic into customers.

The following table sets forth certain information for our cruise line travel retail operations as of September 30, 2017:

Cruise Line Operators	Number of Ships	Number of Stores	Retail Format	Retail Area (square meters)
Carnival Cruise Line	10	24	Core duty-free/paid store and speciality store	3,865
P&O Cruises	8	33	Core duty-free/paid store and speciality store	3,224
P&O Australia	5	24	Core duty-free/paid store and speciality store	1,551
Cunard	3	16	Core duty-free/paid store and speciality store	1,395
Oceania Cruises	6	14	Core duty-free/paid store and speciality store	788
Others	28	75	Core duty-free/paid store and speciality store	4,747
Total	**60**	**186**		**15,570**

Harding Retail has established relationships with most major cruise lines. The table below sets forth its long-term relationships with the world's major cruise lines as of September 30, 2017.

Cruise Line Operators	Year Commenced	No of years of Partnership
Aegean	2011	6
Azmara Cruises	2011	6
Carnival Cruise Line (Australia)	2009	8
Carnival Cruise Line (USA)	2015	2
Cunard	2002	15
Fred Olsen	1997	21
Celestyal Cruises (ex Louis Cruises)	2011	6
Oceania Cruises	2011	7
P&O UK	1997	20
Royal Caribbean	2008	10
Saga Cruises Limited	2000	17
Seabourn Cruises	2002	15
Seven Seas Regent Cruises	2008	9
Silver Seas	2009	8
Thomson UK	2005	13
Viking Cruises	2014	4

As of September 30, 2017, Harding Retail had 60 concessions with 17 cruise line operators. The Average Remaining Concession Life was 1.9 years with a total available retail area of 15,570 square meters as of September 30, 2017. In the years ended December 31, 2015 and 2016, Harding Retail incurred concession fees of ₹4,018.31 million and ₹5,459.99 million, respectively, representing 41.42% and 43.53% of revenue from the United Kingdom segment for the corresponding periods.

In terms of product category sales mix, cruise line travel retail is very different from airport travel retail. Watches and jewellery constituted the most popular product category for our cruise line retail. The table below sets forth a breakdown of revenue contributions by product categories in our United Kingdom segment for the periods indicated.

Particulars	Year ended December 31,	
	2015[(2)]	**2016**
	Revenue by percentage (%)	
Watches	12.99	15.30
Fashion	14.36	14.99
Fine jewellery	19.96	14.47
Fashion jewellery	12.70	13.33
Beauty products	14.62	12.91
Souvenirs	8.54	8.71
Others[(1)]	16.83	20.29
Total	**100.00**	**100.00**

Notes:

(1) *Includes tobacco, liquor, food, giftware, toiletries, publications and photos.*

(2) *Includes revenue of Flemingo UK and its subsidiaries since November 17, 2014.*

Europe

The following table sets forth the locations of our stores in Europe as of September 30, 2017:

Country	City	Store Location	Retail Format	Retail Area (square meters)
Poland	Poznań	Poznan Airport	Core duty-free/duty paid store, specialty store, convenience store, duty paid airport crew store and F&B outlet	1,539
	Katowice	Katowice International Airport	Core duty-free/duty paid store and F&B outlet	900
	Rzeszów	Rzeszów–Jasionka Airport	Core duty-free/duty paid store, duty paid airport crew store and F&B outlet	630
	Modlin	Warsaw Modlin Airport	F&B outlet and convenience store	422
	Bydgoszcz	Bydgoszcz Airport	Core duty-free/duty paid store and duty paid airport crew store	238
	Gdańsk	Gdansk Airport	F&B outlets	128
	Kraków	John Paul II International Airport Kraków	Duty paid airport crew store	55
	Warsaw	Warszawa Airport	Duty paid airport crew store	23
	Świnoujście	Świnoujście Sea Port	Duty paid core border-crossing store	200
	Kraków	Railway station in Kraków	Railway F&B outlet	104
Belgium	Liège	Liege Airport	Core duty-free/duty paid store	288
	Brussels	Brussels	Diplomatic/military duty free/duty paid store	170
Germany	Weeze	Weeze Airport	Core duty-free/duty paid store	521
Italy	Alghero	Algehro Airport	Core duty paid store	153
France	Montpellier	Montpellier Airport	Core duty-free/duty paid store	201
Netherlands	Rotterdam	Rotterdam Airport	Core duty-free/duty paid store	373
	The Hague	The Hague	Diplomatic/military duty-free store	220
Ukraine	Lviv	Lviv Airport	Core duty-free/duty paid store	860
Romania	Galati	Galati Sea Port	Core duty paid store	166
	Tulcea	Tulcea Sea Port	Core duty paid store	254
Total				**7,444**

Our operations in Europe are primarily carried out by our Polish subsidiary, Baltona, which has been present since 1983 before we acquired it in April 2010, our Belgian subsidiary, Chacalli, which we acquired in 2013, and our Turkish subsidiary, IRIS Ekspres, which we acquired in 2011. In addition to retail duty-free/duty-paid stores, our Europe operations supply duty-free, tax-free and luxury goods directly to diplomats, military organisations and wholesale customers.

Baltona is listed on the Warsaw Stock Exchange and operates duty-free stores under the "Baltona Duty Free" and "Boutique" brands, convenience stores under the "Starter" and "Zoom" brands, and F&B outlets under the "Cavarious", "Travel Chef" and "Coffee Express" brands. Its main operations are located in Poland with presence across 14 airports, three seaports and one railway retail location in eight countries (Poland, Netherlands, Germany, Ukraine, France, Belgium, Italy and Romania) as of September 30, 2017. Baltona also supplies products on a business-to-business basis.

As of September 30, 2017, Baltona had 43 concession agreements with airport, seaport and other landlords. As of September 30, 2017, its Average Remaining Concession Life was 3.5 years with a total available retail area of approximately 7,444 square meters.

Through Chacalli and its subsidiaries, we supply duty-free products to the diplomatic community and military organisations around the world. The major products for diplomatic duty-free that we sold were cigarettes, spirits, wines, champagne and perfumes. Chacalli and its subsidiaries ran three diplomatic and military stores in the Netherlands and Belgium, airport travel retail business in three airports and a B2B business as of September 30, 2017. As part of the Pre-completion Restructuring, the diplomatic business under Chacalli will be transferred out of our Group and the airport and other business will be transferred to Baltona prior to the completion of the Offer.

Our business in Turkey is carried out by our Turkey subsidiary, IRIS Ekspres, which we acquired in 2011. IRIS Ekspres has entered into an exclusive contract with the Turkish airport authority in 2017 which granted IRIS Ekspres the rights to operate in-flight duty-free shopping on all Turkish registered airlines, including Pegasus Airlines and SunExpress, for five years. There is no in-flight duty-free shopping currently operated on Turkish Airlines. As of September 30, 2017, we operated full in-flight services for six Turkey-based airlines (which included approximately 30,000 flights in total in 2016) under a master contract with the General Directorate of State Airports Authority and the Havaalani Isletme ve Havacilik Endustrileri A.S (authority for Istanbul Sabhia Gokcen) for all airlines operating out of Turkey, through our subsidiary, IRIS Ekspres. We also provide pre-flight order services for select product categories.

In the years ended December 31, 2015, 2016 and 2017, the Europe segment incurred concession fees of ₹1,952.17 million, ₹1,815.91 million and ₹1,764.25 million, respectively, representing 21.50%, 19.28% and 20.60% of our revenue from the Europe segment for the corresponding periods.

Tobacco products are the most popular product category in the Europe segment. The following table sets forth the revenue from the Europe segment by product category in the periods indicated:

Particulars	Year ended December 31,		
	2014	2015	2016
	Revenue by percentage (%)		
Liquor	17.07	16.16	14.34
Tobacco products	49.66	51.07	54.13
Watches and jewellery	1.70	1.59	1.21
Cosmetics and toiletries	14.06	13.17	11.31
Food and candies	8.29	11.10	13.39
Apparel and accessories	1.29	1.29	1.37
Others(1)	7.93	5.62	4.25
Total	**100.00**	**100.00**	**100.00**

Note:

(1) Primarily includes souvenirs, logo items and electronic and technology products.

The Rest of the World

The following table sets forth the locations of our stores in the Rest of the World as of September 30, 2017:

Country	City	Store Location	Retail Format	Retail Area (square meters)
Middle East				
UAE	Abu Dhabi	Abu Dhabi	Convenience store	234

Country	City	Store Location	Retail Format	Retail Area (square meters)
Lebanon	Beirut	Beirut	Diplomatic/military duty-free store	200
Africa				
Burundi	Bujumbura	Bujumbura International Airport	Core duty-free store	200
	Bujumbura	Bujumbura	Diplomatic/military duty-free store	970
Cape Verde	Boa Vista	Boavista Airport	Core duty-free store	64
	Praia	Praia Airport	Core duty-free store	22
	Sal	Sal Airport	Core duty-free store	204
Morocco	Tangier	Port of Tangier	Duty-free/duty paid seaport master concession	325
Mozambique	Maputo	Maputo International Airport	Core duty-free store	252
Rwanda	Kigali	Kigali International Airport	Core duty-free store	90
Uganda	Entebbe	Entebbe International Airport	Core duty-free store	80
Zambia	Livingstone	Harry Mwanga Nkumbula International Airport (formerly Livingstone Airport)	Core duty-free store	66
	Lusaka	Lusaka International Airport	Core duty-free store	176
	Ndola	Ndola International Airport	Core duty-free store	15
South Africa(1)	Beitbridge	Beit Bridge	Duty-free core border-crossing store	360
	Pretoria	Pretoria	Diplomatic/military duty-free store	1,800
Ghana(1)	Takoradi	Takoradi Sea Port	Core duty-free store	176
	Tema	Tema Sea Port	Core duty-free store	414
St. Maarten(2)	St. Maarten	Princess Juliana International Airport	F&B outlet	59
Total				**5,708**

Notes:

(1) We have divested our operations in South Africa and Ghana as of the date of this Draft Red Herring Prospectus.

(2) We have closed our F&B outlet in St. Marteen as of the date of this Draft Red Herring Prospectus due to the destruction of Princess Juliana International Airport in a hurricane.

Middle East

We have been present in Dubai for more than a decade and our headquarters are located in Dubai. Our Dubai operations mainly supply products on a business-to-business basis to our African operations. In addition, as of September 30, 2017, we operated two United Nations stores in Lebanon and one convenience store in Abu Dhabi airport under the “Starter” brand.

Africa

We have been present in Africa since 1997 and our operations extended over nine countries, including 14 airport stores, three seaport stores, one border-crossing store and two downtown diplomatic stores as of September 30, 2017.

As of September 30, 2017, we had 21 concession agreements with airport, seaport or other landlords for our operations in the Rest of the World segment. As of September 30, 2017, our Average Remaining Concession Life in this segment was 4.9 years with a total available retail area of approximately 5,708 square meters. In the Fiscals 2015, 2016 and 2017, we incurred concession fees of ₹116.95 million, ₹116.38 million and ₹64.78 million in the Rest of the World segment, respectively, representing 2.88%, 2.69% and 1.70% of revenue from this segment for the corresponding periods.

Our operations in Africa have undergone major restructuring resulting in a new base of fixed overhead costs and we are looking into additional restructuring and divestment in line with our airport and cruise line strategy. As of the date of this Draft Red Herring Prospectus, we have divested our operations in South Africa and Ghana.

Liquor is the most popular product category of our sales in this segment. The following table sets forth our revenue in the Rest of the World segment by product category in the periods indicated:

Particulars	**Year ended December 31,**		
	2014	**2015**	**2016**
	Revenue by percentage (%)		
Liquor	80.77	74.53	73.55
Tobacco products	8.78	4.09	4.91
Watches and jewellery	0.04	0.07	0.14
Cosmetics and toiletries	6.71	9.74	13.35
Food and candies	1.30	4.32	0.51
Others[(1)]	2.40	7.25	7.54
Total	**100.00**	**100.00**	**100.00**

Note:

(1) *Primarily includes souvenirs, logo items and electronic and technology products.*

Concessions

As of September 30, 2017, we operated 308 stores through 156 concession arrangements. We enter into concession agreements with airport authorities, cruise lines operators and other facility landlords to lease and operate these stores. The concession providers typically grant us the exclusive right to sell in a specific location a range of product categories to travellers during the concession period as defined in the respective agreements.

The concession agreements typically specify duration, location, product categories to be sold, obligations and rights of the parties, operational services, manuals and store appearance. They may comprise one or more stores and are awarded in a public or private bid or in a negotiated transaction.

The typical provisions in a concession agreement include, among other things:

- *Fees* – the amounts payable under the concession agreements are either fixed or variable or both and are typically comprised of ground rent and/or concession fees, maintenance charges, utility charges and/or warehouse charges. Concession fees are the higher amount of: (i) the minimum periodic guarantees as initially negotiated with the landlords, or (ii) a variable percentage of the revenue of the store or by product category. The periodic guarantee requires us to pay the fee to the landlords irrespective of the revenues actually generated from our stores.

- *Commercial and pricing policies* – the agreement may, among other things, impose limits to our power in determining freely the price policy to be applied or the range of products offered for sale. For example, we need to follow a general pricing policy in line with other international airports, agreed with the airport authorities in India as a part of the concession agreement.

- *Guarantees* – we typically are required to provide guarantees (by means of bank guarantees, corporate guarantee or cash security deposit) covering the entire term of the concession, to guarantee our performance under the concession agreement.

- *Change of control/ shareholding ownership* – the agreement may include requirements to obtain prior pproval from the landlords before undertaking any change in control or in our shareholding.

- *Termination* – the concession may be unilaterally terminated by the relevant landlords at any time during the concession term with prior written notice and in such case, we will not be entitled to receive any damages, reimbursement of any costs or compensation. See *"Risk Factors – Internal Risk Factors - The operation of our stores depends significantly on concession agreements that may be revoked or modified. Further, the loss of concessions could also negatively affect our revenue and our business"* on page 20.

We focus our strategy on the renewal of existing concessions and on the grant of new concessions.

Our Products and Suppliers

Products

We tailor the products to be offered in each store to the specific nationality and demographic profile and needs of travelling customers.

Our stores offer a wide range of products, from traditional duty-free products such as liquor and tobacco products to food and candies and luxury items offered on a duty-free or duty-paid basis. Our products are divided into the following categories:

Liquor - We offer a wide variety of dark and clear spirits, wines, champagnes as well as beers. The liquor category represents our largest category by revenue. This category is the dominant revenue driver in our Indian Subcontinent segment strongly benefiting from the retail price arbitrage of international (imported) products over the domestic offer. Local products are very important for some of our emerging markets such as Poland, with clear spirits (Vodka) as the main sub-category. In the United Kingdom segment, this category is not dominant as spirits cannot be taken into the cabins after purchase, but are delivered to the customer at the end of the cruise journey.

Tobacco products - With a complete range of cigarettes, cigars and loose tobacco, including smokers' accessories, this category represents our second largest category by revenue. In India and Sri Lanka as well as in most of our other emerging market airports our duty-free retail prices are significant lower than in Western or other Asian duty-free markets (except for the Middle East), and therefore tobacco products are attractive for departing foreign passengers. The arrival business for tobacco products is limited in the India due to low price in the Indian market. While there are no duty-free sales of tobacco allowed within the European Union, some Central and Eastern European Countries (e.g. Poland) see strong revenue generated from very low duty-paid tobacco prices allowing departing EU passengers to benefit from this price differential.

Watches and jewellery – This is the dominant category for our cruise line sales channel, offering a wide range of luxury brands and products across watches, custom jewellery as well as fine jewellery, propelling this growing category into third position in revenue for our Group. This category is also of increasing importance within our airport locations as airport infrastructure improves and commercial space expands. We expect our airport sales channel to benefit from the long-term experience of Harding Retail in this category.

Cosmetics and toiletries - Usually one of the largest categories within travel retail industry, this category has been under-represented in most of our India, Sri Lanka and other emerging market airports due to space constraints and customer demands. With new and enlarged store space in the India and Sri Lanka (e.g. Colombo airport) as well as in many other emerging market airports in which we are operating, we expect high growth from this category. Our offer includes all the leading international brands across the three main categories – perfumes, make-up and skin care. We also carry new market entry brands as well as strong regional brands, and also cover the growing health products category.

Food and candies - Known as typical "add on" sales to liquor and tobacco products in the past, the extended range and the creation of specific category "sense of places" (in particular chocolate) has placed this category as one of the strongest growing within our product categories. Complemented with local specialties, including high-end gourmet food across all retail price levels, we expect a continuous growth in this category.

Apparel and accessories - In this category, we focus on well-known international brands for bags, small leather goods, travel accessories as well as low-seasonal apparel goods, avoiding high seasonal fashion products or fitting-intensive apparel brands. Whereas these products are significant to our cruise retail business, we expect growth in our airport sales channel through our enlarged store foot-print and newly acquired locations.

Others - The most important "other" product sub-categories are represented by a range of souvenirs and logo items, playing a very important role within our cruise retail channel. This category is less brand driven, but is inspired by the location our travelling customers are experiencing, and therefore the proportion of locally sourced regional products tends to be larger. We also include all electronic and technology products which we expect will play a more important role in the future for our customers, in particular in our cruise retail business.

The following table sets forth our revenue (on a proforma consolidated basis) by product category in the periods indicated:

Particulars	Revenue(1)(2)					
	Fiscals					
	2015		2016		2017	
	(in ₹million)	(%)	(in ₹million)	(%)	(in ₹million)	(%)
Liquor	12,470.54	51.81	13,506.91	37.82	14,201.20	36.46
Tobacco products	5,664.99	23.54	6,468.19	18.11	6,727.75	17.27
Watches and jewellery	199.73	0.83	4,621.00	12.94	5,539.81	14.22
Cosmetics and toiletries	2,339.76	9.72	4,381.79	12.27	4,683.22	12.02
Food and candies	2,031.29	8.44	3,048.28	8.54	3,334.19	8.56
Apparel and accessories	116.86	0.49	1,514.81	4.24	1,997.51	5.13
Others(3)	1,245.91	5.17	2,172.85	6.08	2,466.43	6.34
Total	**24,069.08**	**100.00**	**35,713.83**	**100.00**	**38,950.10**	**100.00**

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Notes:
1. *Includes revenue of the Company since April 1, 2014.*
2. *Includes revenue of Flemingo UK and its subsidiaries since November 17, 2014.*
3. *Primarily includes souvenirs, logo items and electronic and technology products.*

Suppliers

We work with a large number of suppliers around the world and have a wide range of brands in each main product category. The products sold in our stores are mainly supplied through an outright purchase system, which is based on specific purchase orders (with previously agreed price terms and conditions in written forms). We plan our procurement based on historic seasonal sales patterns, extrapolated with future passenger/sales expectations including planned promotional events. Order placement is done on a regular basis, weekly, monthly or bi-monthly depending on product classification and overall lead time from order placement to stock availability on shelf. Order quantity is calculated based on sales consumption adjusted to future demand plan, against total lead and after- considering actual stock holding, excluding minimum shelf stock holding of the stores.

Within each main product category, we intend to purchase the goods directly from brand owners or their official distributors, and therefore we have built a strong relationship with owners, brand executives, or senior brand managers of our suppliers.

Logistics

As of September 30, 2017, we operated out of seven central warehouses across five continents, that are either managed in house or through third party logistic providers and are located in strategic proximity to our sales channels, such as Miami, Bristol, Cochin, Chennai, Kolkata, Dubai and Sydney. In addition, we work with freight forwarders across our different regions to ensure safe and on-time delivery.

We have specific distribution model systems for each of Baltona and Harding Retail. In Europe, Baltona provides for direct vendor deliveries to 14 airports across Poland, Ukraine, Romania, Germany, Belgium, Holland, France and Italy. Vendors bear the delivery costs and are subject to strict controls regarding delivery timing and adherence to airport security screening. We retain in-house capabilities for customs compliance administration.

Harding Retail maintains three main distribution centres in Bristol, Miami and Sydney, as well as delivery holding points in the “hub ports” of Greece, Barbados, Southampton and Civitavecchia, which allow for efficient outbound delivery sharing with the three distribution centres. As of September 30, 2017, our three distribution centres managed deliveries to 60 cruise ships in 54 worldwide ports by means of ground, sea and air delivery systems and our in-house team in Bristol administers complicated “niche business” customs requirements by retaining contact and working relationships with local agents worldwide.

In India, we buy directly from brands or appointed distributors with deliveries into our central warehouses in Cochin or Chennai with onward replenishment for the smaller Indian airports, with some direct supplies also sent to certain airports. Our stores at the Mumbai airport are supplied directly from the Mumbai T2 warehouse.

Customers

We have long-standing experience benefiting brands, concession landlords and customers.

Our stores are designed for international travellers and specifically orientated towards their preferences based on factors such as nationality and demographic profiles. The design, space and product portfolio across our retail outlets are tailored by location to permit flexible responses to changes in customer profiles and environmental and economic criteria. By designing our retail area in this way, we actively encourage innovation in selling space for the latest store concepts whether in the form of product novelties, emerging brands or digital innovation.

Our customers are better connected travellers and we maximise communication and selling opportunities at every touch point pre, during and post travel and on vacation through a combination of in-house, brand partner, airport and cruise line communication channels.

Pricing and Marketing

Delivering and maximising best value for our customers and stakeholders is key to our strategy. Prices are set and adjusted against key market factors and promotions are conducted through profiling mechanics using our business intelligence systems. Customer satisfaction is monitored through in house customer exit and industry knowledge.

Promotional activities are set periodically against an activity calendar by category, seasonality and customers to ensure the right products are promoted at the right price for the right customers.

Our store design is developed with design companies engaged by us or through in house design teams. Stores are designed based on the category of brands and market and customer intelligence to achieve the highest margin performance based on category and margin mix management. The design and quality of our store fitting is consistent with international standards, reflecting the customer profile and the sense of place of the location. The fit-out of the store (store floor, air-conditioning, outlets and furniture) is typically paid by us. The concession landlord provides us with bare shell locations and we are responsible for fitting out the stores, including flooring, air-conditioning, electricity and lighting. We aim to recover our capital expenditure through vendor contributions to capital expenditures or through direct vendor funded brand furniture, store-in-stores or freestanding store fittings.

Information Technology

We use information technology systems to help us operate efficiently, increase the scalability of our business and accommodate future growth. We currently use a combination of commercially available and custom-developed software and hardware systems, including the fully integrated, multilingual capable LS Retail as our POS solution for our duty-free stores, duty-paid stores and F&B outlets. LS Retail is integrated with NAVISION or SAP which handles procurement, inventory and finance.

Our Flemingo business intelligence project, which we have rolled out or are in the process of rolling out to all group companies, allows for varied analysis from the micro-level, such as looking at individual basket contents to evaluate linked products and promotions, up to year-on-year sales by location at a macro level. Our business intelligence development enables our senior management to easily assess performance and react more rapidly to trends. We connect all our stores to the system, allowing us to monitor and review inventories effectively.

Human Resources

As of September 30, 2017, we had 2,616 full-time employees and 628 temporary retail staff on-board cruise ships that represented around 50 nationalities. The table below sets forth the division of our full-time employees as of the dates indicated:

Regions	As of March 31,			As of September 30,
	2015	2016	2017	2017
India Subcontinent	648	617	1,339(1)	1,491(1)
United Kingdom(3)	145	175	176	181
Europe	737	613	642	574
Rest of World(2)	1,150	968	352	370
Total	**2,680**	**2,373**	**2,509**	**2,616**

Notes:

1. *Includes employees of our Company of 530 and 661, respectively, as of March 31, 2017 and September 30, 2017.*
2. *Includes employees of our Mauritius joint venture.*
3. *The United Kingdom segment also had 448, 613, 642 and 628 retail staff on-board cruise ships as of March 31, 2015, 2016, and 2017 and September 30, 2017, respectively. The contract term for such retail staff is typically six months.*

Part-time working models are common within retail operations, and we hire part-time workers due to our business models and different opening times of our stores.

We operate on a matrix organisation structure across geographies. Our operation includes a combination of strong regional operations teams with centralised support functions such as supply chain, information systems, finance and business development. The matrix structure encourages a balance of freedom and discipline that improves the overall productivity of the workforce.

We aim to provide excellent customer service at every touch-point. We have designed various training programs to encourage our employees in enhancing their skills, including product and brand knowledge transfer, business intelligence and customer services.

Our workforce is unionised in certain locations, such as some of our employees in Mumbai and all our employees in Baltona and Chacalli. The requirements of the unions vary. We are required to negotiate annual wage settlements with the unions, or notify or discuss changes in employment conditions, retrenchment and dismissal or other employment related issues with the unions, as applicable, under local regulations. We believe our relationships with the respective unions are good.

Competition

The travel retail market is highly competitive. We face two forms of competition in the travel retail market.

Travel retail operators compete primarily on the basis of their experience and reputation in travel retailing, including their relationships with suppliers and concession landlords, their experience in a particular market, their ability to respond to the needs of concession landlords for planning and design advice as well as their operational ability and price (as a concession may be awarded in a tender based upon the highest concession fee offered). In addition, some travel retailers have a competitive advantage due to varying local factors.

We also compete for customers directly with other travel retailers in some of the locations where we operate. As our range of products increases, we become an indirect competitor against traditional main street retailers. The level of competition varies greatly among the different locations where we operate. For example, in a number of airport terminals, we are the sole duty-free operator, while in some locations we compete with other retailers.

Our main airport core duty-free store competitors primarily include, among others, Dufry, Lagardere, Lotte, Heinemann and Shilla with increased competitions from PRC retailers such as CDFG, and our cruise line competitors include Starboard Cruise and Flagship (Dufry) with new entry companies such as Heinemann and B&S Retail. For further details, please see "*Industry Overview*" beginning on page 112.

Insurance

We are covered by adequate property and liability insurance policies with coverage features and insured limits that are customary for similar companies. We currently have the following types of insurance, with certain deductibles and limitations of liability in place for our stores: (1) property insurance covering risks of physical loss of, or damage to, our property; (2) public liability insurance indemnifying us for damages for which we may become legally liable arising out of our business operations; (3) directors and officers insurance; and (4) vehicle insurance for vehicles used by our staff and officials. For further details, please see "*Risk Factors — Internal Risk Factors - Our insurance coverage may not be sufficient or may not adequately protect us against any or all hazards. If our insurance claims are rejected, the loss would be borne by us and our results of operations, financial performance and cash flows could be adversely affected*" on page 33.

Intellectual Property

The "Flemingo" trademark is owned by our Corporate Promoter, Flemingo International. Our Company has entered into a trademark license agreement dated February 9, 2018 with our Corporate Promoter pursuant to which Flemingo International has licensed an exclusive right to use "Flemingo" and "Flemingo-the Duty Free People" trademarks to our Company and any of our existing or future direct or indirect subsidiaries. For further details, see "*History and Certain Corporate Matters – Other agreements*" and "*Risk Factors — Internal Risk Factors - We have not completed the registration of certain trademarks. Our inability to protect our trademarks may adversely affect our goodwill and business*" on pages 171 and 37, respectively. Flemingo India had filed an application for the registration of the trademark "GO DUTY FREE BY FLEMINGO" under the Trademarks Act which was pending approval as of the date of this Draft Red Herring Prospectus.

As of September 30, 2017, Baltona and its subsidiaries had 14 Polish trademark registrations, ten EU trademark registrations and three trademark registrations with World Intellectual Property Organisation. The major trademarks used in the operations of Baltona and its subsidiaries include the trade names "Baltona" and "Starter" for travel retail operations and "Cavarious", "Coffee Corner", "Coffee Express" as well as "Travel Chef" for F&B outlets.

Properties

Our Company's registered office is located at Chhatrapati Shivaji International Airport, New Terminal 2, Sahar Road, Andheri East, Mumbai, Maharashtra 400099, India. The registered office premises are on lease.

Our head office is located in Dubai, United Arab Emirates, where we have a 505 square-meter office and warehouse constructed on a parcel of long-term leased land in duty-free zone for Dubai B2B business. In India, we own a warehouse in Cochin on a parcel of land of 4,286 square meters leased to us by the Development Commissioner, Cochin Special Economic Zone. We also lease properties for our regional offices, warehouses and distribution centres.

KEY INDUSTRY REGULATIONS AND POLICIES

Given below is a summary of certain relevant Indian laws and regulations applicable to the business and operations of our Company. The information in this chapter has been obtained from publications available in the public domain. The description of the applicable regulations as given below has been set out in a manner to provide general information to the investors, and is not exhaustive, and shall not be treated as a substitute for professional legal advice. The statements below are based on the current provisions of applicable law, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

Under the provisions of various Central Government and State Government statutes and legislations, our Company and our Subsidiaries are required to obtain, and periodically renew certain licenses or registrations and to seek statutory permissions to conduct our business and operations. *For details, see "Government and Other Approvals" on page 265.*

The statements below are based on the current provisions of Indian law, and the judicial, regulatory and administrative interpretations thereof, which are subject to change or modification by legislative, regulatory, administrative, quasi-judicial or judicial decisions/actions.

Given below is a brief description of certain relevant legislations that are currently applicable to the business carried on by us.

INDUSTRY SPECIFIC REGULATIONS

Airports Authority of India Act, 1994, and the rules and regulations issued thereunder ("*AAI Act*")

The nodal agency, 'Airports Authority of India' ("**AAI**") was established under the provisions of the AAI Act. The AAI is responsible for the establishment and administration of various airports in India. The function of the AAI, *inter alia*, includes the setting up of duty-free shops within airports by inviting tenders and licensing out floor space. The commercial manual of the AAI deals with allotment of the built-up space and other revenue contracts in respect of all domestic and international airports and stipulates the qualifications of parties intending to file the tender for establishing duty-free shops in airports.

Aircraft (Security) Rules, 2011 ("*Security Rules*")

The Security Rules have been issued under the provisions of the Aircraft Act, 1934, which, *inter alia*, provides that any business establishment in a security restricted area of an aerodrome shall be set up upon receipt of a security clearance from the appropriate authority under the Security Rules, and such business establishment owner shall make and comply with business establishment security programme prepared in accordance with the national civil aviation security programme.

Customs Act, 1962, and the rules, regulations, circulars, and notifications issued thereunder (together, the "*Customs Act*")

The Customs Act has been enacted to consolidate and amend the laws relating to customs. The Customs Act, *inter alia*, lays down the framework for appointing customs port for the unloading of imported goods, handling import and export of goods, warehousing of imported goods, and other allied activities. Chapter IX of the Customs Act sets out provisions relating to use of special warehouses for duty-free goods, and *inter alia* sets out matters such as the licensing of special warehouses for storage of goods supplied to duty-free shops, issuance of warehouse bonds, control over duty-free goods at special warehouses, and an owner's rights over goods stored in special warehouses. The Customs Act also contains provisions relating to the mandatory supervision of the relevant customs authority.

In exercise of the powers conferred by Section 5A(1) of the Central Excise Act, 1944, the Central Government vide notification No.19 /2013, exempted the goods falling under the First Schedule to the Central Excise Tariff Act, 1985 from the whole of the duty of excise leviable thereon which is specified in the said Schedule, when they are brought into duty free shops located in the arrival halls at the International Customs Airports from the factories where they are manufactured in India for sale to passengers or members of crew arriving from abroad. However, the owner of the duty-free shop shall follow the procedure specified by the Central Board of Excise and Customs *vide* circular no. 970/04/2013 dated May 23, 2013 ("**Circular**"). The Circular governs the movement of excisable indigenous goods to the warehouses or retail outlets of duty-free shops licensed under the provisions of the Customs Act and sale therefrom to the passengers or members of crew arriving from abroad.

Special Warehouse Licensing Regulations, 2016 ("*Warehouse Licensing Regulations*")

The Warehouse Licensing Regulations have been notified by the Central Board of Excise and Customs to, *inter alia*, prescribe the framework for granting of licenses to operate a special warehouse. A special warehouse means a site or building that is licensed as such by the Principal Commissioner of Customs or Commissioner of Customs, as the case may be, under Section 58A of the Customs Act, wherein dutiable goods may be deposited. Besides furnishing a solvency certificate from a scheduled bank, the licensee should also provide an all risk insurance policy in favour of the President of India and an undertaking of indemnity in favour of the Principal Commissioner of Customs or the Commissioner of Customs. A license granted under these Warehouse Licensing Regulations is non-transferable and shall be valid until cancelled, or surrendered by the licensee.

Special Warehouse (Custody & Handling of Goods) Regulations, 2016 ("*Special Warehouse Regulations*")

The Special Warehouse Regulations have been notified by the Central Board of Excise and Customs to govern the custody and handling of goods in special warehouses licensed under Section 58A of the Customs Act ("**Special Warehouses**"), and prescribe, *inter alia* the framework for appointment of a warehouse keeper, along with such provisions relating to the receipt and transfer of stored goods to duty-free shops. The Special Warehouse Regulations require detailed records to be maintained for the receipt, storage and removal of goods and any activity, samples, operations in relation to the goods in hard copy and digital format for a minimum period of five years as well as requires filing of returns with the bond officer. Pursuant to the provisions of the Special Warehouse Regulations, the Central Board of Excise and Customs has issued the circular No. 32/2016 ("**Circular**") which requires duty-free shop owners to record their sales to passengers by a computer generated invoice, which shall contain the details including name of the passenger, flight number and passport number. This data is required to be updated every 24 hours in the format prescribed. The Circular also prescribes maintenance of records separately for arrival and departure areas.

Warehoused Goods (Removal) Regulations, 2016 ("*Warehoused Goods Regulations*")

The Central Board of Excise and Customs notified the Warehoused Goods Regulations to regulate the procedure of removing goods from special warehouses to another warehouse. Warehoused Goods Regulations prescribe that whenever the goods are to be removed from a warehouse or brought into a warehouse, the transport of the warehoused goods shall be under one-time-lock, affixed by the proper officer or the licensee or the bond officer. The bond officer shall be an officer of customs in charge of a warehouse.

Customs Tariffs Act, 1979 and the rules, regulations, circulars, and notifications issued thereunder (together, the "*Customs Tariffs Act*")

The Customs Tariffs Act has been enacted to consolidate and amend the laws relating to payment of customs duties. The Customs Tariffs Act, *inter alia*, contains provisions that deal with rates at which duties under the Customs Act are to be payable, and the framework for levy of excise duty and other charges. This apart, the Customs Tariffs Act also provides for the application of the integrated goods and service tax to imported goods, in accordance with the provisions of the Integrated Goods and Service Tax Act, 2017.

Maharashtra Prohibition Act, 1949 ("*Prohibition Act*")

The Prohibition Act has been enacted to govern the promotion and enforcement of alcohol prohibition in the State of Maharashtra. The Prohibition Act, *inter alia*, contains provisions that deal with the issuance of trade and import licenses to individuals intending to import and sell foreign liquor in the State of Maharashtra. This apart, the Prohibition Act sets out the framework for issuance of trade and import licenses to such persons intending to import and sell foreign liquor in the State of Maharashtra. Further, the Prohibition Act also lays down provisions listing the authorities who are permitted to issue licenses under the Prohibition Act, as well as such provisions which deal with the issuance of licenses and passes for intoxicants stored in a warehouse, along with provisions pertaining to the control and regulation of such warehouses.

The Foreign Trade (Development and Regulation) Act, 1992 ("***Foreign Trade Act***")

The foreign policy of India is governed and regulated by the Foreign Trade Act which was amended in the year 2010. The Foreign Trade Act, *inter alia*, gives the central government the power to control foreign trade policies of India, prohibits a person from engaging in export and import business unless and until he is issued an Importer Exporter Code Number and prohibiting import or export of an item that is not specified or licensed per the foreign trade policies.

Circular number 50/2017 dated December 12, 2017 ("*Circular 2017*") issued by the Central Board of Excise and Customs

Foreign Trade (Exemption from application of Rules in certain cases) Amendment Order, 2017 dated July 25, 2017 ("**Order 2017**") removed the restriction on duty free shops to sell merchandise to outgoing or incoming passengers against payment in foreign exchange. Further, the RBI has clarified that passengers can make payments through INR credit cards / debit cards at duty free shops. In view of the Order 2017 and clarification of RBI, the CBEC *vide* Circular 2017 extended the facility of payments in INR, through INR debit cards or credit cards at duty free shops, without any need for conversion of foreign currency into INR. Further, it was also decided that for the effective implementation of the above, duty free shops shall, henceforth, mandatorily display the price of all goods on sale in Indian rupees only.

FOREIGN EXCHANGE REGULATIONS

Foreign investment in Indian securities is governed by the provisions of the Foreign Exchange Management Act, 1999 ("**FEMA**") read with the applicable FEMA regulations. FEMA replaced the erstwhile Foreign Exchange Regulation Act, 1973. Foreign investment is permitted (except in the prohibited sectors) in Indian companies, either through the automatic route or the government approval route, depending upon the sector in which foreign investment is sought to be made. The Department of Industrial Policy and Promotion ("**DIPP**"), Ministry of Commerce & Industry, Government of India makes policy pronouncements on FDI through press notes and press releases which are notified by the RBI as amendments to the FEMA regulations. In case of any conflict, the FEMA regulations prevail. Therefore, the regulatory framework, over a period of time consists of acts, regulations, press notes, press releases, and clarifications among other amendments. The DIPP issued the FDI Policy which consolidates the policy framework on FDI issued by DIPP, in force on August 28, 2017 and reflects the FDI policy as on August 28, 2017. The FDI Policy consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP.

As per the FDI Policy, 100% foreign investment is permitted into duty-free shops under the automatic route. Foreign investments in duty-free shops are subject to: (i) the duty-free shops being set-up in a custom bonded area at international airports / international seaports, and land custom stations where there is transit of international passengers, (ii) foreign investment being subject to compliance with the conditions prescribed under the Customs Act and other laws, rules, and regulations, and (iii) the duty-free shops not engaging in any retail trading activity in India's domestic tariff area.

LABOUR REGULATIONS

We are subject to various labour laws for the safety, protection, condition of working, employment terms and welfare of labourers and/or employees of our Company. The provisions of shops and establishments legislations, as may be applicable in a state or union territories in which our establishments are set up, regulate the conditions of work and employment and generally prescribe obligations in respect of inter alia registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures and wages for overtime work.

Additionally, in undertaking its operations, our Company is required to ensure compliance with various employment laws. These include, but are not restricted to:

(i) Employees' Provident Funds and Miscellaneous Provisions Act, 1952;

(ii) Employees' State Insurance Act, 1948;

(iii) Minimum Wages Act, 1948;

(iv) Maternity Benefit Act, 1961;

(v) Employees' Compensation Act, 1923;

(vi) Payment of Gratuity Act, 1972;

(vii) Payment of Wages Act, 1936;

(viii) Industrial Disputes Act, 1947; and

(ix) The Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013.

OTHER REGULATIONS

As per notice dated June 28, 2017 by the Ministry of Finance, with effect from July 1, 2017, Goods and Services Tax legislations (including Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, States Goods and Services Tax Act, 2017 and Union Territory Goods and Services Tax Act, 2017) are applicable to our Company.

Further, we currently have our operations and business in foreign jurisdictions and propose to operate in additional jurisdictions including the Indian Subcontinent (Maldives and Sri Lanka), Europe (Baltona and Turkey), United Kingdom and in the Middle East and Africa, upon completion of the Restructuring. For further details, see "*Our Business*" on page 137 and "*Objects of the Offer*" on page 98. Our business and operation in such foreign jurisdictions are, and will be subject to various local laws.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was originally incorporated as 'DFS India Private Limited' at Mumbai, Maharashtra, India as a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation dated December 15, 2007 issued by the Registrar of Companies, Maharashtra at Mumbai ("**RoC**"). The name of our Company was subsequently changed to 'Flemingo Travel Retail Private Limited' pursuant to a resolution passed by the shareholders of our Company on November 16, 2017. A fresh certificate of incorporation consequent to such change of name was issued by the RoC on November 17, 2017. Thereafter, our Company was converted into a public limited company pursuant to the approval of the shareholders of our Company at an extra-ordinary general meeting held on December 1, 2017. Consequently, the name of our Company was changed to Flemingo Travel Retail Limited and a fresh certificate of incorporation was issued by the RoC on December 6, 2017.

Corporate profile

For information of our Company's corporate profile, including details of our business activities, services, products, technology, market and geographical segments, capacity built-up, growth of our business, managerial competence, standing of our Company with reference to prominent competitors in connection with our products, services, managerial competence, major suppliers and customers, environmental issues, if any, geographical segment, exports and profits of our Company due to its foreign operations, etc, see "*Our Business*", "*Management's Discussion and Analysis of Financial condition and Results of Operations*", "*Risk Factors*", "*Our Management*" and "*Financial Statements*" beginning on pages 137, 223, 16, 179 and 213, respectively.

Changes in registered office

The details of changes in the registered office of our Company since incorporation are given below:

Effective date	Details of change	Reasons for change
August 6, 2008	The registered office of our Company was shifted from 57-58, Rajgir Chambers, SBS Road, Opposite Old Custom House, Fort, Mumbai-400 023, Maharashtra, India to Chhatrapati Shivaji International Airport, Terminal 2C, Airside, Arrival Level, Sahar, Mumbai-400 099, Maharashtra, India	Operational convenience
February 12, 2014	The registered office of our Company was shifted from Chhatrapati Shivaji International Airport, Terminal 2C, Airside, Arrival Level, Sahar, Mumbai-400 099, Maharashtra, India to Chhatrapati Shivaji International Airport, New Terminal 2, Sahar Road, Andheri (East) Mumbai-400 099, Maharashtra, India	Operational convenience

Changes in name of our Company

The details of changes in the name of our Company since incorporation are given below:

Effective date	Details of change	Reasons for change
November 17, 2017	The name of our Company was changed from DFS India Private Limited to Flemingo Travel Retail Private Limited	Disassociation from the DFS group and collaboration with Flemingo International*
December 6, 2017	The name of our Company was changed from Flemingo Travel Retail Private Limited to Flemingo Travel Retail Limited	Conversion from a private limited company to a public limited company

**The object clause of our Memorandum of Association of our Company was not required to be amended as the new name of our Company 'Flemingo Travel Retail Limited' reflects the activities carried on by our Company.*

Main objects as set out in the Memorandum of Association of our Company

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

"*1. To carry on the business of operation of duty free shops to deal in duty free and non duty free goods at airports in India or at such other locations as the appropriate authorities in India may notify and sanction from time to time.*

2. To carry on in India the business of import, export, buying, selling, distribution, commission agent or consignees or otherwise deal in wines, spirits, liquor, beer and all kinds and description of alcoholic and non-alcoholic beverages, perfumes, cosmetics of all brands and descriptions, cigars, cigarettes, smoking pipes, smoking and other tobaccos of all brands and descriptions, electronic goods of all kinds, brands and descriptions including but not limited to photo electronics, laptops, tablet PCs and other computer related products, leather goods of all kinds, brands and descriptions including handbags, wallets, belts, etc., confectionary and food stuffs of all kinds, brands and descriptions, watches of all kinds and brands, garments and other goods of personal effects, utilities and travel goods of all kinds and descriptions, jewellery, writing instruments of all kinds, brands and descriptions and such other goods and items which can be sold at the duty free shops, department stores, franchisee shops, specialty shops, retail chains shops or through any other means for retail selling or otherwise at airports and other locations.

3. To lease, rent, grant, licenses, easements and other rights and in any other manner deal with or dispose of the undertaking, property, assets, rights and effects of the Company, or any part thereof for such consideration as the Company may think fit."

The main objects as contained in the Memorandum of Association enable our Company to carry on the business presently being carried out, and the activities proposed to be undertaken pursuant to the objects of the Offer. For further details, see "*Objects of the Offer*" on page 98.

Amendments to the Memorandum of Association

Set out below are the amendments to the Memorandum of Association since the incorporation of our Company:

Date of change/shareholders' resolution	Nature of amendment
November 6, 2014	Clause V of the Memorandum of Association was amended to reflect the increase in authorised share capital from ₹ 500,000 divided into 50,000 Equity Shares of ₹ 10 each to ₹ 1,750,000 divided into 175,000 Equity Shares of ₹ 10 each
November 17, 2017	Clause I of the Memorandum of Association was amended to reflect the new name of our Company, 'Flemingo Travel Retail Private Limited'
November 17, 2017	Clause III (A) of the Memorandum of Association was amended to include sub-clause (3) as the main object of our Company
December 6, 2017	Clause I of the Memorandum of Association was amended to reflect the new name of our Company pursuant to the conversion of our Company from a private limited company to a public limited company, 'Flemingo Travel Retail Limited'
December 11, 2017	Clause V of the Memorandum of Association was amended to reflect the increase in authorised share capital from ₹ 1,750,000 divided into 175,000 Equity Shares of ₹ 10 each to ₹ 1,000,000,000 divided into 100,000,000 Equity Shares of ₹ 10 each, as sub-clause (a) of Clause V, and to include sub-clause (b) to Clause V to reflect that the minimum paid-up capital of our Company shall be ₹ 100,000

Major events and milestones

The table below sets forth the key events in the history of our Company:

Year	Particulars
2007	Incorporated as a private limited company
2008	DFS Venture Singapore was awarded the concession agreement by MIAL
2008	Flemingo Mumbai acquired 4,500 Equity Shares, representing 30% of the paid-up share capital of our Company
2012	License awarded to set-up and operate a duty-free luxury apparel, accessories, watches and eyewear at the Terminal 3, Indira Gandhi International Airport, New Delhi
2013	Awarded concession for Indian gourmet at Terminal 2, Chhatrapati Shivaji International Airport, Mumbai
2014	Awarded concession for duty free fashion, luxury and lifestyle at Terminal 2, Chhatrapati Shivaji International Airport, Mumbai
2014	Flemingo International along with Flemingo Mumbai acquired 49% of the paid-up share capital of our Company
2014	License awarded to set-up and operate the duty free retail outlet for footwear at Terminal 3, Indira Gandhi International Airport, New Delhi
2017	Flemingo International along with Flemingo Mumbai acquired the entire stake held by the DFS Venture Singapore and DFS Singapore (Pte) Limited increasing the stake of Flemingo International to ~97% of

Year	Particulars
	the paid-up share capital of the Company
2017	License awarded to set-up and operate luxury duty free outlets at Terminal 2, Chhatrapati Shivaji International Airport, Mumbai

Awards and accreditations

We have been given the following awards and accreditations:

Year	Award/Accreditation	Conferred by
2017	'Exclusive Travel Retail Launch of the Year-Gold' and 'Partnership Initiative of the Year-Gold'	Blue Ink Media Private Limited-Spiritz Magazine
2016	'Marketing Campaign of the Year by a Retailer'	Frontier Awards, Cannes
2016	'Best Duty Free Shopping (India)' in the 'Travel + Leisure India's Best Awards'	Exposure Media Marketing Private Limited
2015	'Asia's Leading Airport Duty Free Operator'	Aptech - Aviation and Hospitality Academy

Other details regarding our Company

Capital raising activities through equity and debt

For details of our equity and debt issuances in the past, see "*Capital Structure*" on page 89. For details of outstanding loans availed by us as on December 31, 2017, see "*Financial Indebtedness*" on page 255.

Time and cost overruns

Our Company has not experienced any time and cost overruns in relation to the projects executed by us.

Defaults or rescheduling of borrowings with financial institutions/banks and conversion of loans into equity

There have been no defaults or rescheduling of borrowings with financial institutions/banks or conversion of loans into Equity Shares in relation to our current borrowings from lenders.

Strikes and lock-outs

As on the date of this Draft Red Herring Prospectus, we have not experienced any strikes and lock-outs.

Changes in the activities of our Company during the last five years

There has been no change in the activities of our Company during the last five years from the date of this Draft Red Herring Prospectus which have had a material effect on the profit/loss account of our Company, including discontinuance of a line of business, loss of agencies or markets and similar factors.

Injunctions or restraining orders against our Company

Except as disclosed in the section titled "*Outstanding Litigations and Material Developments*" on page 257, there are no injunctions or restraining orders against our Company.

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

Except as disclosed below, our Company has not acquired any business or undertaking, and has not undertaken any merger, amalgamation and revaluation of asset:

1. Gift Deed dated February 28, 2017 entered into between Flemingo Middle East Limited ("**Flemingo Middle Limited**") and our Company ("**Burundi Gift Deed**")

   Flemingo Middle Limited gifted 3,960 equity shares of Burundian franc 25,000 each of Flemingo International Limited, S.A. to our Company without consideration, pursuant to the decision of Flemingo

International to restructure and consolidate the group airport duty free business, in accordance with Burundi Gift Deed. Accordingly, Flemingo International Limited, S.A. became one of our Subsidiaries from February 28, 2017.

2. Gift Deed dated February 28, 2017 entered into between Flemingo BVI and our Company ("**Rwanda Gift Deed**")

   Flemingo BVI gifted 49,990 equity shares of 1,000 Rwandan franc each of Flemingo International Rwanda Limited to our Company without consideration, pursuant to the decision of Flemingo International to restructure and consolidate the group airport duty free business, in accordance with Rwanda Gift Deed. Accordingly, Flemingo International Rwanda Limited became one of our Subsidiaries from February 28, 2017.

Total number of shareholders of our Company

As on the date of this Draft Red Herring Prospectus, our Company has eight shareholders. For further details regarding our Shareholders, see "*Capital Structure – Shareholding Pattern of our Company*" on page 94.

Strategic or Financial Partners

Our Company does not have any strategic or financial partner.

Our Holding Company

Flemingo International (BVI) Limited is the holding company of our Company. For further details, see "*Our Promoters and Promoter Group*" on page 192.

Our Subsidiaries

As on the date of this Draft Red Herring Prospectus, our Company has the following 2 Subsidiaries:

1. Flemingo International Limited, S.A.; and
2. Flemingo International Rwanda Limited.

Unless stated otherwise, the details in relation to our Subsidiaries, provided below, are as on the date of this Draft Red Herring Prospectus:

1. Flemingo International Limited, S.A. ("Flemingo Burundi")

Corporate Information

Flemingo Burundi was incorporated as a limited liability company on August 10, 2006 under the laws of Burundi with the registration number 64627 in Bujumbura, Burundi. Its office is situated at Quatier Asiatique Plot No 6356/A (Division 1 and 2).

Flemingo Burundi is engaged in the business to operate duty free shops in international airports and diplomatic areas.

Capital Structure

Particulars	**Equity shares of face value of Burundi Francs 25,000 each**
Authorised capital	4,000
Paid up capital	4,000

Shareholding Pattern

The shareholding pattern of Flemingo Burundi as on date of this Draft Red Herring Prospectus is set out in the table below:

No.	Name of the shareholder	No. of equity shares (of face value of Burundi Francs 25,000 each)	Percentage of shareholding (%)
1.	Flemingo Travel Retail Limited	3,960	99.00
2.	Anakavoor Veera Raghavan	20	0.50
3.	Mahandra Kumar Pershotamdas Thakar	20	0.50
Total		**4,000**	**100.00**

There are no accumulated profits or losses of Flemingo Burundi not accounted for by our Company.

2. Flemingo International Rwanda Limited ("Flemingo Rwanda")

Corporate Information

Flemingo Rwanda was incorporated as a private limited company by shares on January 5, 2007 under the Law N° 07/2009 with the registration number 101499522 in Rwanda. Its registered office is situated at PO Box 6376, Kigali, Rwanda.

Flemingo Rwanda is engaged in the business of retail sale of audio and video equipment in specialised stores; wholesale of food, beverages and tobacco; retail sale of food in specialized stores; retail sale of beverages in specialised stores; and retail sale of tobacco products in specialized stores.

Capital Structure

Particulars	Equity shares of face value of 1,000 Rwandese Francs each
Authorised capital	50,000
Paid up capital	50,000

Shareholding Pattern

The shareholding pattern of Flemingo Rwanda as on date of this Draft Red Herring Prospectus is set out in the table below:

No.	Name of the shareholder	No. of equity shares (of face value of 1,000 Rwandese Francs each)	Percentage of shareholding (%)
1.	Flemingo Travel Retail Limited	49,990	99.98
2.	Anakavoor Veera Raghavan	5	0.01
3.	Mahandra Kumar Pershotamdas Thakar	5	0.01
Total		**50,000**	**100.00**

There are no accumulated profits or losses of Flemingo Rwanda not accounted for by our Company.

Other details regarding our Subsidiaries

Common Pursuits

All of our Subsidiaries are in the same line of business as of our Company and accordingly, there are certain common pursuits amongst our Subsidiaries and our Companies. However, due to operation of business in different jurisdictions, there is no conflict of interest amongst our Subsidiaries and our Companies. Our Company would adopt necessary measures and practices as permitted by law and regulatory guidelines to address any conflict situation, as and when they arise.

Significant sale/purchase between Subsidiaries and our Company

Except as disclosed in the section "*Related Party Transactions*" on page 211, none of our Subsidiaries are involved in any sales or purchase with our Company where such sales or purchases exceed in value in the aggregate of 10% of the total sales or purchases of our Company.

Business interest between our Company and our Subsidiaries

As on the date of this Draft Red Herring Prospectus, our Subsidiaries do not have any business interest in our Company.

Sale of shares of our Subsidiaries

None of our Promoters, Promoter Group, the directors of our Promoters, our Directors and their immediate relatives have purchased or sold any securities of our Subsidiaries during the period commencing six months prior to the date of filing this Draft Red Herring Prospectus.

Other confirmations

None of the securities of our Subsidiaries are listed on any stock exchange or failed to list on any recognised stock exchange in India or abroad, and none of our Subsidiaries have made any public or rights issue of securities in the preceding 10 years.

Shareholders' agreements

As on the date of this Draft Red Herring Prospectus, there are no subsisting Shareholder's agreements to which our Company is a party to. Further to the extent that our Company is aware, there are no subsisting Shareholders' agreements which have been entered inter-se our Shareholders, as on the date of this Draft Red Herring Prospectus.

Guarantees issued by our Promoters on behalf of our Company

Our Promoters have provided personal guarantees amounting to ₹ 2,350.00 million each (as on January 2, 2018) to our lender, Yes Bank Limited, in relation to the outstanding loans availed by our Company. For details regarding loans guaranteed, please see "*Financial Indebtedness*" on page 255.

In terms of the loan documents, the period of guarantee subsists during the tenure of the relevant facility. Any default or failure by us to repay this loan in a timely manner, or at all, could trigger repayment obligations on the part of our Promoters. Please see "*Risk Factors -Our Promoters and our Directors have provided corporate and personal guarantees, as applicable, for loan facilities obtained by our Company and our Group Companies* " and "*Financial Indebtedness*" on pages 43 and 255, respectively. Except as stated herein, our Promoters have not provided any guarantees on behalf of our Company to third parties which are currently outstanding.

Other agreements

Except as disclosed below, our Company has not entered into any material contract which is not in the ordinary course of business carried on or intended to be carried to be carried on by our Company in the last two years preceding this Draft Red Herring Prospectus.

1. ***Share Purchase Agreement dated February 9, 2018 entered into between our Company, Flemingo International, Viren Ahuja, Arjun Ahuja, Karan Ahuja, Symbolic and Flemingo India ("Flemingo India SPA")***

   Our Company has entered into a share purchase agreement dated February 9, 2018 ("**Effective Date**") with our Corporate Promoter, certain individual members of our Promoter Group being, Viren Ahuja, Arjun Ahuja and Karan Ahuja and Symbolic ("**Sellers**") to acquire 50,715 equity shares of Flemingo India, aggregating to 100% of the issued and paid up capital of Flemingo India from the Sellers ("**Flemingo Shares**"), using a part of the Net Proceeds of the Offer. Upon completion of the afore-mentioned acquisition, Flemingo India will become a subsidiary of our Company, along with its direct and indirect subsidiaries, except the Excluded Subsidiaries (*defined below*) ("**Flemingo India Group**").

   The key terms of the Flemingo India SPA are as follows:

   Purchase Consideration: Our Board has procured a valuation report dated February 7, 2018 prepared by Duff & Phelps ("**Valuation Report**"). Based on the Valuation Report, the fair value of Flemingo India, along with Flemingo India Group, has been determined to be USD 260.00 million i.e. ₹ 16,995.91 million (based on a conversion rate of USD 1= ₹ 65.37) as on November 15, 2017 ("**Purchase Consideration**").

   Pre-completion Restructuring: Some of the direct or indirect subsidiaries of Flemingo India are either in the state of dormancy or in the process of being wound up or otherwise are not intended to be transferred to our Company, pursuant to the Flemingo India SPA ("**Excluded Subsidiaries**"). Accordingly, the Sellers shall ensure that such subsidiaries of Flemingo India be either wound-up or transferred to a third party, two days prior to the filing of the Red Herring Prospectus.

Restrictive Covenants on Flemingo India Group: As per the terms of the Flemingo India SPA, from the Effective Date until the Completion Date (i.e., either 7 days after the satisfaction of the conditions precedent to the Flemingo India SPA or any subsequent date agreed by the parties to the Flemingo India SPA but not later than 180 days after the Allotment of the Equity Shares), the members of the Flemingo India Group shall not undertake any material interruption or alteration in the nature, scope or manner of their respective businesses. Further, the members of the Flemingo India Group are restricted from undertaking certain actions during such period, *inter alia*, including:

(a) Declare dividend or any other distribution of capital or income, provided that no restriction is imposed on the Selling Shareholder in dealing with the proceeds from the Offer for Sale;

(b) Acquire, dispose of or agree to acquire or dispose of any assets material to their respective businesses, or incur or agree to incur any liabilities;

(c) Terminate any employment or alter the terms of employment of any key managerial personnel; and

(d) Terminate or breach any contracts material to their respective businesses.

Restrictive Covenants on the Sellers: As per the terms of the Flemingo India SPA, from the Completion Date, each of the Sellers shall not, directly or indirectly, either on its own or through an affiliate, commence any business pertaining to the sale of duty free goods which competes with the business of any of the entities forming part of the Flemingo India Group in any jurisdiction where such entities carry on the business as on the Completion Date.

Conditions Precedent: The sale and purchase of the Flemingo Shares is conditional upon certain matters, *inter alia,* including:

Conditions to be met 2 days prior to the filing of the Red Herring Prospectus:

(a) Receipt of consents from the lenders of Flemingo India for the change in shareholding pattern of Flemingo India; and

(b) Completion of the Pre-completion Restructuring.

Conditions to be met after the filing of the Red Herring Prospectus but prior to the Completion Date:

(a) Execution of an underwriting agreement by our Company for the Offer; and

(b) Sale of entire shareholding of Flemingo Mumbai in our Company.

Confidentiality: The parties to the Flemingo India SPA are bound to seek prior approval of the other parties to disclose the terms and conditions of the Flemingo India SPA to any third party, unless required by applicable law. In the event such disclosure is warranted by applicable law, the disclosing party should consult the other parties prior to disclosing the terms and conditions of the Flemingo India SPA.

Completion: Upon the fulfilment of the conditions precedent, subject to the satisfaction of our Company, our Company shall pay the entire Purchase Consideration to the Sellers.

Please see the section on "*Our Business*" beginning on page 137 for a detailed description of Flemingo India's travel retail business. Further, for details in relation to the material subsidiaries of Flemingo India, please see section titled "*History and Certain Corporate Matters*" on page 166.

2. Share Purchase Agreement dated February 9, 2018 entered into between our Company, Flemingo International, Flemingo UK and Flemingo Cruise *("**Flemingo UK SPA**")*

Our Company has entered into a share purchase agreement dated February 9, 2018 with our Corporate Promoter, Flemingo UK and Flemingo Cruise to utilise a portion of the Net Proceeds of the Offer by infusing it into Flemingo Cruise, which shall acquire 100% equity interest of Flemingo International in Flemingo UK ("**Flemingo UK Shares**"), pursuant to the acquisition of 100% equity interest of Flemingo International in Flemingo Cruise by our Company. Our Company shall infuse such funds into Flemingo Cruise by making an equity investment in Flemingo Cruise pursuant to the acquisition of 100% equity interest of Flemingo International in Flemingo Cruise by our Company ("**Flemingo Cruise Shares**"). Upon completion of afore-mentioned transactions, Flemingo UK and Flemingo Cruise, along with their direct or indirect subsidiaries, shall become subsidiaries of our Company ("**Flemingo UK Group**").

The key terms of the Flemingo UK SPA are as follows:

Consideration: Our Company shall acquire 100% equity interest of Flemingo International ("**Seller**") in Flemingo Cruise for a consideration of ₹ 0.64 million, from our Company's internal accruals ("**Purchase Consideration**"). Further, the fair value of investing funds by our Company into Flemingo Cruise by way of an equity investment at par shall be ₹ 5,300 million ("**Subscription Consideration**"). Our Board has procured a valuation report dated February 7, 2018 prepared by Duff & Phelps ("**Valuation Report**"). Based on the Valuation Report, the fair value of Flemingo UK Group has been determined to be USD 80 million i.e., ₹ 5,229.51 million (based on a conversion rate of USD 1= ₹ 65.37) as on November 15, 2017 ("**Flemingo UK Purchase Consideration**").

Restrictive Covenants on Flemingo UK Group: As per the terms of the Flemingo UK SPA, from the date of signing of the SPA until either on or prior to the Completion Date (i.e., either 7 days after the satisfaction of the conditions precedent to the Flemingo India SPA or any subsequent date agreed by the parties to the Flemingo India SPA but not later than 180 days after the Allotment of the Equity Shares), the members of the Flemingo UK Group shall not undertake any material interruption or alteration in the nature, scope or manner of their respective businesses. Further, the members of the Flemingo UK Group are restricted from undertaking certain actions during such period, *inter alia,* including:

(a) Declare dividend or any other distribution of capital or income;

(b) Acquire, dispose of or agree to acquire or dispose of any assets material to their respective businesses, or incur or agree to incur any liabilities;

(c) Terminate any employment or alter the terms of employment of any key managerial personnel; and

(d) Terminate or breach any contracts material to their respective businesses.

Restrictive Covenants on the Seller: As per the terms of the Flemingo UK SPA, from the Completion Date, the Seller shall not, directly or indirectly, either on its own or through an affiliate, commence any business of duty free and other retail activity conducted abroad cruise ships at any location, globally.

Conditions Precedent: The above-mentioned transactions are conditional upon certain matters, *inter alia,* including:

Conditions to be met 2 days prior to the filing of the Red Herring Prospectus:

(a) Receipt of consent from ICICI bank Limited, DIFC Branch, Dubai for the change in shareholding pattern of Flemingo UK;

(b) Documentary evidence of completion of the dissolution of Harding Brothers Retail LLC, a limited liability corporation constituted in United States of America, held by Harding Brothers Retail Limited, as provided by Flemingo UK; and

(c) Application made by Flemingo UK to the relevant revenue authorities in the United Kingdom seeking waiver of stamp duties in relation to transactions set forth in the Flemingo UK SPA.

Conditions to be met after the filing of the Red Herring Prospectus but prior to the Completion Date:

(a) Compliance of our Company with the relevant Indian laws, including but not limited to regulations prescribed by the RBI under the FEMA for making an offshore investment; and

(b) Execution of an underwriting agreement by our Company for the Offer.

Confidentiality: The parties to the Flemingo UK SPA are bound to seek prior approval of the other parties to disclose the terms and conditions of the Flemingo UK SPA to any third party, unless required by applicable law. In the event such disclosure is warranted by applicable law, the disclosing party should consult the other parties prior to disclosing the terms and conditions of the Flemingo UK SPA.

Completion: Upon the fulfilment of the conditions precedent, subject to the satisfaction of our Company, our Company on the date of Completion, shall pay the Purchase Consideration to Flemingo International.

Pursuant to which, our Company shall pay the Subscription Consideration to Flemingo Cruise for the allotment of shares of Flemingo Cruise and subsequently, Flemingo Cruise shall pay the Flemingo UK Purchase Consideration to Flemingo International.

Please see the section on "*Our Business*" beginning on page 137 for a detailed description of travel retail business of Flemingo UK and Flemingo Cruise. Further, for details in relation to the material subsidiaries of Flemingo UK and Flemingo Cruise, please see section titled "*History and Certain Corporate Matters*" on page 166.

3. ***Trademark License Agreement dated February 9, 2018 entered into between our Company and Flemingo International ("Trademark License Agreement")***.

Our Company has entered into a trademark license agreement dated February 9, 2018 with our Corporate Promoter pursuant to which Flemingo International has licensed an unconditional, unencumbered and an exclusive right to use "*Flemingo*" and "*Flemingo-the Duty Free People*" trademarks ("**Trademarks**") to our Company and any of our existing or future direct or indirect subsidiaries.

The key terms of the Trademark License Agreement are as follows:

License Fee: Our Company shall pay an annual license fee of USD 1,000 to Flemingo International for the trademark license for a period of five years, unless otherwise agreed between parties.

Exclusivity: Flemingo International shall not, during the term of the Trademark License Agreement, grant any right to use the Trademarks to any person or entity in such jurisdictions in which we or our subsidiaries operate.

Term and termination: The Trademark License Agreement shall remain valid until such time that the Promoters of our Company, either individually or jointly, hold 5% of the issued and paid-up capital of our Company. The Trademark License Agreement may terminate automatically: (a) in the event of insolvency of either of the parties without any written notice; (b) in the event our Company ceases to use the Trademarks for a continuous period of 3 months; and (c) in the event our Company is acquired by any entity which does not form a part of the 'Flemingo' group.

Target Companies

Our Company is proposing to acquire 100% of the issued and paid-up share capital of Flemingo India and 100% of the equity interest in Flemingo UK by infusing funds in Flemingo Cruise, pursuant to Flemingo India SPA and Flemingo UK SPA, respectively. For further details, see "*Objects of the Offer*" on page 98.

Accordingly, Flemingo India, Flemingo UK, Flemingo Cruise (collectively, the "**Target Companies**"), and their respective subsidiaries (collectively, referred to as the "**Target Group Companies**") shall become our subsidiaries. Following is a list of the Target Group Companies:

No.	Name of the subsidiary of the Target Company	Country of incorporation	Name of the holding company
1.	Flemingo Dutyfree Shop Private Limited	India	Flemingo International (BVI) Limited
2.	Flemingo Middle East Limited	United Arab Emirates	Flemingo International Limited, British Virgin Islands
3.	Flemingo Corporate Services Private Limited	India	Flemingo International Limited, British Virgin Islands
4.	Flemingo International (Lebanon) SARL	Lebanon	Flemingo Middle East Limited
5.	Flemingo International (Zambia) Limited	Zambia	Flemingo Middle East Limited
6.	Flemingo (Lebanon) SARL	Lebanon	Flemingo Middle East Limited
7.	Flemingo International Limited	Uganda	Flemingo Middle East Limited
8.	Flemingo International Morocco SA	Morocco	Flemingo Middle East Limited
9.	Flemingo Distribution SARL AU	Morocco	Flemingo Middle East Limited
10.	Flemingo International Limited	British Virgin Islands	Flemingo Dutyfree Shop Private Limited
11.	Flemingo (DFS) Private Limited	India	Flemingo Dutyfree Shop Private Limited
12.	Flemingo Duty Free Shop Mumbai Private Limited	India	Flemingo Dutyfree Shop Private Limited

No.	Name of the subsidiary of the Target Company	Country of incorporation	Name of the holding company
13.	Duty Free Distribution Services Private Limited	India	Flemingo Dutyfree Shop Private Limited
14.	IRIS Ekspres Gumruksuz Satis Magazalari Ticaret Anonim Sirketi	Turkey	Flemingo Dutyfree Shop Private Limited
15.	Flemingo Duty Free (Private) Limited	Sri Lanka	Flemingo International Limited, British Virgin Islands
16.	Flemingo Diplomatic FZE	United Arab Emirates	Flemingo International Limited, British Virgin Islands
17.	Flemingo Internacional Limitada	Cape Verde	Flemingo International Limited, British Virgin Islands
18.	FI Mozambique, Limitada	Mozambique	Flemingo International Limited, British Virgin Islands
19.	Ashdod Holdings Limited	Cyprus	Flemingo International Limited, British Virgin Islands
20.	Przedsiębiorstwo Handlu Zagranicznego Baltona S.A.	Poland	Ashdod Holdings Limited
21.	Baldemar Holdings Limited	Cyprus	P.H.Z. Baltona SA
22.	Flemingo Duty Free Ukraine LLC, Ukraine	Ukraine	Baldemar Holdings Limited
23.	Centrum Usług Wspólnych Baltona sp.z o.o.	Poland	P.H.Z. Baltona SA
24.	Baltona Shipchandlers sp. z o.o.	Poland	P.H.Z. Baltona SA
25.	S C Gredy Company SRL	Romania	P.H.Z. Baltona SA
26.	Baltona France S.A.S.	France	P.H.Z. Baltona SA
27.	Baltona Duty Free Estonia OU	Estonia	P.H.Z. Baltona SA
28.	BH Travel Retail Poland sp. z o.o.	Poland	P.H.Z. Baltona SA
29.	Centrum Obsługi Operacyjnej Sp. z o.o	Poland	P.H.Z. Baltona SA
30.	KW Shelf Company Sp. z o.o	Poland	P.H.Z. Baltona SA
31.	Sandpipier 3 Sp z o.o.	Poland	P.H.Z. Baltona SA
32.	Liege Airport Shop BVBA	Belgium	P.H.Z. Baltona SA
33.	Baltona Italy SRL	Italy	P.H.Z. Baltona SA
34.	CDD Holding B.V.	Netherlands	P.H.Z. Baltona SA
35.	Rotterdam Airport Tax Free Shop B.V.	Netherlands	CDD Holdings BV
36.	Niederrhein Airport Shop GmbH	Germany	CDD Holdings BV
37.	Flemingo Duty Free (Mauritius) Ltd	Mauritius	Joint Venture between Flemingo International Limited, BVI and Groupe Roland Maurel Limitee
38.	Flemingo Distribution Limited	Mauritius	Flemingo Duty Free (Mauritius) Limited
39.	General Distribution Ocean Indien Ltee	Mauritius	Flemingo Duty Free (Mauritius) Limited
40.	Flemingo MSCL Duty Free Ltd	Mauritius	Joint Venture between Flemingo Duty Free (Mauritius) Limited and Mauritius Shipping Corporation Ltd.
41.	Flemingo Duty Free Services Limited	Mauritius	Flemingo Duty Free (Mauritius) Limited
42.	Flemingo Cruise Travel Retail Limited	United Arab Emirates	Flemingo International (BVI) Limited
43.	Flemingo International (UK) Limited	United Kingdom	Flemingo International (BVI) Limited
44.	Harding Brothers Holdings Limited	United Kingdom	Flemingo International (UK) Limited
45.	Harding Brothers Retail Operations Limited	United Kingdom	Harding Brothers Holdings Limited
46.	Harding Brothers Incorporated	United States of America	Harding Brothers Holdings Limited
47.	Harding Brothers Australia Pty Limited	Australia	Harding Brothers Holdings Limited
48.	Harding Brothers Retail Limited	United Kingdom	Harding Brothers Holdings Limited

Further, for the purposes of disclosure in this Draft Red Herring Prospectus, the subsidiaries of Flemingo India or Flemingo UK, which contribute 10% or more of the consolidated revenue of Flemingo India or Flemingo UK, as the case may be, as per the last audited financial statements of such Target Companies for the year ended March 31, 2017 and December 31, 2016, respectively, have been considered as material subsidiaries of the Target Companies:

1. Przedsiębiorstwo Handlu Zagranicznego, Baltona S.A.;

2. IRIS Ekspres Gumruksuz Satis Magazalari Ticaret Anonim Sirketi, Turkey;
3. Flemingo Duty Free (Private) Limited, Sri Lanka;
4. Flemingo International Limited, British Virgin Islands; and
5. Harding Brothers Retail Limited.

For corporate and other details in relation to the Target Companies, please see section titled "*Objects of the Offer*" on page 98. The details in relation to the material subsidiaries of the Target Companies, provided below, are as on the date of this Draft Red Herring Prospectus, unless stated otherwise:

1. Przedsiębiorstwo Handlu Zagranicznego, Baltona SA, Poland ("Baltona")

Corporate Information

Baltona was incorporated under the laws of Poland on January 2, 1984. On December 10, 2001, Baltona was entered into the national court register of Poland with registration number 51757. Its registered office is situated at Flisa 4, 02-247 Warsaw, Poland. Baltona is listed on Warsaw Stock Exchange.

Baltona is engaged in the business of conducting commercial operations including, in particular, wholesale and retail sale, transportation and warehousing.

Capital Structure

Particulars	Equity shares of face value of Polish Zloty 0.25 each
Authorised capital	11,256,577
Issued, subscribed and paid up capital	11,256,577

Shareholding Pattern

The shareholding pattern of Baltona as on date of this Draft Red Herring Prospectus is set out in the table below:

No.	Name of the shareholder	No. of equity shares (of face value of Polish Zloty 0.25 each)	Percentage of shareholding (%)
1.	Ashdod Holdings Limited	9,081,600	80.68
2.	Public shareholders	2,157,777	19.17
3.	Other registered shareholders	17,400	0.15
Total		**11,256,577**	**100.00**

2. IRIS Ekspres Gumruksuz Satis Magazalari Ticaret Anonim Sirketi, Turkey ("IRIS Ekspres")

Corporate Information

IRIS Ekspres was incorporated under the laws of Turkey on June 17, 1994 as a joint stock corporation with registration number 315384. Its registered office is situated at Eminönü Hobyar Mahallesi, Aşir Efendi Caddesi, İmar Han Kat: 5 Fatih District 34112 / Istanbul.

IRIS Ekspres is engaged in the business of operating stores and storages, warehouses and to sell duty free goods at various transit points at the airports, sea ports, etc.

Capital Structure

The following table sets forth the capital structure details of *IRIS Ekspres*:

Particulars	Equity shares of face value of Turkish Lira 1 each
Authorised capital	500,000
Issued, subscribed and paid up capital	500,000

Shareholding Pattern

The shareholding pattern of *IRIS Ekspres* as on date of this Draft Red Herring Prospectus is set out in the table below:

No.	Name of the shareholder	Number of equity shares held of Turkish Lira 1 each	Percentage of equity holding (%)
1.	Flemingo India	255,000	51.00
2.	Flemingo Middle East Limited	220,000	44.00
3.	Levant Sanay	17,000	3.40
4.	Sarp Sanay	3,500	0.70
5.	Birgul Sanay	4,500	0.90
Total		**500,000**	**100.00**

3. Flemingo Duty Free (Private) Limited ("Flemingo Sri Lanka")

Corporate Information

Flemingo Sri Lanka was incorporated as a private limited liability company under the laws of Sri Lanka on July 7, 2011 with the registration number PV 78359. Its registered office is situated at No. 14/12A, Park Street Colombo 2, Sri Lanka.

Flemingo Sri Lanka is engaged in the business of operating duty free retail outlets at the Bandaranayke International Airport, Sri Lanka.

Capital Structure

Particulars	Equity shares of face value of Sri Lankan Rupees 100 each
Authorised capital	1,100,000
Issued, subscribed and paid up capital	1,100,000

Shareholding Pattern

The shareholding pattern of Flemingo Sri Lanka as on date of this Draft Red Herring Prospectus is set out in the table below:

No.	Name of the shareholder	No. of equity shares of Sri Lankan Rupees 100 each	Percentage of shareholding (%)
1.	Flemingo BVI	1,100,000	100.00
Total		**1,100,000**	**100.00**

4. Flemingo International Limited, British Virgin Islands ("Flemingo BVI")

Corporate Information

Flemingo BVI was incorporated under the laws of British Virgin Islands as a company limited by liability on July 4, 2006 with the registration number 1038660. Its registered office is situated at P.O. Box # 116, Road Town, Tortola, British Virgin Islands.

Flemingo BVI is authorised to carry on business activities which are not prohibited by the British Virgin Islands Business Companies Act, 2004.

Capital Structure

Particulars	Equity shares of face value of USD 100 each
Authorised capital	200,000
Issued, subscribed and paid up capital	93,000

Shareholding Pattern

The shareholding pattern of Flemingo BVI as on date of this Draft Red Herring Prospectus is set out in the table below:

No.	Name of the shareholder	No. of shares	Percentage of shareholding (%)
1.	Flemingo India	93,000	100.00
Total		**93,000**	**100.00**

5. Harding Brothers Retail Limited ("Harding Retail")

Corporate Information

Harding Retail was incorporated under the laws of England and Wales on February 23, 2007 with registration number 06126331. The registered office of Harding Retail is located at C/O. Avonmouth Way, Bristol, England – BS 118DD.

Harding Retail is engaged in the business of providing leisure cruises and ferry services

Capital Structure

The following table sets forth the capital structure details of Harding Retail:

Particulars	Equity shares of face value of GBP 0.10 each
Authorised capital	10,000
Issued, subscribed and paid up capital	10,000

Shareholding Pattern

The shareholding pattern of Harding Retail as on date of this Draft Red Herring Prospectus is set out in the table below:

No.	Name of the shareholder	Number of equity shares held	Percentage of equity holding (%)
1.	Harding Brother Holdings Limited	10,000	100.00
Total		**10,000**	**100.00**

OUR MANAGEMENT

Subject to the provisions of the Companies Act, 2013 and our Articles of Association, the number of Directors on our Board shall not be less than three and not more than 15, provided that our Company may appoint more than 15 Directors after passing a special resolution.

As on the date of this Draft Red Herring Prospectus, our Board comprises of four Directors, out of which two are independent Directors, including a woman Director. The composition of the Board of Directors is in compliance with the Companies Act, 2013 and the SEBI Listing Regulations.

Board of Directors

The following table sets forth the details of our Board as of the date of filing of this Draft Red Herring Prospectus with SEBI:

No.	Name, designation, address, occupation, nationality, term and DIN	Age (in years)	Other directorships
1.	**Atul Vini Ahuja** ***Designation***: Chairman and Non-executive Director ***Address***: Gulmohar Lala, J.D. Gupta Marg, Deonar, Mumbai – 400 088, Maharashtra, India ***Occupation***: Business ***Nationality***: Indian ***Term***: Liable to retire by rotation ***DIN***: 00015713	55	• Harding Brothers Holdings Limited; • Maple Holdings International Limited (BVI); and • Sapphaire International Limited (BVI)
2.	**Ayyaswamy Ramamoorthy Choodamani** ***Designation***: Non-executive Director ***Address***: A-6003, Olive Shallots, Sector 16A, Sanpada (East), Off Palm Beach Road, Navi Mumbai – 400 705, Maharashtra, India ***Occupation***: Service ***Nationality***: Indian ***Term***: Liable to retire by rotation ***DIN***: 00103472	59	• Next Orbit Business Solutions Private Limited; • RIC Capital Services Private Limited; • Techperfect Technologies Private Limited; • Value Business Consultants Private Limited; • Harding Brothers Holdings Limited; • Harding Brothers Retail Limited; and • Przedsiebiorstwo Handlu Zagranicznego "Baltona" SA
3.	**Naresh Chandra Sharma** ***Designation***: Independent Director ***Address***: B-605, Dosti Blossom, Dosti Acres, Wadala East, Mumbai-400 037, Maharashtra, India ***Occupation***: Professional ***Nationality***: Indian ***Term***: For a period of 5 years from January 19, 2018 ***DIN***: 00054922	75	• Asian Oilfield Services Limited; • PSL Limited; • Mukand Limited; • Eskay K 'N' IT (India) Limited; and • Mukand Sumi Metal Processing Limited

No.	Name, designation, address, occupation, nationality, term and DIN	Age (in years)	Other directorships
4.	**Maya Swaminathan Sinha** ***Designation***: Independent Director ***Address*****:** 11, Vipul Building, B.G. Kher Marg, Malabar Hill, Mumbai 400 006, Maharashtra, India ***Occupation***: Retired Civil Servant ***Nationality***: Indian ***Term****:* For a period of 5 years from January 19, 2018 ***DIN***: 03056226	58	• Shreyas Shipping and Logistics Limited; • Shriram City Union Finance Limited; • Mitcon Consultancy & Engineering Services Limited; • G R Infra Projects Limited; • AirAsia (India) Limited; • Clear Maze Consulting Private Limited; • CMC Skills Private Limited; and • TATA Boeing Aerospace Limited

Brief profiles of our Directors

Atul Vini Ahuja, Chairman and Non-executive Director of our Company, holds a bachelor's degree in Mechanical Engineering from the Mumbai University, Maharashtra. He was a director of Flemingo Dutyfree Shop Private Limited and Flemingo International. He has been associated with our Company since February 6, 2009 and has an experience of 15 years in travel retail business.

Ayyaswamy Ramamoorthy Choodamani, a Non-executive Director of our Company, holds a bachelor's degree in commerce from Sri Venkateswara University, Tirupati and is a member of the Institute of Chartered Accountants of India. He was a partner at Swamy & Chhabra, Chartered Accountants and has been associated with Flemingo International as its Group Chief Finance Officer and Oswal Agro Mills Limited as its Corporate Manager. He has been associated with our Company since November 10, 2014 and has an experience of over 25 years in finance and accounts.

Naresh Chandra Sharma, an Independent Director of our Company, holds a master's degree of arts in literature from the Agra University. He retired as a managing director of Life Insurance Corporation of India in the year 2002. He has been associated with our Company since January 19, 2018 and has an experience of 30 years in insurance industry.

Maya Swaminathan Sinha, an Independent Director of our Company, holds a bachelor's degree of arts in economics from University of Delhi and a master's degree of arts in economics from University of Delhi. In the past, she has been associated with Jawaharlal Nehru Port Trust as a deputy chairman and was a Commissioner of Income Tax. She has been associated with our Company since January 19, 2018 and has an experience of over 28 years in civil services.

Relationship between our Directors

None of our Directors are related to each other as per the definition of "relative" provided under the Companies Act, 2013.

Details of directorship in companies suspended or delisted

None of our Directors is or was a director of any listed company, whose shares are or were suspended from being traded on BSE and/or NSE during the last five years prior to the date of this Draft Red Herring Prospectus, during the term of his/her directorship in such company.

None of our Directors is, or was, a director of any listed company, which has been or was delisted from any stock exchange, during the term of his/her directorship in such company.

Arrangement or understanding with major Shareholders, customers, suppliers or others

None of our Directors have been appointed pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or others.

Service contracts with Directors

There are no service contracts entered into between any of our Directors and our Company for provision of any benefits upon termination of directorship.

Details of remuneration for our Directors

(a) Terms of appointment of our Independent Directors

Pursuant to a resolution of the Board dated January 19, 2018, our Independent Directors are entitled to receive sitting fees of ₹ 50,000 for attending each meeting of our Board and the committees constituted of the Board. Our Independent Directors have been appointed to our Board in Fiscal 2018 hence, no remuneration was payable to them in Fiscal 2017.

(b) Terms of appointment of our Non-executive Directors other than Independent Directors

Our Non-executive Directors, other than our Independent Directors, do not receive any remuneration or sitting fees for sitting fees for attending each meeting of our Board and any of its committees thereof, by our Company. Our Non-executive Directors other than Independent Directors did not receive any remuneration in Fiscal 2017.

(c) Remuneration paid or payable by our Subsidiaries

No other remuneration has been paid or is payable to our Directors by either of our Subsidiaries.

Payment or benefit to Directors of our Company

No amount or benefit has been paid or given within the two preceding years from the date of this Draft Red Herring Prospectus or is intended to be paid or given to any of our Directors except the normal remuneration for services rendered in the capacity of being a Director.

Shareholding of our Directors in our Company and Subsidiaries

Our Articles do not require our Directors to hold any qualification shares.

Except as disclosed in the section titled "*Capital Structure*" on page 89, none of our Directors hold any Equity Shares in our Company.

As on the date of this Draft Red Herring Prospectus, none of our Directors hold any equity shares in either of our Subsidiaries.

Appointment of relatives of our Directors to any office or place of profit

As on the date of this Draft Red Herring Prospectus, no relatives of any of our Directors have been appointed to a place or office of profit in our Company.

Borrowing Powers

In accordance with our Articles of Association and subject to the provisions of the Companies Act, 2013, the Board may, from time to time, at its discretion, by a resolution passed at a meeting of the Board, borrow any sum of money for the purpose of our Company and the Board may secure repayment of such money in such manner and upon such terms and conditions in all respects as it thinks fit. Pursuant to a resolution of the shareholders of our Company dated December 11, 2017, in accordance with Section 180 of the Companies Act, 2013, the Board is authorised to borrow up to an amount ₹ 10,000 million in excess of the aggregate of the paid up capital and free reserves of our Company and for creation of charge/providing security for the sum borrowed on the assets of our Company.

Loans to Directors

Our Company has not provided any loan to our Directors. Further, except as disclosed in "*Related Party Transactions*" on page 211, none of the beneficiaries of loans, advances and sundry debtors are related to the

Directors of our Company.

Bonus or profit sharing plan for our Directors

None of our Directors are party to any bonus or profit sharing plan of our Company.

Interest of Directors

All our Directors, including Independent Directors, may be deemed to be interested to the extent of fees and commission, if any, payable to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration, commission and reimbursement of expenses payable to them.

The Directors, including Independent Directors, may also be regarded as interested in Equity Shares held by them, if any, or that may be subscribed by and allotted to their relatives, or the entities with which they are associated as promoters, directors, partners, proprietors or trustees or to the companies, firms and trust, in which they are interested as directors, members, partners and trustees, pursuant to the Offer and to the extent of any dividend payable to them and other distributions in respect of the Equity Shares.

Our Directors, other than Independent Directors, may also be regarded as interested in relation to any stock options if granted to them under the ESOP 2018 of our Company.

Certain of our Directors may be deemed to be interested in the contracts, transactions, agreements/arrangements entered into or to be entered into by our Company with any company in which they hold directorships or any partnership firm in which they are partners as declared in their respective capacity.

No sum has been paid or agreed to be paid to our Directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce him/her to become, or to qualify him/her as, a Director, or otherwise for services rendered by him/her or by such firm or company, in connection with the promotion or formation of our Company.

Interest of Directors in the promotion of our Company

As on the date of this Draft Red Herring Prospectus, except for Atul Vini Ahuja, none of our other Directors are interested in the promotion of our Company.

Interest of Directors in the properties of our Company

Our Directors do not have any interest in any property acquired in the preceding two years or proposed to be acquired by our Company within the two years from the date of filing of this Draft Red Herring Prospectus, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Business interest

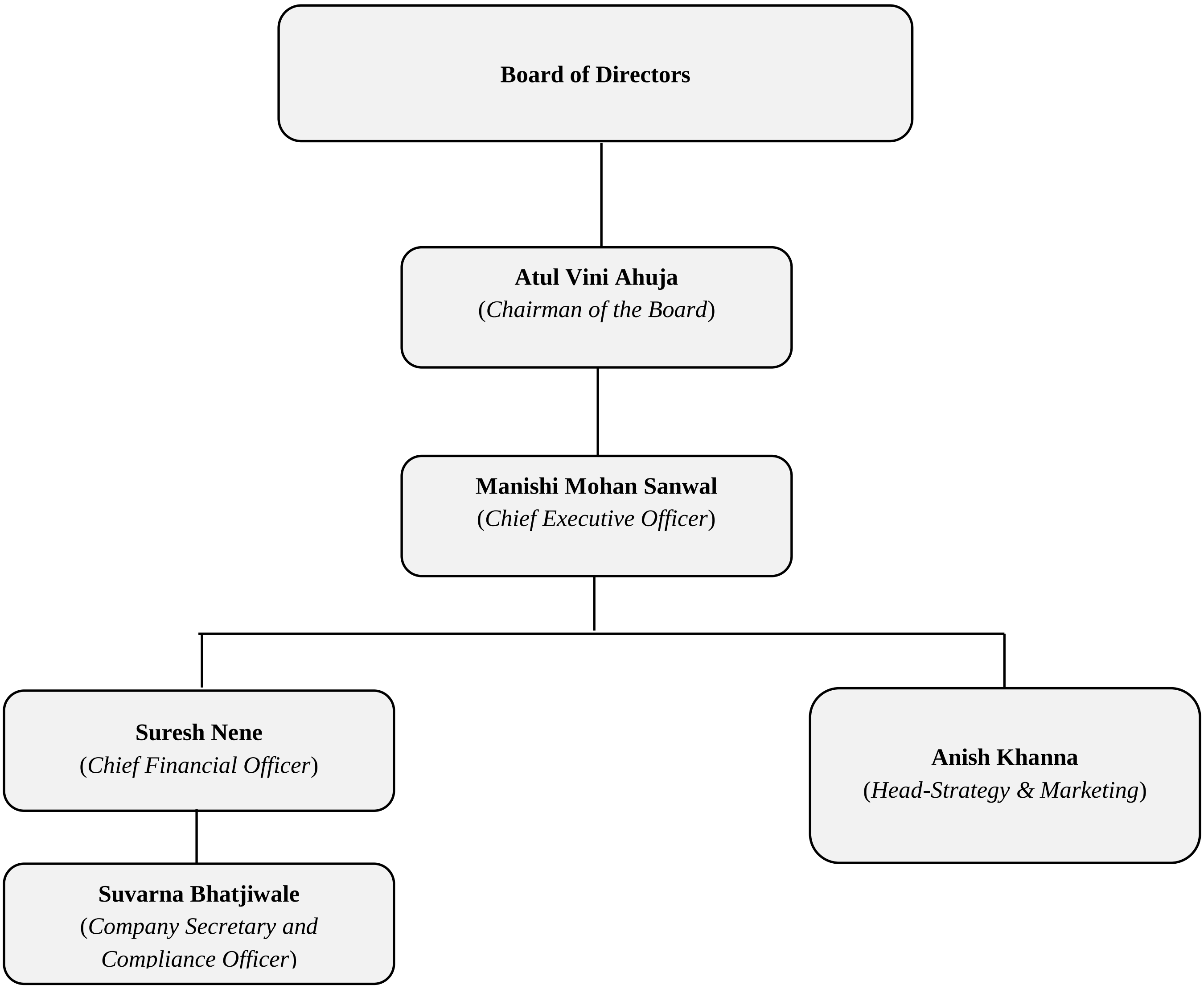
Except as stated in the section titled "*Related Party Transactions*" on page 211, our Directors do not have any other interest in our business or our Company.

Changes to the Board in the last three years

Name	Designation	Date of appointment/change of designation/cessation	Reason
Micheal William Schriver	Director	February 27, 2017	Cessation due to resignation
Mark Neville James	Director	February 27, 2017	Cessation due to resignation
Viren Ahuja	Director	January 20, 2018	Cessation due to resignation
Manishi Mohan Sanwal	Executive Director	January 19, 2018	Cessation due to resignation
Maya Swaminathan Sinha	Independent Director	January 19, 2018	Appointment
Naresh Chandra Sharma	Independent Director	January 19, 2018	Appointment

Note: This does not include changes such as regularisations or change in designations.

Management organisation chart



Corporate Governance

The provisions relating to corporate governance prescribed under the SEBI Listing Regulations will be applicable to us immediately upon listing of the Equity Shares on the Stock Exchanges. We are in compliance with the requirements of applicable regulations, including the SEBI Listing Regulations, the Companies Act, 2013 and the SEBI ICDR Regulations, in respect of corporate governance including constitution of the Board and committees thereof.

Our Board has been constituted in compliance with the Companies Act, 2013, the SEBI Listing Regulations and in accordance with best practices in corporate governance. Our Board functions either as a full board, or through various committees constituted to oversee specific operational areas. The executive management of our Company provides the Board of Directors periodic reports on the performance of our Company.

Committees of the Board

In addition to the committees of our Board detailed below, our Board may, from time to time, constitute committees for various functions.

(i) Audit Committee

The members of the Audit Committee are:

1. Maya Swaminathan Sinha, *Chairman*
2. Naresh Chandra Sharma; and
3. Ayyaswamy Ramamoorthy Choodamani

The Audit Committee was constituted by a meeting of the Board held on January 19, 2018. The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations, and its terms of reference are as follows:

(a) Overseeing our Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

(b) Recommending to the Board, the appointment, re-appointment, and replacement, remuneration, and terms of appointment of the statutory auditor and the fixation of audit fee;

(c) Review and monitor the auditor's independence and performance and the effectiveness of audit process;

(d) Approval of payments to the statutory auditors for any other services rendered by statutory auditors;

(e) Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

   (i) Matters required to be stated in the Director's responsibility statement to be included in the Board's report in terms of Section 134(3)(c) of the Companies Act, 2013;

   (ii) Changes, if any, in accounting policies and practices and reasons for the same;

   (iii) Major accounting entries involving estimates based on the exercise of judgment by management;

   (iv) Significant adjustments made in the financial statements arising out of audit findings;

   (v) Compliance with listing and other legal requirements relating to financial statements;

   (vi) Disclosure of any related party transactions; and

   (vii) Qualifications and modified opinions in the draft audit report.

(f) Reviewing with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

(g) Scrutiny of inter-corporate loans and investments;

(h) Valuation of undertakings or assets of our Company, wherever it is necessary;

(i) Evaluation of internal financial controls and risk management systems;

(j) Approval or any subsequent modification of transactions of our Company with related parties;

(k) 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 utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

(l) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;

(m) Reviewing, with the management, the performance of statutory and internal auditors and adequacy of the internal control systems;

(n) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(o) Discussion with internal auditors on any significant findings and follow up thereon;

(p) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

(q) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(r) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(s) Approval of appointment of the chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

(t) Reviewing the functioning of the whistle blower mechanism, in case the same is existing;

(u) Carrying out any other functions as provided under the Companies Act, the SEBI Listing Regulations and other applicable laws; and

(v) To formulate, review and make recommendations to the Board to amend the Audit Committee charter from time to time.

The powers of the Audit Committee will include the following:

(a) To investigate activity within its terms of reference;

(b) To seek information from any employees;

(c) To obtain outside legal or other professional advice; and

(d) To secure attendance of outsiders with relevant expertise, if it considers necessary

The Audit Committee shall mandatorily review the following information:

(a) Management discussion and analysis of financial condition and result of operations;

(b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

(c) Management letters/letters of internal control weaknesses issued by the statutory auditors;

(d) Internal audit reports relating to internal control weaknesses;

(e) The appointment, removal and terms of remuneration of the internal auditor; and

(f) Statement of deviations:

 (i) quarterly statement of deviation(s) including report of monitoring agency, submitted to stock exchange(s) in terms of SEBI Listing Regulations, as and when applicable; and

 (ii) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of SEBI Listing Regulations, as and when applicable.

(ii) Nomination and Remuneration Committee

The members of the Nomination and Remuneration Committee are:

1. Naresh Chandra Sharma, *Chairman*;
2. Maya Swaminathan Sinha; and
3. Atul Vini Ahuja

The Nomination and Remuneration Committee was constituted by a meeting of the Board of Directors held on January 19, 2018. The scope and functions of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations. The terms of reference of the Nomination and Remuneration Committee are as follows:

(a) Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

(b) Formulation of criteria for evaluation of independent directors and the Board;

(c) Devising a policy on Board diversity;

(d) Identify persons who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance. Our Company shall disclose the remuneration policy and the evaluation criteria in its annual report;

(e) Analysing, monitoring and reviewing various human resource and compensation matters;

(f) Determining our Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

(g) Determine compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;

(h) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

(i) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(j) Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including SEBI regulations, as and when applicable;

(k) Determine whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors; and

(l) Perform such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by such committee

(iii) Stakeholders' Relationship Committee

The members of the Stakeholders' Relationship Committee are:

1. Maya Swaminathan Sinha, *Chairman;*
2. Ayyaswamy Ramamoorthy Choodamani; and
3. Naresh Chandra Sharma.

The Stakeholders' Relationship Committee was constituted by our Board of Directors at their meeting held on January 31, 2018. The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations. The terms of reference of the Stakeholders' Relationship Committee are as follows:

(a) Redressal of grievances of shareholders, debenture holders and other security holders, including complaints related to the transfer of shares;

(b) Allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;

(c) Issue of duplicate certificates and new certificates on split/consolidation/renewal;

(d) Non-receipt of declared dividends, balance sheets of our Company, annual report or any other documents or information to be sent by our Company to its shareholders; and

(e) Carrying out any other function as prescribed.

(iv) Corporate *Social Responsibility Committee*

The members of the Corporate Social Responsibility Committee are:

1. Atul Vini Ahuja, *Chairman;*
2. Maya Swaminathan Sinha; and
3. Naresh Chandra Sharma.

The Corporate Social Responsibility Committee was constituted by our Board of Directors at their meeting held on January 31, 2018. The terms of reference of the Corporate Social Responsibility Committee of our Company are as per Section 135 of the Companies Act, 2013 and the applicable rules thereunder, and have been set out below:

(a) Formulating and recommending to the Board the corporate social responsibility policy of the Company, including any amendments thereto in accordance with Schedule VII of the Companies Act, 2013 and the rules made thereunder;

(b) Identifying corporate social responsibility policy partners and corporate social responsibility policy programmes;

(c) Recommending the amount of corporate social responsibility policy expenditure for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programmes undertaken by our Company;

(d) Identifying and appointing the corporate social responsibility team of our Company including corporate social responsibility manager, wherever required;

(e) Delegating responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;

(f) Reviewing and monitoring the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes; and

(g) Performing such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company.

IPO Committee

The members of the IPO Committee are:

1. Atul Vini Ahuja*;*
2. Ayyaswamy Ramamoorthy Choodamani; and
3. Maya Swaminathan Sinha.

The IPO Committee was constituted by our Board of Directors on January 31, 2018. The terms of reference of the IPO Committee of our Company are as follows:

(a) To make applications to, seek clarifications and obtain approvals from, where necessary, the RBI and any other governmental or statutory authorities as may be required in connection with the Offer and accept on behalf of the Board such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions as may be required;

(b) To finalize, settle, approve, adopt and file in consultation with the BRLMs where applicable, this Draft Red Herring Prospectus, the Red Herring Prospectus the Prospectus, the preliminary and final international wrap and any amendments, supplements, notices, addenda or corrigenda thereto, and take all such actions as may be necessary for the submission and filing of these documents including incorporating such alterations/corrections/modifications as may be required by SEBI, the RoC or any other relevant governmental and statutory authorities or in accordance with applicable laws;

(c) To decide jointly with the Selling Shareholder and in consultation with the BRLMs on the size, timing, pricing, discount, reservation and all the terms and conditions of the Offer, including the price band, bid period, Offer price, and to accept any amendments, modifications, variations or alterations thereto;

(d) To take all actions as may be necessary in connection with the Offer, including extending the Bid/Offer Period, revision of the Price Band, allow revision of the Offer for Sale portion in case the Selling Shareholder decides to revise it, in accordance with the applicable laws;

(e) To invite the existing Shareholders of our Company to participate in the Offer, by offering for sale Equity Shares held by them at the same price as in the Offer;

(f) To appoint and enter into and terminate arrangements with the BRLMs, Underwriters to the Offer, Syndicate Members to the Offer, Brokers to the Offer, Escrow Collection Bankers to the Offer, Refund Bankers to the Offer, Registrars, legal advisors, auditors, and any other agencies or persons or intermediaries to the Offer and to negotiate, finalise and amend the terms of their appointment, including but not limited to the execution of the mandate letter with the BRLMs and negotiation, finalization, execution and, if required, amendment of the Offer Agreement with the BRLMs;

(g) To negotiate, finalise and settle and to execute and deliver or arrange the delivery of the Offer Agreement, Syndicate Agreement, Underwriting Agreement, share escrow agreement, cash escrow agreement, Registrar Agreement and all other documents, deeds, agreements and instruments as may be required or desirable in relation to the Offer;

(h) To seek, if required, the consent of the lenders of our Company and its Subsidiaries, industry data providers, parties with whom our Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in India or outside India, and any other consents that may be required in relation to the Offer or any actions connected therewith;

(i) To open and operate bank accounts in terms of the escrow agreement and to authorize one or more officers of our Company to execute all documents/deeds as may be necessary in this regard;

(j) To open and operate bank accounts of our Company in terms of Section 40(3) of the Companies Act, 2013, as amended, and to authorize one or more officers of our Company to execute all documents/deeds as may be necessary in this regard;

(k) To authorize and approve incurring of expenditure and payment of fees, commissions, brokerage, remuneration and reimbursement of expenses in connection with the Offer;

(l) To issue receipts/allotment letters/confirmation of allotment notes either in physical or electronic mode representing the underlying Equity Shares in the capital of our Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchange(s), with power to authorize one or more directors/ officers of our Company to sign all or any of the aforestated documents;

(m) To authorize and approve notices, advertisements in relation to the Offer in consultation with the relevant intermediaries appointed for the Offer;

(n) To withdraw this Draft Red Herring Prospectus or the Red Herring Prospectus or to decide not to proceed with the Offer at any stage in accordance with the SEBI ICDR Regulations;

(o) To do all such acts, deeds, matters and things and execute all such other documents, etc., as may be deemed necessary or desirable for such purpose, including without limitation, to finalise the basis of allocation and to allot the shares to the successful allottees as permissible in law, issue of allotment letters/confirmation of allotment notes, share certificates in accordance with the relevant rules;

(p) To take all actions as may be necessary and authorized in connection with the Offer for Sale and to approve and take on record the transfer of Equity Shares in the Offer for Sale;

(q) To do all such acts, deeds and things as may be required to dematerialise the Equity Shares and to sign and/or modify, as the case maybe, agreements and/or such other documents as may be required with the National Securities Depository Limited, the Central Depository Services (India) Limited, Registrar and Transfer Agents and such other agencies, authorities or bodies as may be required in this connection and to authorize one or more officers of our Company to execute all or any of the aforestated documents;

(r) To make applications for listing of the Equity Shares in one or more stock exchange(s) for listing of the Equity Shares and to execute and to deliver or arrange the delivery of necessary documentation to the concerned stock exchange(s) in connection with obtaining such listing including without limitation, entering into listing agreements and affixing the common seal of our Company where necessary;

(s) To settle all questions, difficulties or doubts that may arise in regard to the Offer, including such issues or allotment and matters incidental thereto as it may deem fit and to delegate such of its powers as may be deemed necessary and permissible under applicable laws to the officials of our Company; and

(t) To negotiate, finalize, settle, execute and deliver any and all other documents or instruments and to do or cause to be done any and all acts or things as the IPO Committee may deem necessary, appropriate or advisable in order to carry out the purposes and intent of this resolution or in connection with the Offer and any documents or instruments so executed and delivered or acts and things done or caused to be done by the IPO Committee shall be conclusive evidence of the authority of the IPO Committee in so doing.

Key Management Personnel

The following table sets forth the details of our Key Management Personnel, as on the date of this Draft Red Herring Prospectus:

No.	Name	Designation
1.	Manishi Mohan Sanwal	Chief Executive Officer
2.	Suresh Jayant Nene	Chief Financial Officer
3.	Suvarna Bhatjiwale	Company Secretary and Compliance Officer
4.	Anish Khanna	Head-Strategy & Marketing

The details of our other Key Management Personnel as on the date of this Draft Red Herring Prospectus are as follows:

Manishi Mohan Sanwal, aged 42 years, is the Chief Executive Officer of our Company. He joined our Company on October 4, 2012 as an executive Director and has been appointed as a Chief Executive Officer of our Company from January 19, 2018. He is responsible for our business operations. He holds a bachelor's degree of technology in chemical engineering from the Banaras Hindu University and a post-graduate diploma in management from Indian Institute of Management, Ahmedabad. Prior to joining our Company, he was associated with Swatch Group India Private Limited, Samsung Electronics India Information & Technology Limited, LVMH Watch & Jewellery Hong Kong Limited. He has an experience of over 16 years in brands and retail. He was paid a remuneration of ₹ 27.43 million in Fiscal 2017.

Suresh Jayant Nene, aged 49 years, is the Chief Financial Officer of our Company. He joined our Company on January 19, 2018 and is responsible for finance and accounting department of our Company. He holds a bachelor's degree in commerce and in law from Nagpur University. Prior to joining our Company, he was associated with Godrej GE-Appliances Limited, Flemingo International Limited, Dubai and Flemingo Dutyfree Shop Private Limited and has an experience of over 26 years in finance and accounting. He has been appointed as a Key Management Personnel of our Company in Fiscal 2018 hence, no remuneration was paid to him during Fiscal 2017.

Suvarna Bhatjiwale, aged 28 years, is the Company Secretary and Compliance Officer of our Company. She joined our Company on January 19, 2018 and is responsible for corporate secretarial and compliance work. She holds a bachelor's degree in commerce from University of Allahabad and is an associate member of the Institute of Company Secretaries of India. Prior to joining our Company, she was associated with A to Z Services Private Limited, Flemingo Dutyfree Shop Private Limited and Loha Ispaat Limited. She has an experience of over 6 years in corporate secretarial work. She has been appointed as a Key Management Personnel of our Company in Fiscal 2018 hence, no remuneration was paid to her during Fiscal 2017.

Anish Khanna, aged 43 years, is the Head of Strategy & Marketing division of our Company. He joined our Company on January 19, 2018 and is responsible for sales, marketing and strategy activities of our Company. He holds a master's degree in business administration from Northwestern University and WHU-Otto Beisheim School of Management. Prior to joining our Company, he was associated with Matrix Cellular (International) Services Limited, ABC Consultants Private Limited and Flemingo Dutyfree Shop Private Limited has an experience of over 17 years in marketing and sales. He has been appointed as a Key Management Personnel of our Company in Fiscal 2018 hence, no remuneration was paid to him during Fiscal 2017.

All of our Key Management Personnel are permanent employees of our Company.

Relationship of Key Management Personnel

None of our Key Management Personnel are related to each other.

Arrangements and understanding with major shareholders, customers, suppliers or others

None of our Key Management Personnel have been selected as a Key Management Personnel or a member of the senior advisory board of our Company pursuant to any arrangement or understanding with any major Shareholders, customers or suppliers of our Company, or others.

Bonus or profit sharing plan of the Key Management Personnel

None of the Key Management Personnel are party to any bonus or profit sharing plan of our Company other than the performance linked incentives given to Key Management Personnel.

Shareholding of the Key Management Personnel

As on the date of this Draft Red Herring Prospectus, none of the Key Management Personnel holds any Equity Shares of our Company or stock options pursuant to the ESOP 2018.

Service contracts with Key Management Personnel

There are no service contracts entered into between any of our Key Management Personnel and our Company for provision of any benefits upon termination or retirement.

Loans to Key Management Personnel

As on the date of this Draft Red Herring Prospectus, there are no outstanding loans availed by our Key Management Personnel from our Company.

Contingent and deferred compensation payable to Key Management Personnel

There is no contingent or deferred compensation payable to our Key Management Personnel, which does not form part of their remuneration.

Interest of Key Management Personnel

The Key Management 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 their service.

Except as disclosed in the "*Related Party Transactions*" on page 211, our Key Management Personnel do not have any interest in our Company.

Our Key Management Personnel may be deemed to be interested in our Company to the extent of any stock options if granted by our Company under ESOP 2018. For further details, see "*Capital Structure- Employee Stock Option Scheme*" on page 95.

Other than the above, none of the Key Management Personnel has been paid any consideration or benefit of any nature from our Company or Subsidiary on whose rolls they are employed, other than their remuneration.

Changes in the Key Management Personnel in last three years

Name	Designation	Date of appointment/resignation	Reason
Manishi Mohan Sanwal	Chief Executive Officer	January 19, 2018	Appointment
Suresh Jayant Nene	Chief Financial Officer	January 19, 2018	Appointment
Suvarna Bhatjiwale	Company Secretary and Compliance Officer	January 19, 2018	Appointment
Anish Khanna	Head-Strategy & Marketing	January 19, 2018	Appointment

Employee Stock Option Plan

For details of the employee stock options plans of our Company, see the sub-section titled "*Capital Structure – Employee Stock Option Scheme*" on page 95**.**

Payment or benefits to officers of our Company (non-salary related)

No non-salary amount or benefit has been paid or given or is intended to be paid or given to any of our Company's officers within the two preceding years from the date of filing of this Draft Red Herring Prospectus.

Except as stated in the section titled "*Related Party Transactions*" beginning on page 211, none of the beneficiaries of loans and advances granted by our Company or our sundry debtors are related to our Company, our Directors, our Key Management Personnel or our Promoters.

OUR PROMOTERS AND PROMOTER GROUP

The Promoters of our Company are Atul Vini Ahuja and Flemingo International. As on the date of this Draft Red Herring Prospectus, Flemingo International holds 37,931,622 Equity Shares and Atul Vini Ahuja holds 251 Equity Shares as nominee of Flemingo International, respectively, collectively representing 97.11%, of the pre-Offer issued, subscribed, and paid-up capital of our Company. For details, please see the section titled "*Capital Structure – Shareholding of our Promoters and Promoter Group and directors of the Corporate Promoter*" on page 90.

Details of our Promoter

Individual Promoter

	Atul Vini Ahuja, aged 55 years, is our Promoter, Chairman and Non-executive Director ***Address***: Gulmohar Lala, J.D. Gupta Marg, Deonar, Mumbai – 400 088, Maharashtra, India ***Voter ID***: NA ***Driving License***: NA ***Passport Number***: Z3581876 For the complete profile of Atul Vini Ahuja along with details of his educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements and business and financial activities, see "*Our Management – Board of Directors*" on page 179.

Our Company confirms that the PAN, bank account number, and passport number of Atul Vini Ahuja shall be submitted to the Stock Exchanges at the time of filing of this Draft Red Herring Prospectus with the Stock Exchanges.

Corporate Promoter

Flemingo International (BVI) Limited ("Flemingo International")

Corporate information and history

Flemingo International was incorporated as a company limited by shares on August 13, 2009 under the BVI Business Companies Act, 2004 in British Virgin Islands. The registered office of Flemingo International is situated at Trident Chambers, P.O. Box 146, Road Town, Tortola, British Virgin Island and its registration number is 1543925.

Flemingo International has full capacity to carry on or undertake its current business activities and is authorised by its charter documents to undertake any other legitimate business or activity.

As on the date of this Draft Red Herring Prospectus, Flemingo International holds 37,933,128 Equity Shares (including 251 Equity Shares held through Atul Vini Ahuja as a nominee of Flemingo International and another 1,255 Equity Shares held through five other nominees), constituting 97.11% of the issued, subscribed and paid-up Equity Share capital of our Company.

Board of directors

The board of directors of Flemingo International comprise the following persons:

1. Sapphaire International Limited, represented by Atul Vini Ahuja;
2. Hemchand Chaturbhuj Das Gandhi;
3. Carlo Bernasconi;
4. Sumeet Narang;
5. Peter Michael Yu; and
6. Michael Schmidt

Flemingo International is authorised to issue not more than 3,007,000 shares divided into the following seven classes of shares:

1. Class A common shares with a par value of US$1.00 each;
2. Class B common shares with a par value of US$1.00 each;
3. Class C common shares with a par value of US$1.00 each;
4. Class D common shares with a par value of US$1.00 each; and
5. Class E common shares with a par value of US$1.00 each, wherein Class E shares together with Class A shares, Class B shares, Class C shares, Class D shares, are collectively referred to as the "**Common Shares**";
6. 3,500 redeemable preferred shares with a par value of US$1.00 each ("**Senior Preferred Shares**"); and
7. 3,500 junior redeemable preferred shares with a par value of US$1.00 each ("**Junior Preferred Shares**").

The equity shareholding pattern of Flemingo International as on the date of this Draft Red Herring Prospectus is as follows:

No.	Name of the shareholder	No. of equity shares*	Class of Common Share	Percentage (%)
1.	Sapphaire International Limited	1,304,904	Class A	56.48
2.	Pangaea Two Acquisition Holdings IX Limited	275,824	Class E	11.94
3.	Walker Investments	130,006	Class B	5.63
4.	ACM Emerging Markets Master Fund I.LP	45,519	Class C	1.97
5.	Samena Phoenix Holdings Co	229,258	Class D	9.92
6.	Hemchand Chaturbhuj Das Gandhi	45,878	Class A	1.99
7.	Coppo 1896 sp.a	31,499	Class A	1.36
8.	Coppo Giuseppe	7,826	Class A	0.34
9.	Coppo Mara	7,826	Class A	0.34
10.	Rasiklal Rattilal Thakker	33,981	Class A	1.47
11.	Suresh Tulsidas Bhatia	16,878	Class A	0.73
12.	Mahandra Kumar Pershotamdas Thakar	17,446	Class A	0.76
13.	Contitrades FZCO	12,025	Class A	0.52
14.	Treasury Shares	77,649	Class A	3.36
15.	Carlo Bernasconi	693	Class A	0.03
16.	Sanlar Investment Limited	6,411	Class A	0.28
17.	Global Marketing Group (GMG) Limited	461	Class A	0.02
18.	C Ayyaswamy	35,264	Class A	1.53
19.	Paul Topping	2,216	Class A	0.10
20.	Sandeep Rammurti Sharma	691	Class A	0.03
21.	Neil Graham Harding	21,043	Class A	0.91
22.	Darren James Harding	93	Class A	0.00
23.	Robert Neil Edmonds	1,269	Class A	0.05
24.	James Keir Prescott	4,610	Class A	0.20
25.	Mark Richard Birnie	607	Class A	0.03
26.	Richard Fisher Antrum	222	Class A	0.01
27.	Harold Gittlemon	345	Class A	0.01
Total		**2,310,444**	**-**	**100.00**

** Each share provides 1 voting right to the holder of such share.*

The preferred shareholding pattern of Flemingo International as on the date of this Draft Red Herring Prospectus is as follows:

No.	Name of the shareholder	No. of Senior Preferred Shares
1.	ACM Emerging Markets Master Fund I, L.P	1,572
2.	CDIB Global Markets Limited*	1,048
Total		**2,620**

**Convertible warrants have been issued to CDIB Global Markets Limited for issue of 30,115 Class C Common shares and are outstanding as on date of this Draft Red Herring Prospectus.*

We confirm that the details of the PAN, bank account numbers, the company registration number and the addresses of the registrar of companies where Flemingo International is registered, shall be submitted with the Stock Exchanges at the time of submission of this Draft Red Herring Prospectus.

Details of the promoter of our Promoter

The promoter of Flemingo International is Sapphaire International Limited ("**Sapphaire**"). Atul Vini Ahuja is the natural person in control of Sapphaire. The details of Sapphaire are as follows:

Corporate information and history

Sapphaire is incorporated as a company limited by shares on June 6, 2006 under the BVI Business Companies Act, 2004 in British Virgin Islands, with its office situated at Overseas Management Co. Trust (BVI) Ltd., OMC Chambers, P.O. Box 3152, Road Town, Tortola British Virgin Islands and its registration number is 1031519.

Board of directors

The board of directors of Sapphaire comprises of the following persons:

1. Atul Vini Ahuja; and
2. Arjun Ahuja

Shareholding

No.	Name of the shareholder	No. of shares	% of shareholding
1.	Atul Vini Ahuja	575,000	92
2.	Arjun Ahuja	25,000	4
3.	Karan Ahuja	25,000	4
Total		**625,000**	**100**

Change in control or management of Flemingo International in the last three years

There has not been any change in the control or management of Flemingo International in the last three years from the date of filing of this Draft Red Herring Prospectus.

Interests of our Promoters in our Company

Our Promoters are interested in our Company to the extent that they have promoted our Company, to the extent of their shareholding in our Company and the dividends payable, if any, and any other distributions in respect of the Equity Shares held by them. For details of Equity Shares held by our Promoters, see "*Capital Structure-Notes to Capital Structure*" on page 89. Further, Atul Vini Ahuja is also interested in our Company as a Non-executive Director, for further details, see "*Our Management*" on page 179.

Except as mentioned in this section and sections titled "*Our Business*", "*History and Certain Corporate Matters*", "*Our Management*" and "*Related Party Transactions*" on pages 137, 166, 179 and 211, respectively, our Promoters do not have any other interest in our Company.

Except in the normal course of business and as stated in the *"Related Party Transactions"* on page 211, our Company has not entered into any contract, agreements or arrangements in which our Promoters are directly or indirectly interested and no payments have been made to our Promoters in respect of the contracts, agreements or arrangements which are proposed to be made with it.

Our Promoters have no interest, whether direct or indirect, in any property acquired by our Company in the two years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery, etc.

Our Company has neither made any payments in cash or otherwise to our Promoters or to firms or companies in which our Promoters are interested as a member, director or promoter nor have our Promoters been offered any inducements to become a director or otherwise to become interested in any firm or company, in connection with the promotion or formation of our Company.

Other than as disclosed below, our Promoters are not interested in any entity which holds any intellectual property rights that are used by our Company.

1. Flemingo International, our Corporate Promoter, has applied for registration of trademarks "*Flemingo*" and "*Flemingo-The Duty Free People*" on December 28, 2012 and such applications are pending registration by the concerned authority. Our Company pursuant to Trademark License Agreement dated February 9, 2018 has been licensed by Flemingo International to use such trademarks in accordance with the conditions stipulated in such agreement.

Guarantees

Except as stated in "*History and Certain Corporate Matters- Guarantees issued by our Promoters on behalf of our Company*" on page 171, our Promoters have not given any guarantee to a third party on behalf of our Company as of the date of this Draft Red Herring Prospectus.

Companies or firms with which our Promoters have disassociated in the last three years

Except for the following, none of our Promoters have disassociated itself from any other company or firm in the last three years preceding the date of this Draft Red Herring Prospectus:

1. Atul Vini Ahuja

No.	Name of the entity	Date of disassociation	Reason
1.	Flemingo Retail Private Limited	December 10, 2015	To focus on other ventures

2. Flemingo International

No.	Name of the entity	Date of disassociation	Reason
1.	Flemingo International (Mauritius) Limited	May 1, 2016	Strategic exit

Experience of the Promoters in the business of our Company

Our individual Promoter, i.e., Atul Vini Ahuja, has an experience of over 15 years, in the business of our Company. Atul Vini Ahuja is assisted by a qualified and experienced team to manage the operations of our Company. For details in relation to the qualification and experience of Atul Vini Ahuja, see section titled "*Our Management-Brief profiles of our Directors*" on page 180.

Outstanding Litigation

Except as disclosed in the section "*Outstanding Litigation and Material Developments- Litigation involving our individual Promoter*" on page 261, there is no other litigation or legal action pending or taken by a ministry, department of the government or statutory authority during the last five years preceding the date of this Draft Red Herring Prospectus against our Promoters.

Other confirmations

(a) As on the date of this Draft Red Herring Prospectus, our Corporate Promoter has undertaken an outstanding unsecured loan, which may be recalled by the lender at any time.

(b) As on the date of this Draft Red Herring Prospectus, none of our Promoters have an outstanding unsecured loan taken from our Company.

Change in control of our Company in the last five years

Our Company, Flemingo International and DFS Venture Singapore entered into a subscription agreement on November 10, 2014 pursuant to which our Company allotted 13,317 Equity Shares for a consideration of ₹ 13,554 per Equity Share and 13,370 Equity Shares for a consideration of ₹ 13,554 per Equity Share to Flemingo International. Subsequently, on November 10, 2014 and November 28, 2014, Flemingo International purchased

2,850 Equity Shares for a consideration of approximately ₹ 1,248.05 per Equity Share and 42,220 Equity Shares for a consideration of approximately ₹ 1,753.13 per Equity Share, respectively, from DFS Venture Singapore. Accordingly, Flemingo International held 71,757 Equity Shares of our Company in November 2014 representing 46% of the then paid-up share capital of our Company. Further, our Company also entered into a share purchase agreement dated February 20, 2017 with Flemingo International, DFS Venture Singapore, DFS Singapore (Pte.) Limited and Flemingo Duty Free Shop Mumbai Private Limited pursuant to which Flemingo International purchased 79,369 Equity Shares from DFS Venture Singapore representing 51% of the then paid-up share capital of our Company on February 27, 2017, for a consideration of approximately ₹ 72,020.90 per Equity Share. For further details, see "*Capital Structure- Build-up of Equity Shares held by our Promoters-Flemingo International*" on page 91. Prior to the aforementioned allotments and transfer, DFS Venture Singapore held 70% of the paid-up capital of our Company as on November 9, 2014.

Promoter Group

In addition to the Promoters named above, the following individuals and entities form a part of the Promoter Group:

(a) Natural persons who are part of the Promoter Group

Name of the Promoter	Name of the relative	Relationship with the Promoter
Atul Vini Ahuja	Shamlu Ahuja	Mother of Atul Vini Ahuja
	Purvi Ahuja	Wife of Atul Vini Ahuja
	Viren Ahuja	Brother of Atul Vini Ahuja
	Arjun Ahuja	Son of Atul Vini Ahuja
	Karan Ahuja	Son of Atul Vini Ahuja
	Usha Shah	Mother of spouse of Atul Vini Ahuja
	Sheetal Patel	Sister of spouse of Atul Vini Ahuja
	Shivani Goyal	Sister of spouse of Atul Vini Ahuja
	Sapna Shah	Sister of spouse of Atul Vini Ahuja

(b) Bodies corporates forming part of the Promoter Group

1. Maple Holdings International Limited;
2. Sapphaire International Limited;
3. Flemingo Dutyfree Shop Private Limited;
4. Flemingo Middle East Limited;
5. Flemingo Corporate Services Private Limited;
6. Flemingo International (UK) Limited;
7. Flemingo Travel Retail Limited;
8. Flemingo Supply Services Limited[#];
9. Flemingo Cruise Travel Retail Limited;
10. Flemingo Maritime Manning Limited;
11. Flemingo International (Panama) SA;
12. Flemingo International (Lebanon) S.A.R.L;
13. Flemingo International Limited, Ghana;
14. Flemingo International (Zambia) Limited;
15. Flemingo International (St. Maarten) B.V.;
16. Flemingo (Lebanon) S.A.R.L;
17. Flemingo International Limited, Uganda;
18. Flemingo International Morocco S.A.;
19. Flemingo Distribution SARL AU, Morocco;

20. Flemingo Duty Free Shops SA (Pty) Limited;
21. Flemingo Food and Beverage Services B.V., St. Maarten;
22. Flemingo Boutiques B.V., St. Maarten;
23. Flemingo Parzalama Ve Daitim Ticaret Anonim Sirketi, Turkey;
24. Flemingo Bangladesh Limited;
25. Harding Brothers Holdings Limited, United Kingdom;
26. Harding Brothers Retail Operations Limited, United Kingdom;
27. Harding Brothers Retail Limited, United Kingdom;
28. Harding Brothers Retail LLC, United States of America;
29. Flemingo International Limited, British Virgin Islands;
30. Flemingo (DFS) Private Limited;
31. Flemingo Duty Free Shop Mumbai Private Limited;
32. Dutyfree Distribution Services Private Limited;
33. Flemingo Duty Free (Private) Limited, Sri Lanka;
34. IRIS Ekspres Gumruksuz Satis Magazalari Ticaret Anonim, Sirketi, Turkey;
35. Flemingo Diplomatic FZE, United Arab Emirates;
36. Flemingo Internacional Limitada, Guinea-Bissau*;
37. FI Mozambique Limitada;
38. Ashdod Holdings Limited, Cyprus;
39. Przedsiębiorstwo Handlu Zagranicznego “Baltona” S.A., Poland;
40. Baldemar Holdings Limited, Cyprus;
41. Flemingo Duty Free Ukraine LLC, Ukraine;
42. Centrum Uslug Wspolnych Baltona Sp.z o.o, Poland;
43. Baltona Shipchandlers Sp. z o.o, Poland;
44. S C Gredy Company SRL, Romania;
45. Baltona France S.A.S;
46. Baltona Duty Free Estonia OU;
47. BH Travel Retail Poland Sp.z o.o, Poland;
48. Centrum Obslugi Operacyjnej Sp.z o.o, Poland;
49. KW Shelf Company Sp. z o.o, Poland;
50. Sandipiper 3 Sp.z o.o., Poland;
51. Baltona Italy S.R.L., Italy;
52. CDD Holding BV, Netherlands;
53. Rotterdam Airport Tax Free Shop B.V., Netherlands;
54. Chacalli-Den Haag BV, Netherlands;
55. Chacalli-de Decker NV, Belgium;
56. Chacalli De Decker Limited, United Kingdom;
57. Niederrhein Airport Shop Gmbh;
58. Flemingo (ME) Limited, United Arab Emirates[#];
59. Flemingo Albania Duty Free Limited Company;

60. Flemingo International (Somalia) Limited;
61. Flemingo International DRC SPRL, Democratic Republic of Congo;
62. Flemingo International Limited Laos PDR;
63. Flemingo International (Bangladesh) Limited;
64. Flemingo International Senegal SURL;
65. Flemingo International (South Sudan) Co. Ltd.;
66. Flemingo Duty Free Shop Limited, Nigeria;
67. Flemingo International BVI SARL, Republic of Congo;
68. Alpha & Omega Limited, Malawi *;
69. Flemingo International Limited, Malawi*;
70. Flemingo International Services Co. Ltd., Sudan;
71. National Security Forces Holdings Ltd., Uganda;
72. Flemingo Internacional LDa, Cape Verde;
73. Flemingo International (PTY) Limited, Botswana;
74. Flemingo International (Mali) SARL;
75. Flemingo International (Denmark) ApS;
76. Flemingo Airport Retail Limited;
77. Flemingo Retail Private Limited;
78. Welcome Retail Private Limited;
79. Miljul Investrade Private Limited;
80. Modern Hydraulic and Industrial Engineering Private Limited;
81. Kevalya Realty Private Limited;
82. Visual Infra Projects Private Limited;
83. Soulful Infra Projects Private Limited;
84. Russsh Corporate Services Private Limited;
85. Flemingo Liners Private Limited;
86. Suwin Building Systems LLP;
87. Harding Brothers Australia Pty Limited;
88. Liege Airport Shop BVBA, Belgium;
89. Flemingo Jewellery India Private Limited;
90. Harding Brothers Incorporated, United States of America; and
91. Olympus TEK FZE, United Arab Emirates

**These entities are currently under the process of winding up.*
 # These entities have been struck off by the authorities of the respective jurisdictions.

Payment or benefits to our Promoters or Promoter Group in the last two years

Except in the ordinary course of business and as stated in *"Related Party Transactions"* on page 211, there has been no payment or benefits by our Company to our Promoters and members of our Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoters or Promoter Group as on the date of this Draft Red Herring Prospectus.

Shareholding of the Promoter Group in our Company

For details of shareholding of members of our Promoter Group as on the date of this Draft Red Herring Prospectus, see section titled "*Capital Structure – Notes to Capital Structure*" on page 89.

OUR GROUP COMPANIES

*In accordance with the SEBI ICDR Regulations, for the purpose of identification of 'Group Companies', our Company has considered such companies are disclosed as related parties in accordance with the applicable accounting standard in the Restated Consolidated Summary Statements ("**Relevant Period**") disclosed in this Draft Red Herring Prospectus, and other companies considered material by our Board.*

It is clarified that companies which subsequent to the Relevant Period have ceased to be related parties of our Company in terms of the applicable accounting standard shall not be considered as 'Group Companies' for the purposes of disclosure in this Draft Red Herring Prospectus. It is further clarified that in addition to the entities covered above, if companies which, subsequent to the Relevant Period, become related parties in accordance with the applicable accounting standard shall be considered as 'Group Companies' for the purposes of disclosure in this Draft Red Herring Prospectus.

Pursuant to the materiality policy adopted by our Board on January 31, 2018, for the purpose of disclosure in this Draft Red Herring Prospectus, a company shall be considered as a material 'Group Company' by our Board, if such company is a member of the 'Promoter Group' (as defined under the SEBI ICDR Regulations) of our Company and has entered into one or more transactions with our Company in the most recent audited fiscal year (i.e., Fiscal 2017) and any stub period (in respect of which, restated financial statements are included in this Draft Red Herring Prospectus), which individually or in the aggregate, exceed 1% of the total consolidated revenue of our Company, as per the last annual restated financial statements of our Company included in this Draft Red Herring Prospectus.

For avoidance of doubt, it is clarified the Flemingo International has not been considered as a Group Company for the purpose of disclosure in this Draft Red Herring Prospectus.

Unless otherwise specified, all information in this section is as of the date of this Draft Red Herring Prospectus.

The following companies are the 'Group Companies' of our Company:

1. Flemingo International Limited, British Virgin Islands
2. Flemingo Duty Free (Private) Limited, Sri Lanka;
3. Flemingo Dutyfree Shop Private Limited;
4. Dutyfree Distribution Services Private Limited;
5. Flemingo Airport Retail Limited;
6. Flemingo Duty Free Shops International SA (Pty) Limited;
7. FI Mozambique Limitada;
8. Flemingo International Limited, Uganda; and
9. Flemingo Middle East Limited

Details of our Group Companies

1. Flemingo International Limited, British Virgin Islands ("***Flemingo BVI***")

Corporate Information

Flemingo BVI was incorporated as company limited by shares in British Virgin Islands on November 25, 1997 and registered on July 4, 2006 with the registration number 1038660. Its registered office is situated at P.O. Box # 116, Road Town, Tortola, British Virgin Islands.

Flemingo BVI is engaged in the business to carry on activities which are not prohibited by the BVI Business Companies Act, 2004.

Capital Structure

Particulars	Equity shares of face value of USD 100 each
Authorised capital	200,000
Issued, subscribed and paid up capital	93,000

Interest of our Promoters

Our Corporate Promoter, through its subsidiary Flemingo India, holds 100% of the paid-up share capital of Flemingo BVI.

Shareholding Pattern

The shareholding pattern of Flemingo BVI as on date of this Draft Red Herring Prospectus is set out in the table below:

No.	Name of the shareholder	No. of equity shares of USD 100 each	Percentage of shareholding (%)
1.	Flemingo India	93,000	100.00
Total		**93,000**	**100.00**

Financial Information

The following information has been derived from the audited financial statements of Flemingo BVI for the last three financial years:

(USD in million, except per share data)

Particulars	For the year ended December 31		
	2016*	2015**	2014***
Equity capital	10.97	10.97	10.97
Reserves (excluding revaluation reserves) and Surplus	20.03	14.15	9.08
Revenue from operations and other income	215.38	225.16	242.34
Profit / (Loss) after tax	3.90	5.16	2.71
Basic earnings per share	35.56	47.05	24.71
Diluted earnings per share	35.56	47.05	24.71
Net Asset Value per share	282.67	229.06	189.39

** 1 USD = ₹67.95 as on December 31, 2016*
*** 1 USD = ₹66.33 as on December 31, 2015*
**** 1 USD = ₹63.33 as on December 31, 2014*

Significant notes of auditor for the last three financial years

There are no significant notes of auditor of Flemingo BVI in respect of the financial results of Flemingo BVI for the last three financial years.

2. *Flemingo Duty Free (Private) Limited, Sri Lanka* (“***Flemingo Sri Lanka***”)

Corporate Information

Flemingo Sri Lanka was incorporated as a private limited liability company under the laws of Sri Lanka on July 7, 2011 with the registration number PV 78359. Its registered office is situated at No. 14/12A, Park Street Colombo 2, Sri Lanka.

Flemingo Sri Lanka is engaged in the business of operating duty free retail outlets at the Bandaranayke International Airport, Sri Lanka.

Capital Structure

Particulars	Equity shares of face value of Sri Lankan Rupees (“LKR”) 100 each
Authorised capital	1,100,000
Issued, subscribed and paid up capital	1,100,000

Interest of our Promoters

Our Corporate Promoter, through its subsidiary Flemingo India, which through its wholly-owned subsidiary Flemingo BVI, holds 100% of the paid-up share capital of Flemingo Sri Lanka.

Shareholding Pattern

The shareholding pattern of Flemingo Sri Lanka as on date of this Draft Red Herring Prospectus is set out in the table below:

No.	Name of the shareholder	No. of equity shares of Sri Lankan Rupees 100 each	Percentage of shareholding (%)
1.	Flemingo BVI	1,100,000	100.00
Total		**1,100,000**	**100.00**

Financial Information

The following information has been derived from the audited financial statements of Flemingo Sri Lanka for the last three financial years:

(LKR in million, except per share data)

Particulars	For the year ended December 31		
	2016*	2015**	2014***
Equity capital	110.00	110.00	110.00
Reserves (excluding revaluation reserves) and Surplus	141.66	210.74	136.70
Revenue from operations and other income	7,185.85	5,640.84	4,543.11
Profit / (Loss) after tax	733.84	510.29	410.63
Basic earnings per share	669.22	463.30	374.69
Diluted earnings per share	669.22	463.30	374.69
Net Asset Value per share	228.78	291.58	224.27

** 1 LKR = ₹0.45 as on December 31, 2016*
*** 1 LKR = ₹0.47 as on December 31, 2015*
**** 1 LKR = ₹0.49 as on December 31, 2014*

Significant notes of auditor for the last three financial years

There are no significant notes of auditor of Flemingo Sri Lanka in respect of the financial results of Flemingo Sri Lanka for the last three financial years.

3. Flemingo Dutyfree Shop Private Limited ("Flemingo India")

Corporate Information

Flemingo India was incorporated under the Companies Act, 1956 in Mumbai, on March 5, 2004 with the corporate identity number U74999MH2004PTC144881. Its registered office is situated at D73/1, TTC Industrial Area, MIDC, Turbhe, Navi Mumbai, Thane-400 705, Maharashtra, India.

Flemingo India is engaged in the business of setting up and operating duty free shops at such places as may be permitted by the Government to carry on the business of exporters, importers and traders in different types of goods.

Capital Structure

(in ₹, except share data)

Particulars	
Authorised capital	500,000,000
Equity shares of ₹ 10 each	10,000,000
Preference shares of ₹ 100 each	4,000,000
Issued, subscribed and paid up capital	
50,715 equity shares of ₹ 10 each	507,150

Interest of our Promoters

Our Corporate Promoter holds 79.99% of the paid-up share capital of Flemingo India.

Shareholding Pattern

The shareholding pattern of Flemingo India as on date of this Draft Red Herring Prospectus is set out in the table below:

Name of the shareholder	Number of equity shares held of ₹ 10 each	Percentage of equity holding (%)
Flemingo International	40,565	79.99
Viren Ahuja	5,000	9.86
Arjun Ahuja	2,500	4.93
Karan Ahuja	2,500	4.93
Symbolic Infra Projects Private Limited	150	0.29
Total	**50,715**	**100.00**

Financial Information

The following table sets forth details derived from the audited consolidated financial results of Flemingo India for the last three Financial Years:

(in ₹ million, except per share data)

Particulars	For the Financial Year		
	2017	2016	2015
Equity capital	0.51	0.51	0.51
Reserves (excluding revaluation reserves) and Surplus	3,593.31	4,289.53	3,442.16
Revenue from operations and other income	21,074.94	21,038.52	20,198.86
Profit / (Loss) after tax	43.99	408.21	199.32
Basic earnings per share	2,302.48	7,931.20	6,743.84
Diluted earnings per share	2,302.48	7,931.20	6,743.84
Net Asset Value per share	70,863.06	84,591.15	67,882.68

Significant notes of auditor for the last three Fiscals

There are no significant notes of auditor of Flemingo India in respect of the financial results of Flemingo India for the last three Fiscals.

4. Dutyfree Distribution Services Private Limited (“***Duty Free Distribution***”)

Corporate Information

Duty Free Distribution was incorporated under the Companies Act, 1956 in Mumbai on June 4, 2007 with the corporate identity number U51101MH2007PTC171279. Its registered office is situated at D73/1, TTC Industrial Area, MIDC, Turbhe, Navi Mumbai, Thane-400 703, Maharashtra, India.

Duty Free Distribution is engaged in the business of providing distribution services both in India and abroad and to generally export and trade in all duty free goods.

Capital Structure

Particulars	Equity shares of face value of ₹ 10 each
Authorised capital	1,000,000
Issued, subscribed and paid up capital	15,000

Interest of our Promoters

Our Corporate Promoter, through its subsidiary Flemingo India, holds 100% of the paid-up share capital of Duty Free Distribution.

Shareholding Pattern

The shareholding pattern of Duty Free Distribution as on date of this Draft Red Herring Prospectus is set out in the table below:

No.	Name of the shareholder	No. of equity shares of ₹ 10 each	Percentage of shareholding (%)
1.	Flemingo India	14,999	100.00
2.	Viren Ahuja	1	Negligible
Total		**15,000**	**100.00**

Financial Information

The following information has been derived from the audited financial statements of Duty Free Distribution for the last three Financial Years:

(*₹ in million, except per share data*)

Particulars	For the Financial Year		
	2017	2016	2015
Equity capital	0.15	0.15	0.15
Reserves (excluding revaluation reserves) and Surplus	121.25	123.51	122.80
Revenue from operations and other income	1,006.47	951.68	1,691.73
Profit / (Loss) after tax	(2.26)	0.71	9.74
Basic earnings per share	(185.42)	47.60	649.66
Diluted earnings per share	(185.42)	47.60	649.66
Net Asset Value per share	8,093.35	8,244.19	8,196.59

Significant notes of auditor for the last three Fiscals

There are no significant notes of auditor of Duty Free Distribution in respect of the financial results of Duty Free Distribution for the last three Fiscals.

5. Flemingo Airport Retail Limited ("Flemingo Airport Retail")

Corporate Information

Flemingo Airport Retail was incorporated under the Companies Act, 1956 in Mumbai, on February 12, 2014 with the corporate identity number U52605MH2014PLC253193. Its registered office is situated at D73/1, TTC Industrial Area, MIDC Road, Turbhe, Navi Mumbai, Thane-400 705, Maharashtra, India.

Flemingo Airport Retail is engaged in the business to carry out retail business in goods of all kinds all across India and abroad and to export and trade in all duty free goods.

Capital Structure

Particulars	Equity shares of face value of ₹ 10 each
Authorised capital	50,000
Issued, subscribed and paid up capital	50,000

Interest of our Promoters

Atul Vini Ahuja, our individual Promoter, through his relatives, holds 79% of the paid-up share capital of Flemingo Airport Retail.

Shareholding Pattern

The shareholding pattern of Flemingo Airport Retail as on date of this Draft Red Herring Prospectus is set out in the table below:

No.	Name of the shareholder	No. of equity shares of ₹ 10 each	Percentage of shareholding (%)
1.	Arjun Ahuja	22,500	45.00
2.	Karan Ahuja	5,000	10.00
3.	Viren Ahuja	4,500	9.00
4.	Kabir Ahuja	8,000	16.00
5.	Vina Ahuja	2,500	5.00

No.	Name of the shareholder	No. of equity shares of ₹ 10 each	Percentage of shareholding (%)
6.	Purvi Ahuja	2,500	5.00
7.	Vini Ahuja	5,000	10.00
Total		**50,000**	**100.00**

Financial Information

The following information has been derived from the audited financial statements of Flemingo Airport Retail for the last three Financial Years:

(₹ in million, except per share data)

Particulars	For the Financial Year		
	2017	2016	2015
Equity capital	0.50	0.50	0.50
Reserves (excluding revaluation reserves) and Surplus	(145.65)	(121.14)	(36.72)
Revenue from operations and other income	215.35	124.57	40.52
Profit / (Loss) after tax	(24.51)	(84.42)	(36.72)
Basic earnings per share	(490.17)	(1,688.38)	(734.47)
Diluted earnings per share	(490.17)	(1,688.38)	(734.47)
Net Asset Value per share	(2,903.03)	(2,412.86)	(724.47)

Significant notes of auditor for the last three Fiscals

There are no significant notes of auditor of Flemingo Airport Retail in respect of the financial results of Flemingo Airport Retail for the last three Fiscals.

6. Flemingo Duty Free Shops International SA (Pty) Limited ("Flemingo SA")

Corporate Information

Flemingo SA was incorporated as a private company under the provisions of the Companies Act 61, 1973 in South Africa on November 19, 2008 with the registration number 2008/027308/07. Its registered office is situated at 1199 Pretorius Street, Corner Jan Shoba, Hatfield, Pretoria 0083, PO Box 11528 Hatfield, Pretoria 0028, South Africa.

Flemingo SA is engaged in the business of import and export, retail and wholesale and trading of duty free retailing shops.

Capital Structure

Particulars	Equity shares of face value of South African Rand ("ZAR") 1 each
Authorised capital	10,000,000
Issued, subscribed and paid up capital	10,000,000

Interest of our Promoters

Our Corporate Promoter, through its wholly-owned subsidiary Flemingo Maritime Manning Limited, holds 100% of the paid-up share capital of Flemingo SA.

Shareholding Pattern

The shareholding pattern of Flemingo SA as on date of this Draft Red Herring Prospectus is set out in the table below:

No.	Name of the shareholder	No. of equity shares of South African Rand 1 each	Percentage of shareholding (%)
1.	Flemingo Maritime Manning Limited	10,000,000	100.00
Total		**10,000,000**	**100.00**

Financial Information

The following information has been derived from the audited financial statements of Flemingo SA for the last three financial years:

(ZAR in million, except per share data)

Particulars	For the year ended December 31		
	2016*	2015*	2014*
Equity capital	10.00	10.00	10.00
Reserves (excluding revaluation reserves) and Surplus	(50.27)	(50.12)	(6.69)
Revenue from operations and other income	88.39	96.97	132.70
Profit / (Loss) after tax	(6.85)	(43.43)	(2.25)
Basic earnings per share	(0.68)	(4.34)	(0.22)
Diluted earnings per share	(0.68)	(4.34)	(0.22)
Net Asset Value per share	(4.03)	(4.01)	0.33

** 1 ZAR = ₹4.95 as on December 31, 2016*
*** 1 ZAR = ₹4.34 as on December 31, 2015*
**** 1 ZAR = ₹5.46 as on December 31, 2014*

Significant notes of auditor for the last three financial years

There are no significant notes of auditor of Flemingo SA in respect of the financial results of Flemingo SA for the last three financial years.

7. FI Mozambique Limitada ("FI Mozambique")

Corporate Information

FI Mozambique was incorporated as a limited liability company by quotas on July 24, 2009 under the laws of Mozambique with the registration number 100130955. Its office is situated at Moçambique Maputo Cidade DISTRITO URBANO 1 Rua Bernardo Thai 720 2° Andar.

FI Mozambique is engaged in the business of creating bonded warehouses for export of goods and stores located in free zones and free economic zones, trading and exportation of cosmetics and jewellery products, creation of duty free goods and other activities directly or indirectly related to the corporate purpose, subject to regulatory approvals.

Capital Structure

Particulars	Quotas in Mozambican Metical
Authorised capital	40,000
Issued, subscribed and paid up capital	40,000

Interest of our Promoters

Our Corporate Promoter, through its subsidiary Flemingo International Limited, holds 70% of the share capital of FI Mozambique.

Shareholding Pattern

The shareholding pattern of FI Mozambique as on date of this Draft Red Herring Prospectus is set out in the table below:

No.	Name of the shareholder	No. of quotas	Percentage of shareholding (%)
1.	Flemingo BVI	28,000	70.00
2.	Theogene Turatsinze	2,000	5.00
3.	Ruth Henrique Jaime Turatsinze	4,000	10.00
4.	Thindeka Aniana Gaspar Dzimba	6,000	15.00
Total		**40,000**	**100.00**

Financial Information

The following information has been derived from the unaudited financial statements of FI Mozambique for the last three financial years:

(USD in million, except per share data)

Particulars	For the year ended December 31		
	2016*	2015**	2014***
Equity capital	0.00	0.00	0.00
Reserves (excluding revaluation reserves) and Surplus	(0.65)	(0.25)	(0.11)
Revenue from operations and other income	0.33	0.70	1.15
Profit / (Loss) after tax	(0.40)	(0.14)	(0.06)
Basic earnings per share	(9.93)	(3.47)	(1.40)
Diluted earnings per share	(9.93)	(3.47)	(1.40)
Net Asset Value per share	(16.13)	(6.19)	(2.71)

** 1 USD = ₹67.95 as on December 31, 2016*
*** 1 USD = ₹66.33 as on December 31, 2015*
**** 1 USD = ₹63.33 as on December 31, 2014*

Significant notes of auditor for the last three financial years

There are no significant notes of auditor of FI Mozambique in respect of the financial results of FI Mozambique for the last three financial years.

8. Flemingo International Limited, Uganda ("Flemingo Uganda")

Corporate Information

Flemingo Uganda was incorporated under the laws of Uganda as a private limited liability company on March 26, 2002 with the registration number 52612. Its registered office is situated at Entebbe International Airport Terminal Building, Central Entebbe, Division A, Entebbe Municipality, Entebbe Wakiso.

Flemingo Uganda is engaged in the business of establishing and operating duty free shops, operating and carrying on the business of importers/exporters, general merchandise and general dealers.

Capital Structure

Particulars	Equity shares of face value of Ugandan Shilling 10,000 each
Authorised capital	17,400
Issued, subscribed and paid up capital	17,400

Interest of our Promoters

Our Corporate Promoter, through its subsidiary Flemingo Middle East Limited, holds 99.96% of share capital of Flemingo Uganda.

Shareholding Pattern

The shareholding pattern of Flemingo Uganda as on date of this Draft Red Herring Prospectus is set out in the table below:

No.	Name of the shareholder	No. of shares	Percentage of shareholding (%)
1.	Flemingo Middle East Limited	17,396	99.96
2.	A.V. Raghavan	1	0.01
3.	P.K.Thimmayya	1	0.01
4.	Sandeep Sharma	1	0.01
5.	Mahandra Thakar	1	0.01
Total		**17,400**	**100.00**

Financial Information

The following information has been derived from the unaudited financial statements of Flemingo Uganda for the last three financial years:

(USD in million, except per share data)

Particulars	For the year ended December 31		
	2016*	2015**	2014***
Equity capital	0.07	0.07	0.07
Reserves (excluding revaluation reserves) and Surplus	(0.26)	(0.12)	(0.04)
Revenue from operations and other income	0.36	0.52	0.81
Profit / (Loss) after tax	(0.14)	(0.09)	0.01
Basic earnings per share	(2.85)	(1.77)	0.20
Diluted earnings per share	(2.85)	(1.77)	0.20
Net Asset Value per share	(3.86)	(1.01)	0.66

** 1 USD = ₹67.95 as on December 31, 2016*
*** 1 USD = ₹66.33 as on December 31, 2015*
**** 1 USD = ₹63.33 as on December 31, 2014*

Significant notes of auditor for the last three financial years

There are no significant notes of auditor of Flemingo Uganda in respect of the financial results of Flemingo Uganda for the last three financial years.

9. Flemingo Middle East Limited ("*Flemingo Middle East*")

Corporate Information

Flemingo Middle East was registered as an offshore company with limited liability on January 20, 2011 under the laws of Offshore Companies Regulations of Jebel Ali Free Zone, 2003, United Arab Emirates with registration number 143513. Its registered office is situated at LOB 16, Jebel Ali Free Zone, Dubai, United Arab Emirates.

Flemingo Middle East is engaged in the business of general trading and acting as an investment/holding company.

Capital Structure

Particulars	Equity shares of face value of USD 100 each
Authorised capital	100
Issued, subscribed and paid up capital	100

Interest of our Promoters

Our Corporate Promoter, through its subsidiary Flemingo BVI, holds 100% of the paid-up share capital of Flemingo Middle East.

Shareholding Pattern

The shareholding pattern of Flemingo Middle East as on date of this Draft Red Herring Prospectus is set out in the table below:

No.	Name of the shareholder	No. of equity shares of USD 100 held	Percentage of shareholding (%)
1.	Flemingo BVI	100	100.00
Total		**100**	**100.00**

Financial Information

The following information has been derived from the audited financial statements of Flemingo Middle East for the last three financial years:

(USD in million, except per share data)

Particulars	For the year ended December 31		
	2016*	2015**	2014***
Equity capital	0.01	0.01	0.01
Reserves (excluding revaluation reserves) and Surplus	1.09	(0.20)	0.40
Revenue from operations and other income	1.91	0.96	0.10
Profit / (Loss) after tax	1.94	(0.60)	0.64

Particulars	For the year ended December 31		
	2016*	2015**	2014***
Basic earnings per share	19,385.01	(5,987.11)	6,405.79
Diluted earnings per share	19,385.01	(5,987.11)	6,405.79
Net Asset Value per share	11,014.67	(1,912.32)	4,074.79

** 1 USD = ₹ 67.95 as on December 31, 2016*
*** 1 USD = ₹66.33 as on December 31, 2015*
**** 1 USD = ₹63.33 as on December 31, 2014*

Significant notes of auditor for the last three financial years

There are no significant notes of auditor of Flemingo Middle East in respect of the financial results of Flemingo Middle East for the last three financial years.

Nature and extent of interest of Group Companies

(a) In the promotion of our Company

None of our Group Companies have any interest in the promotion of our Company.

(b) In the properties acquired by our Company in the past two years before filing this Draft Red Herring Prospectus with SEBI or proposed to be acquired

None of our Group Companies are interested in the properties acquired by our Company in the two years preceding the filing of this Draft Red Herring Prospectus with the SEBI or proposed to be acquired.

(c) In transactions for acquisition of land, construction of building and supply of equipment

None of our Group Companies are interested in any transactions for the acquisition of land, construction of building or supply of machinery.

Common pursuits among the Group Companies with our Company

Certain of our Group Companies are in the same line of business as of our Company and accordingly, there are certain common pursuits amongst our Group Companies and our Companies. However, due to operation of business in different jurisdictions, there is no conflict of interest amongst our Group Companies and our Companies. Our Company would adopt necessary measures and practices as permitted by law and regulatory guidelines to address any conflict situation, as and when they arise.

Related business transactions within the Group Companies and significance on the financial performance of our Company

Except as stated in "*Related Party Transactions*" on page 211, our Company has not entered into any other related business transaction with any of our Group Companies.

Significant sale/purchase between Group Companies and our Company

None of our Group Companies are involved in any sales or purchase with our Company where such sales or purchases exceed in value in the aggregate of 10% of the total sales or purchases of our Company.

Business interest of Group Companies

None of our Group Companies have any business or other interest in our Company.

Defunct Group Companies

None of our Group Companies remained defunct, and no application has been made to the registrar of companies for striking off the name of any of our Group Companies during the five years preceding the date of filing of this Draft Red Herring Prospectus with SEBI.

Loss making Group Companies

Except of the following Group Companies, no other Group Companies of our Company are loss making companies:

1. Dutyfree Distribution Services Private Limited;
2. Flemingo Airport Retail Limited;
3. Flemingo Duty Free Shops International SA (Pty) Limited;
4. FI Mozambique Limitada; and
5. Flemingo International Limited, Uganda

There are no adverse factors related to our Group Companies in relation to losses incurred by them in the immediately preceding three years prior to the date of this Draft Red Herring Prospectus.

Interest of our Promoters in our Group Companies

Except to the extent of their shareholding as disclosed hereinabove, directorships, stock options held and other convertible instruments held, our Promoters do not have any other interest in any of our Group Companies.

Outstanding litigations

For details regarding the outstanding litigations against our Group Companies, see "*Outstanding Litigation and Material Developments*" on page 257.

Other confirmations

(a) None of our Group Companies fall under the definition of sick companies under the provisions of the Sick Industrial Companies (Special Provisions) Act, 1995.

(b) None of our Group Companies are under winding up.

(c) None of our Group Companies have a negative net-worth, except as disclosed below:

    1. Flemingo Airport Retail Limited;
    2. Flemingo Duty Free Shops International SA (Pty) Limited;
    3. FI Mozambique Limitada; and
    4. Flemingo International Limited, Uganda

(d) None of the securities of our Group Companies are listed on any stock exchange or failed to list on any recognised stock exchange in India or abroad, and none of our Group Companies have made any public or rights issue of securities in the preceding 10 years.

(e) As on the date of this Draft Red Herring Prospectus, except of Flemingo International Limited, British Virgin Islands, none of our other Group Companies have outstanding unsecured loans, which may be recalled by the lenders at any time.

(f) As on the date of this Draft Red Herring Prospectus, none of our Group Companies have an outstanding unsecured loan taken from our Company.

RELATED PARTY TRANSACTIONS

For details of the related party transactions of our Company during the last five Financial Years and the six months period ended September 30, 2017, see "*Financial Statements-Annexure XXXXII-Restated Unconsolidated Statement of Related party disclosures*" and "*Financial Statements-Annexure XXXVII-Restated Consolidated Statement of Related party disclosures*".

DIVIDEND POLICY

As on the date of this Draft Red Herring Prospectus, our Company does not have a formal dividend policy. The declaration and payment of dividend on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, in accordance with provisions of our Articles of Association and applicable law, including the Companies Act.

The dividend, if any, will depend on a number of factors, including but not limited to our earnings, capital requirements, contractual obligations, results of operations, financial condition, cash requirements, business prospects and any other financing arrangements, applicable legal restrictions and overall financial position of our Company. Our Board may also, from time to time, declare interim dividends from the profits of the Financial Year in which such interim dividend is sought to be declared.

In addition, our ability to pay dividends may be impacted by restrictive covenants under the loan or financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities. For further details, see "*Financial Indebtedness*" on page 255.

Our Company has not declared any dividend on the Equity Shares, since its incorporation.

The past trend in relation to our payment of dividends is not necessarily indicative of our dividend trend or dividend policy, if any, in the future, and there is no guarantee that any dividends will be declared or paid in the future. For details in relation to the risk involved, see "*Risk Factors*" on page 16.

SECTION V – FINANCIAL INFORMATION

FINANCIAL STATEMENTS

Auditors' Report on the restated unconsolidated summary statement of Assets and Liabilities as at September 30, 2017, March 31, 2017, 2016, 2015, 2014 and 2013 and Profits and Losses and Cash Flows for the six months ended September 30, 2017, each of the years ended March 31, 2017, 2016, 2015, 2014, and 2013 of Flemingo Travel Retail Limited (collectively, the "Restated Unconsolidated Summary Statements")

To
The Board of Directors
Flemingo Travel Retail Limited ,
Chhatrapati Shivaji International Airport,
Terminal 2C, Airside, Arrival level, Sahar,
Mumbai 400099, Maharashtra

Dear Sirs,

1. We have examined the attached Restated Unconsolidated Summary Statements of Flemingo Travel Retail Limited (formerly known as "DFS India Private Limited") ('Company') as at and for the six months ended September 30, 2017 and as at and for each of the years ended March 31, 2017, 2016, 2015, 2014 and 2013 annexed to this report and prepared by the Company for the purpose of inclusion in the offer document in connection with its proposed initial public offer ("IPO"). The Restated Unconsolidated Summary Statements, which have been approved by the Board of Directors of the Company, have been prepared in accordance with the requirements of:

    a. Sub-clauses (i), (ii) and (iii) of clause (b) of Sub-section (1) of Section 26 of Part I of Chapter III of the Companies Act 2013 (the "Act") read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 (the "Rules"); and

    b. relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "ICDR Regulations") issued by the Securities and Exchange Board of India ("SEBI") on August 26, 2009, as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992.

Management's Responsibility for the Restated Unconsolidated Summary Statements

2. The preparation of the Restated Unconsolidated Summary Statements including the interim financial information as mentioned in paragraph 7 below, which is to be included in the Draft Red Herring Prospectus ("DRHP") and Red Herring Prospectus ("RHP") (collectively referred hereinafter as "offer document"), is the responsibility of the Management of the Company for the purpose set out in paragraph 12 below. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Unconsolidated Summary Statements. The Management is also responsible for identifying and ensuring that the Company complies with the Rules and the ICDR Regulations.

Auditors' Responsibilities

3. We have examined such Restated Unconsolidated Summary Statements taking into consideration:

    a. the terms of reference and terms of our engagement agreed with you vide our engagement letter dated November 13, 2017, requesting us to carry out the assignment, in connection with the proposed IPO of the Company;

    b. the Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India (the "ICAI") (the "Guidance Note").; and

    c. the requirements of Section 26 of the Act read with applicable provisions within Rule 4 to 6 of the Rules and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the ICDR Regulations in connection with the IPO.

4. The Company proposes to make an IPO which comprises of a fresh issue of equity shares, having a face value of Rs. 10 each, at an issue price to be arrived at by the book building process (referred to as the 'Offer'), as may be decided by the Company's Board of Directors.

Restated Unconsolidated Summary Statements as per audited unconsolidated financial statements:

5. The Restated Unconsolidated Summary Statements have been compiled by the management from :

   a. the audited unconsolidated financial statements of the Company as at and for the six months ended September 30, 2017 and as at and for each of the years ended March 31, 2017, 2016 and 2015, prepared in accordance with accounting principles generally accepted in India at the relevant time, which have been approved by the Board of Directors at their meetings held on December 11, 2017, September 29, 2017, September 26, 2016, September 29, 2015 respectively;

   b. the audited unconsolidated financial statements of the Company as at and for the year ended March 31, 2014, prepared in accordance with accounting principles generally accepted in India at the relevant time, which have been approved by the Board of Directors at their meeting held on September 29, 2014; and

   c. the audited unconsolidated financial statements of the Company as at and for the year ended March 31, 2013, prepared in accordance with accounting principles generally accepted in India at the relevant time, which have been approved by the Board of Directors at their meeting held on September 23, 2013.

6. For the purpose of our examination, we have relied on:

   a. Auditors' Reports issued by us dated December 11, 2017, September 29, 2017, September 27, 2016 and September 30, 2015 on the unconsolidated financial statements of the Company as at and for the six months ended September 30, 2017 and as at and for each of the years ended March 31, 2017, 2016 and 2015 as referred in Para 5 (a) above;

   b. Auditor's report issued by S. R. Batliboi & Co. LLP dated September 30, 2014 on the unconsolidated financial statements of the Company as at and for the year ended March 31, 2014 as referred in Para 5 (b) above; and

   c. Auditor's report issued by S. V. Ghatalia & Associates LLP dated September 25, 2013 on the unconsolidated financial statements of the Company as at and for the year ended March 31, 2013 as referred in Para 5 (c) above.

7. Based on our examination, in accordance with the requirements of Section 26 of Part I of Chapter III of the Act read with Rules 4 to 6 of the Rules, ICDR Regulations and the Guidance Note, we report that:

   a. The Restated Unconsolidated Summary Statement of Assets and Liabilities of the Company as at September 30, 2017, March 31, 2017, 2016, 2015, 2014 and 2013 examined by us, as set out in Annexure I to this report, have been arrived at after making adjustments and regrouping/ reclassifications as in our opinion were appropriate and more fully described in Annexure V – Statement of Restatement Adjustments to the Audited Unconsolidated Financial Statements;

   b. The Restated Unconsolidated Summary Statement of Profit and Loss of the Company for the six months ended September 30, 2017 and for each of the years ended March 31, 2017, 2016, 2015, 2014 and 2013 examined by us, as set out in Annexure II to this report, have been arrived at after making adjustments and regrouping/ reclassifications as in our opinion were appropriate and more fully described in Annexure V – Statement of Restatement Adjustments to the Audited Unconsolidated Financial Statements;

c. The Restated Unconsolidated Summary Statement of Cash Flows of the Company for the six months ended September 30, 2017 and for each of the years ended March 31, 2017, 2016, 2015, 2014 and 2013 examined by us, as set out in Annexure III to this report, have been arrived at after making adjustments and regrouping/ reclassifications as in our opinion were appropriate and more fully described in Annexure V – Statement of Restatement Adjustments to the Audited Unconsolidated Financial Statements; and

d. Based on the above and according to the information and explanations given to us, we further report that:

   i) The accounting policies as at and for the six months ended September 30, 2017 are materially consistent with the policies adopted for the years March 31, 2017, 2016, 2015, 2014 and 2013. Accordingly, no adjustments have been made to the audited financial statements of the respective periods presented on account of changes in accounting policies;

   ii) Restated Unconsolidated Summary Statements have been made after incorporating adjustments and regroupings for the material amounts in the respective financial years to which they relate;

   iii) Restated Unconsolidated Summary Statements do not contain any extra-ordinary items that need to be disclosed separately in the Restated Unconsolidated Summary Statements;

   iv) There are no qualifications in the auditors' reports on the audited unconsolidated financial statements of the Company as at September 30, 2017, March 31, 2017, 2016, 2015, 2014 and 2013 and for the six months ended September 30, 2017 and for each of the years ended March 31, 2017, 2016, 2015, 2014 and 2013, which require any adjustments to the Restated Unconsolidated Summary Statements.

   v) Other audit qualifications included in the Annexure to the auditors' report issued under Companies (Auditor's Report) Order, 2016, 2015 and 2003, as applicable, on the unconsolidated financial statements for the years ended March 31, 2017, 2016, 2015, 2014 and 2013, which do not require any corrective adjustment in the Restated Unconsolidated Summary Statements, are as follows:

      A. For the year ended March 31, 2017

      Clause (i) (b)

      All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification

      Clause (vii) (a)

      Undisputed statutory dues including income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases of provident fund and employees' state insurance.

Clause (vii) (c)

According to the records of the Company, the dues outstanding of income-tax, sales-tax, service tax, custom duty, excise duty, value added tax and cess on account of any dispute, are as follow:

Name of the statute	Nature of dues	Amount (Rs)	Period to which the amount relates	Forum where dispute is pending
Income Act, 1961	Income tax	187,390	April 10 – March 11	Deputy Commissioner of Income tax
Income Act, 1961	Income tax	10,12,830	April 12 – March 13	Deputy Commissioner of Income tax
Income Act, 1961	Income tax	3,26,69,600	April 13 – March 14	Deputy Commissioner of Income tax
MVAT Act 2002	Sales Tax	915,501	April 08 - September 08	Commissioner of Service Tax (Appeals)

B. For the year ended March 31, 2016

Clause (i) (b)

Fixed Assets have not been physically verified by the management during the year, hence, we are unable to comment on the discrepancies, if any.

Clause (vii) (c)

According to the information and explanation given to us, there are no dues of income tax, sales tax, wealth tax, service tax, customs duty, excise duty, value added tax and cess which have not been deposited on account of any dispute except income tax and sales tax as following:

Name of the statute	Nature of dues	Amount (Rs)	Period to which the amount relates	Forum where dispute is pending
Income Act, 1961	Income Tax	187,390	April 10 – March 11	Deputy Commissioner of Income Tax
MVAT Act 2002	Sales Tax	915,501	April 08 - September 08	Commissioner of Service Tax (Appeals)

C. For the year ended March 31, 2015

Clause (i) (b)

Fixed Assets have not been physically verified by the management during the year, hence, we are unable to comment on the discrepancies, if any.

Clause (ii) (c)

The Company is maintaining proper records of inventory but does not have a real time inventory system. Discrepancies noted on physical verification of inventories were not material, and have been properly dealt with in the books of account.

Clause (iv)

In our opinion and according to the information and explanations given to us and having regard to the explanation that purchases of certain fixed assets are of proprietary nature for which alternative sources are not available to obtain comparable quotation, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the company in respect of these areas.

Clause (vii) (c)

According to the information and explanation given to us, there are no dues of income tax, sales tax, wealth tax, service tax, customs duty, excise duty, value added tax and cess which have not been deposited on account of any dispute except income tax and sales tax as following:

Name of the statute	Nature of dues	Amount (Rs)	Period to which the amount relates	Forum where dispute is pending
MVAT Act 2002	Sales Tax	915,501	April 08 - September 08	Commissioner of Service Tax (Appeals)
Income Act, 1961	Income Tax	187,390	April 10 – March 11	Deputy Commissioner of Income Tax

Clause (viii)

The Company's accumulated losses at the end of the financial year are more than fifty percent of its net worth. The Company has incurred cash loss in the current year and in immediately preceding financial year.

D. For the year ended March 31, 2014

Clause (i) (b)

Fixed Assets have not been physically verified by the management during the year, hence, we are unable to comment on the discrepancies, if any.

Clause (ii) (c)

In relation to the size of the Company and the nature of its business the Company does not have a real time inventory system. Discrepancies noted on physical verification of inventories were not material, and have been properly dealt with in the books of account.

Clause (vii)

During the year, no internal audit was carried out and accordingly, we are unable to comment on the internal audit system.

Clause (ix) (c)

According to the information and explanation given to us, there are no dues of income tax, wealth tax, service tax, customs duty and cess which have not been deposited on account of any dispute except sales tax as follows:

Name of the statute	Nature of dues	Amount (Rs)	Period to which the amount relates	Forum where dispute is pending
MVAT Act 2002	Sales Tax	915,501	April 08 - September 08	Commissioner of Service Tax (Appeals)

Clause (x)

The Company's accumulated losses at the end of the financial year are more than fifty percent of its net worth. The Company has incurred cash loss in the current year. It has not incurred cash loss in the immediately preceding financial year.

Clause (xvii)

According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the Company has used short-term funds in the nature of amounts payable to group companies and other payables amounting to Rs. 624.67 lakhs for long-term purpose towards funding of accumulated operational losses.

E. For the year ended March 31, 2013

Clause (i) (b)

Fixed Assets have not been physically verified by the management during the year, hence, we are unable to comment on the discrepancies, if any.

Clause (ii) (c)

In relation to the size of the Company and the nature of its business the Company does not have a real time inventory system which, as explained, is currently under development. Discrepancies noted on physical verification of inventories were not material, and have been properly dealt with in the books of account.

Clause (vii)

During the year, no internal audit was carried out and, accordingly, we are unable to comment on the internal audit system.

Clause (ix) (a)

Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. As informed to us, the provisions relating to excise duty and investor education and protection fund are not applicable to the Company.

Clause (ix) (b)

According to the information and explanations given to us, no undisputed amounts payable in respect of employees' state insurance, income-tax, wealth-tax, sales-tax, customs duty, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable except service tax and provident fund as follows:

Name of the statute	Nature of dues	Amount (Rs)	Period to which the amount relates	Due date	Date of payment
Provident Fund	Employers Contribution to Provident Fund	395,184	Sept 2009 – Mar 2010	Within 15 days from the end of each month	Not paid till date

Clause (ix) (c)

According to the information and explanation given to us, there are no dues of income tax, wealth tax, service tax, customs duty and cess which have not been deposited on account of any dispute except sales tax as follows:

Name of the statute	Nature of dues	Amount (Rs)	Period to which the amount relates	Forum where dispute is pending
MVAT Act 2002	Sales Tax	915,501	April 08 - September 08	Commissioner of Service Tax (Appeals)

Clause (x)

The Company's accumulated losses at the end of the financial year are more than fifty percent of its net worth. The Company has not incurred cash loss in the current and immediately preceding financial year.

Clause (xvii)

According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the Company has used short term funds in the nature of amounts payable to group companies and other payables amounting to Rs. 12.15 lakhs for long-term purpose towards funding of accumulated operational losses.

8. We have not audited any financial statements of the Company as of any date or for any period subsequent to September 30, 2017. Accordingly, we express no opinion on the financial position, results of operations or cash flows of the Company as of any date or for any period subsequent to September 30, 2017.

Other Financial Information:

9. At the Company's request, we have also examined the following restated financial information proposed to be included in the offer document, prepared by the management and approved by the Board of Directors of the Company and annexed to this report relating to the Company for the six months ended September 30, 2017 and for the years ended March 31, 2017, 2016, 2015, 2014 and 2013:

   a. Restated Unconsolidated Statement of Share capital, enclosed as Annexure VI;
   b. Restated Unconsolidated Statement of Reserves and surplus, enclosed as Annexure VII;
   c. Restated Unconsolidated Statement of Long-term borrowings and Statement of Principal terms of borrowings outstanding as at September 30, 2017 enclosed as Annexure VIII;
   d. Restated Unconsolidated Statement of Other long-term liabilities enclosed as Annexure IX;
   e. Restated Unconsolidated Statement of Long-term and Short-term Provisions, enclosed as Annexure X;
   f. Restated Unconsolidated Statement of Short-term borrowings and Statement of Principal terms of borrowings outstanding as at September 30, 2017, enclosed as Annexure XI;
   g. Restated Unconsolidated Statement of Trade payables and Other current liabilities, enclosed as Annexure XII;
   h. Restated Unconsolidated Statement of Property, plant and equipment and Intangible assets, enclosed as Annexure XIII;
   i. Restated Unconsolidated Statement of Non-current investments, enclosed as Annexure XIV;
   j. Restated Unconsolidated Statement of Deferred tax assets (net), enclosed as Annexure XV;
   k. Restated Unconsolidated Statement of Long-term loans and advances and Short-term loans and advances, enclosed as Annexure XVI;
   l. Restated Unconsolidated Statement of Other non-current assets and Other current assets, enclosed as Annexure XVII;
   m. Restated Unconsolidated Statement of Inventories, enclosed as Annexure XVIII;
   n. Restated Unconsolidated Statement of Trade receivables, enclosed as Annexure XIX;
   o. Restated Unconsolidated Statement of Cash and bank balances, enclosed as Annexure XX;
   p. Restated Unconsolidated Statement of Revenue from operations, enclosed as Annexure XXI;
   q. Restated Unconsolidated Statement of Other income, enclosed as Annexure XXII;
   r. Restated Unconsolidated Statement of Cost of Goods sold, enclosed as Annexure XXIII;
   s. Restated Unconsolidated Statement of Employee benefits expense, enclosed as Annexure XXIV;
   t. Restated Unconsolidated Statement of Occupancy costs, enclosed as Annexure XXV;
   u. Restated Unconsolidated Statement of Other expenses, enclosed as Annexure XXVI;
   v. Restated Unconsolidated Statement of Depreciation and amortization expense, enclosed as Annexure XXVII;
   w. Restated Unconsolidated Statement of Finance cost, enclosed as Annexure XXVIII;
   x. Restated Unconsolidated Statement of Exceptional items, enclosed as Annexure XXIX;
   y. Restated Unconsolidated Statement of Earnings per share (EPS), enclosed as Annexure XXX;
   z. Restated Unconsolidated Statement of Capital and other commitments, enclosed as Annexure XXXIV;
   aa. Restated Unconsolidated Statement of Contingent liabilities, enclosed as Annexure XXXV;
   bb. Restated Unconsolidated Statement of Related party transactions, enclosed as Annexure XXXXII;

cc. Restated Unconsolidated Statement of accounting ratios, enclosed as Annexure XXXXIII;
dd. Unconsolidated Capitalization statement, enclosed as Annexure XXXXIV; and
ee. Restated Unconsolidated Statement of tax shelter, enclosed as Annexure XXXXV.

10. According to the information and explanations given to us, in our opinion, the Restated Unconsolidated Summary Statements and the abovementioned restated financial information contained in Annexures I to XXXXV accompanying this report, read with Notes to the Restated Unconsolidated Summary Statements of Assets and Liabilities, Statement of Profits and Losses and Statement of Cash Flows disclosed in Annexure IV, are prepared after making adjustments and regroupings as considered appropriate and have been prepared in accordance with Section 26 of Part I of Chapter III of the Act read with Rules 4 to 6 of the Rules, the ICDR Regulations and the Guidance Note.

    This report should not be in any way construed as a reissuance or re-dating of any of the previous audit reports issued by us or by other firm of Chartered Accountants, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

12. Our report is intended solely for use of the management for inclusion in the offer document to be filed with SEBI, BSE Limited, National Stock Exchange of India Limited and Registrar of Companies, Maharashtra in connection with the proposed IPO of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Firoz Pradhan
Partner
Membership No: 109360

Place: Mumbai
Date: January 31, 2018

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure I
Restated Unconsolidated Summary Statement of Assets and Liabilities

(Amount in Million)

S No	Particulars	Annexures	As at					
			30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
			₹	₹	₹	₹	₹	₹
	Equity and liabilities							
A	**Shareholders' funds**							
	Share capital	VI	1.56	1.56	1.56	1.56	0.15	0.15
	Reserves and surplus	VII	(3,578.12)	(3,130.10)	(1,990.01)	(694.56)	(965.55)	(1,095.05)
			(3,576.56)	**(3,128.54)**	**(1,988.45)**	**(693.00)**	**(965.40)**	**(1,094.90)**
B	**Non current liabilities**							
	Long term borrowings	VIII	1,697.05	1,864.70	1,872.84	1,987.24	1,702.59	1,167.87
	Trade payables	XII A	226.22	309.99	-	-	-	-
	Other long-term liabilities	IX	4,505.47	4,001.05	3,065.08	1,719.42	92.90	74.99
	Long term provisions	X A	17.42	14.59	17.61	15.83	12.68	8.72
			6,446.16	**6,190.33**	**4,955.53**	**3,722.49**	**1,808.17**	**1,251.58**
C	**Current liabilities**							
	Short term borrowings	XI	644.73	329.80	-	-	-	-
	Trade payables	XII B						
	- Total outstanding dues of micro enterprises and small enterprises		8.39	1.32	1.25	0.52	0.42	0.15
	- Total outstanding dues of creditors other than micro enterprises and small enterprises		1,101.87	958.27	1,126.41	875.91	569.85	645.58
	Other current liabilities	XII C	420.59	405.71	270.07	263.19	1,346.80	451.25
	Short term provisions	X B	22.59	22.07	8.09	8.48	3.50	26.86
			2,198.17	**1,717.17**	**1,405.82**	**1,148.10**	**1,920.57**	**1,123.84**
	Total (A+B+C)		**5,067.77**	**4,778.96**	**4,372.90**	**4,177.59**	**2,763.34**	**1,280.52**
	Assets							
D	**Non current assets**							
	Fixed assets							
	- Property, plant and equipment	XIII	430.49	488.86	628.77	761.84	63.22	42.91
	- Intangible assets	XIII	0.01	0.02	0.04	0.06	-	-
	- Capital work in progress		19.91	5.16	34.22	2.98	197.52	0.62
	- Intangible assets under development		0.97	-	-	-	-	-
	Non current investments	XIV	-	-	-	-	-	-
	Deferred tax assets (net)	XV	-	-	-	-	-	-
	Loans and advances	XVI	2,312.97	2,614.19	2,668.38	2,348.28	1,794.74	68.54
	Other non current assets	XVII	460.92	507.87	15.48	18.30	21.12	-
			3,225.27	**3,616.10**	**3,346.89**	**3,131.46**	**2,076.60**	**112.07**
E	**Current assets**							
	Inventories	XVIII	1,036.52	745.56	694.79	644.07	215.96	253.27
	Trade receivables	XIX	24.31	9.71	9.53	4.03	7.67	9.04
	Cash and bank balances	XX	97.89	237.54	214.92	188.97	415.34	833.93
	Loans and advances	XVI	592.65	100.64	34.10	142.13	43.29	69.73
	Other current assets	XVII	91.13	69.41	72.67	66.93	4.48	2.48
			1,842.50	**1,162.86**	**1,026.01**	**1,046.13**	**686.74**	**1,168.45**
	Total (D+E)		**5,067.77**	**4,778.96**	**4,372.90**	**4,177.59**	**2,763.34**	**1,280.52**

Note:
The above statement should be read with the notes to the Restated Unconsolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Unconsolidated Financial Statements appearing in Annexure V.

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm registration number: 324982E/E300003

per Firoz Pradhan
Partner
Membership No.: 109360

For and on behalf of the board of directors of
Flemingo Travel Retail Limited
(formerly known as DFS India Private Limited)

Atul V. Ahuja
(Director)
DIN-00015713

Ayyaswamy R. Choodamani
(Director)
DIN-00103472

Manishi Sanwal
(Chief Executive Officer)

Suresh Jayant Nene
(Chief Financial Officer)

Suvarna Bhatjiwale
(Company Secretary)

Place: Mumbai
Date: January 31, 2018

Place: Mumbai
Date: January 31, 2018

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure II
Restated Unconsolidated Summary Statement of Profits and Losses

(Amount in Million)

S No	Particulars	Annexures	For the six month ended	For the years ended				
			30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
			₹	₹	₹	₹	₹	₹
F	**Income**							
	Revenue from operations	XXI	3,198.56	5,986.83	5,390.01	4,182.33	3,051.97	2,643.85
	Other income	XXII	54.41	76.96	84.60	71.38	55.30	51.45
	Total revenue		**3,252.97**	**6,063.79**	**5,474.61**	**4,253.71**	**3,107.27**	**2,695.30**
G	**Expenditure**							
	Cost of goods sold	XXIII	1,296.95	2,614.31	2,332.76	1,859.52	1,310.43	1,140.11
	Employee benefits expense	XXIV	155.31	248.38	226.40	203.68	140.56	133.60
	Occupancy costs	XXV	1,828.15	3,456.84	3,427.11	3,200.75	1,060.25	655.12
	Other expenses	XXVI	189.61	220.54	413.53	268.88	260.34	150.17
	Depreciation and amortisation expenses	XXVII	82.73	168.94	186.35	112.59	20.98	71.49
	Finance costs	XXVIII	148.24	250.04	183.91	241.97	155.44	409.30
	Total Expenses		**3,700.99**	**6,959.05**	**6,770.06**	**5,887.39**	**2,948.00**	**2,559.79**
H	**Restated profit / (loss) before tax and exceptional items (F-G)**		**(448.02)**	**(895.26)**	**(1,295.45)**	**(1,633.68)**	**159.27**	**135.51**
I	Exceptional items	XXIX	-	244.83	-	-	-	-
J	**Restated profit / (loss) before tax and after exceptional items(H-I)**		**(448.02)**	**(1,140.09)**	**(1,295.45)**	**(1,633.68)**	**159.27**	**135.51**
K	**Tax expense**	XXXXV						
	Current Tax (MAT expense)		-	-	-	-	29.77	30.85
			-	**-**	**-**	**-**	**29.77**	**30.85**
L	**Restated profit / (loss) for the year (J-K)**		**(448.02)**	**(1,140.09)**	**(1,295.45)**	**(1,633.68)**	**129.50**	**104.66**
M	**Earnings per equity share (EPS)** (refer Annexure XXXXIII)							
	Earnings per share (in ₹) [with bonus share adjustment, nominal value of share is ₹ 10 for September 30, 2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 - ₹10]	XXXXIII						
	Basic		(11.47)	(29.19)	(33.16)	(41.92)	34.40	27.80
	Diluted		(11.47)	(29.19)	(33.16)	(41.92)	64.79	111.49

Note:
The above statement should be read with the notes to the Restated Unconsolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Unconsolidated Financial Statements appearing in Annexure V.

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm registration number: 324982E/E300003

per Firoz Pradhan
Partner
Membership No.: 109360

Place: Mumbai
Date: January 31, 2018

For and on behalf of the board of directors of
Flemingo Travel Retail Limited
(formerly known as DFS India Private Limited)

Atul V. Ahuja
(Director)
DIN-00015713

Ayyaswamy R. Choodamani
(Director)
DIN-00103472

Manishi Sanwal
(Chief Executive Officer)

Suresh Jayant Nene
(Chief Financial Officer)

Suvarna Bhatjiwale
(Company Secretary)

Place: Mumbai
Date: January 31, 2018

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure III
Restated Unconsolidated Summary Statement of Cash Flows

(Amount in Million)

Particulars	For the six month ended	For the years ended				
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	₹	₹	₹	₹	₹	₹
Cash flow from operating activities						
Profit / (loss) before tax and after exceptional items (as restated)	**(448.02)**	**(1,140.09)**	**(1,295.45)**	**(1,633.68)**	**159.27**	**135.51**
Adjustments for:						
Depreciation and amortization	82.73	168.94	186.35	112.59	20.98	71.49
Write back of liability no longer required	-	-	-	-	(5.77)	-
Provision for ARO no longer required	-	-	-	-	(20.58)	-
(Reversal) / provision of inventories	-	4.67	(1.38)	1.50	-	-
Interest income	(12.78)	(1.22)	-	-	(21.55)	(33.03)
Unrealised exchange loss/(gain)	57.89	(38.06)	111.57	68.67	-	-
Loss/ (profit) on demolition of property, plant and equipment	-	2.25	-	-	-	-
Interest expense	125.16	187.98	181.09	239.16	155.35	409.30
Loan prepayment charges	-	40.61	-	-	-	-
Loan swap cancellation charges paid to banker	-	235.95	-	-	-	-
Amortization of ancillary borrowing costs	23.08	21.44	2.82	2.81	0.09	-
Operating profit before working capital changes	**(171.94)**	**(517.53)**	**(815.00)**	**(1,208.95)**	**287.79**	**583.27**
Movements in working capital :						
Change in trade payables and other liabilities	528.31	1,130.32	1,596.82	1,921.75	(109.54)	(28.70)
Change in provisions	3.34	10.95	1.39	8.13	1.18	7.69
Change in trade receivables	(14.60)	(0.18)	(4.98)	3.64	1.37	(4.49)
Change in inventories	(290.96)	(55.44)	(49.34)	(429.61)	37.31	(22.26)
Change in other assets	14.74	8.68	(5.74)	(62.44)	0.81	(2.08)
Change in loans and advances	(191.56)	(69.11)	(205.94)	(652.06)	(1,688.52)	1.60
Cash generated used in operations	**(122.67)**	**507.69**	**517.21**	**(419.54)**	**(1,469.60)**	**535.03**
Direct taxes (paid)/refund received	0.72	70.16	(6.63)	(0.34)	(40.96)	(74.24)
Net cash flow (used in) / from operating activities (A)	**(121.95)**	**577.85**	**510.58**	**(419.88)**	**(1,510.56)**	**460.79**
Cash flows from investing activities						
Interest received	0.83	1.22	-	-	21.55	33.03
Purchase of property, plant & equipment including CWIP and advances	(40.06)	(2.20)	(90.72)	(611.37)	(234.86)	(47.21)
Investments in bank deposits (having original maturity of more than three months)	(0.60)	(360.00)	-	-	-	-
Net cash flow (used in) / from investing activities (B)	**(39.83)**	**(360.98)**	**(90.72)**	**(611.37)**	**(213.31)**	**(14.18)**
Cash flows from financing activities						
Repayment of long term borrowings	(167.65)	(2,105.65)	(212.98)	-	-	-
Proceeds from long term borrowings	-	2,200.00	-	435.81	1,702.59	-
Proceeds from short term borrowings	314.94	329.80	-	-	-	-
Proceeds from issuance of equity share capital	-	-	-	738.21	-	-
Interest paid	(125.16)	(169.19)	(180.93)	(369.14)	(373.28)	(190.45)
Other borrowing costs paid	-	(449.21)	-	-	(24.03)	-
Net cash flow (used in) / from financing activities (C)	**22.13**	**(194.25)**	**(393.91)**	**804.88**	**1,305.28**	**(190.45)**
Net increase / (decrease) in cash and cash equivalents (A + B + C)	(139.65)	22.62	25.95	(226.37)	(418.59)	256.16
Cash and cash equivalents at the beginning of the year	237.54	214.92	188.97	415.34	833.93	577.77
Cash and cash equivalents at the end of the year	**97.89**	**237.54**	**214.92**	**188.97**	**415.34**	**833.93**
Components of cash and cash equivalents						
Cash on hand	1.60	1.32	1.33	1.28	1.02	0.80
Balances with scheduled banks - in current account	96.29	236.22	213.59	187.69	414.32	503.13
Deposits with original maturity of less than three months	-	-	-	-	-	330.00
Total cash and cash equivalents	**97.89**	**237.54**	**214.92**	**188.97**	**415.34**	**833.93**

Note:

1) The above statement should be read with the notes to the Restated Unconsolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Unconsolidated Financial Statements appearing in Annexure V.

2) Figures in brackets represents outflows.

3) Cash flow statement has been prepared under the "Indirect method" as set out in Accounting Standard - 3 Cash Flow Statement.

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm registration number: 324982E/E300003

per Firoz Pradhan
Partner
Membership No.: 109360

For and on behalf of the board of directors of
Flemingo Travel Retail Limited
(formerly known as DFS India Private Limited)

Atul V. Ahuja
(Director)
DIN-00015713

Ayyaswamy R. Choodamani
(Director)
DIN-00103472

Manishi Sanwal
(Chief Executive Office

Suresh Jayant Nene
(Chief Financial Officer)

Suvarna Bhatjiwale
(Company Secretary)

Place: Mumbai
Date: January 31, 2018

Place: Mumbai
Date: January 31, 2018

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure IV

Notes to the Restated Unconsolidated Summary Statements of Assets and Liabilities, Statement of Profits and Losses and Statement of Cash Flows

1 Corporate information

Flemingo Travel Retail Limited (hereinafter referred to as "the Company") was incorporated as DFS India Private Limited on December 15, 2007 at Mumbai, Maharashtra as a private limited company under the Companies Act, 1956. Thereafter, w.e.f. November 17, 2017, the name has been changed to Flemingo Travel Retail Private Limited. Subsequently, the Holding Company was converted into a public limited company pursuant to approval of the shareholders in an extraordinary general meeting held on December 01, 2017 and consequently, the name of the Holding Company was changed to Flemingo Travel Retail Limited and a fresh certificate of incorporation consequent upon conversion to public limited company was issued by the Registrar of Companies Mumbai, Maharashtra on December 06, 2017. The CIN number of the Company is U51410MH2007FLC176802. The Company is engaged in the business of operating and running duty free shops at various international airports.

2 Basis of preparation

The Restated Unconsolidated Summary Statement of Assets and Liabilities of the Company as at September 30, 2017, March 31, 2017, 2016, 2015, 2014 and 2013 and the Related Restated Unconsolidated Summary Statement of Profits and Losses and Restated Unconsolidated Summary Statement of Cash Flows for the six month ended September, 30, 2017 and years ended March 31, 2017, 2016, 2015, 2014 and 2013 and other Financial Information (herein collectively referred to as 'Restated Unconsolidated Summary Statements') have been derived by the Management from the then Audited Unconsolidated Financial Statements of the Company for the respective corresponding years.

The Audited Unconsolidated Financial Statements were prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has prepared the Restated Unconsolidated Summary Statements to comply in all material aspects with the accounting standards notified and under Section 133 of the Companies Act, 2013 ('the Act'), read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Ammendment Rules, 2016. The Restated Unconsolidated Summary Statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies have been consistently applied by the Company and are consistent with those used for the purpose of preparation of Restated Unconsolidated Summary Statements as at and for all the years ended.

These Restated Statements and Other Financial Information have been prepared for inclusion in the Offer Document to be filed by the Company with the Securities and Exchange Board of India (‘SEBI’) in connection with proposed Initial Public Offering of its equity shares, in accordance with the requirements of:

(a) Sub-clause (i), (ii) and (iii) of clause (b) of Sub-section (1) of Section 26 of Chapter III of the Act read with Rule 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014;

(b) relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the “Regulations”) issued by the Securities and Exchange Board of India ('SEBI') on 26 August 2009, as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992; and

(c) the Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India (the “ICAI”) (the “Guidance Note”).;

These statements and other financial information have been prepared after incorporating adjustments for the material amounts in the respective years to which they relate.

2.1. Summary of significant accounting policies

a. Presentation and disclosure of financial statements

With effect from March 31, 2012, the Revised Schedule VI under the Companies Act, 1956 came into effect and accordingly, the Audited unconsolidated financial statements pertaining to the years ended March 31, 2013 and 2014 were prepared. With effect from April 1, 2014, Schedule III has been notified under the Act for the preparation and presentation of financial statements and accordingly, the Audited unconsolidated financial statements pertaining to the six months ended September 30, 2017 and for the year ended March 31, 2015, 2016 and 2017 has been prepared. The adoption of Schedule III does not impact recognition, measurement principles and presentation and disclosures followed by the Company for preparation of Unconsolidated financial statements. The Company has prepared the Restated Unconsolidated Summary Statements along with the relevant notes in accordance with the requirements of Schedule III of the Act.

All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

b. Use of estimates

The preparation of Restated Unconsolidated Summary Statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management’s best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future years.

c. Property, plant and equipment

Property, plant and equipment are stated at cost net of accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use, net of reimbursements from brand owners towards the cost of assets. Further, any trade discounts and rebates are deducted in arriving at the purchase price.
Such cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.
Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.
The present value of the expected cost for the restoration cost of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.
The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.
Property, plant and equipment held for sale is valued at lower of their carrying amount and net realizable value. Any write-down is recognized in the statement of profit and loss.

d. Depreciation on property, plant and equipment

Depreciation is accounted for using the straight-line method based on the estimated useful lives of the assets estimated by the management. The Company has used the following rates to provide depreciation on its property, plant and equipment:

	Useful life estimated by Management (years)
Computers and Office Equipment	3
Furniture and fittings	5
Vehicles	5
Leasehold improvements	Over lease period
POS machine	5

The management has estimated the above useful life and the same is supported by technical expert. Further, if the asset life as per management estimate is more than the balance period of lease as per occupancy agreement, the assets are depreciated over the balance period of lease.

The management has estimated, supported by their experience, the useful lives of the following classes of assets.

• POS machines are depreciated over the estimated useful lives of 5 years, which is higher than those indicated in schedule II.

• Furniture and fixtures and vehicles are depreciated over the estimated useful lives of 5 years, which are lower than those indicated in schedule II.

e. Asset restoration obligations

Asset restoration obligations (ARO) are recognized when there is an obligation to restore the leased premises, and when a reliable estimate of that liability can be made. Where an obligation exists for a leased premises, this liability is recognized when the agreement for the concession becomes effective. An obligation for restoration may also crystallize during the period of operation of the concession through a change in legislation. The amount recognized is the estimated future expenditure determined in accordance with local conditions and requirements. A corresponding item of property, plant and equipment of an amount equivalent to the provision is also recognized. This is subsequently depreciated as a part of the main asset i.e. leasehold improvements made pursuant to the concession agreement.
These costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted at pre-tax rate that reflects current market assessment of time value of money and the risks specific to the liability. The unwinding of the discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost. The estimated future costs of asset restoration are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

f. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost comprises acquisition cost and directly attributable cost of bringing the asset to its working condition for the intended use. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.
Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.
Software is amortized over a period of 5 years.

g. Impairment of property, plant and equipment and intangible assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Companys of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

h. Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.
The difference between the contractual occupancy cost and the straight lined occupancy cost is accounted as linearisation.

i. Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.
Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.
Ancillary cost incurred in arranging the term loans are amortized over the period of loans.

j. Derivative instruments and hedge accounting

The company uses derivative financial instruments, such as, cross currency principal-only-swaps (POS) to hedge interest rate risk arising from variable rate loans in compliance with Guidance note on Accounting for Derivative Contracts, keeping in view the principle of prudence as enunciated in AS 1 Disclosure of Accounting Policies, the entity provides for losses in respect of all outstanding derivative contracts at the balance sheet date by marking them to market.

k. Inventories

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

l. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Sale of goods
Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods.

Interest income
Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Interest income is included in "Other Income" in the statement of profit and loss.

Marketing Support
Income from marketing support is recognised over the period of the agreement with the brand owners.

m. Foreign currency translation

Foreign currency translations and balances

Initial recognition
Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion
Foreign currency monetary items are reported using the closing rate. Non-monetary items are carried at the historical cost denominated in the foreign currency and are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange differences
Exchange differences arising on the settlement of monetary items, or on reporting such monetary items of the Company at rates different from those at which they were initially recorded during the year, are recognized as income or as expenses in the year in which they arise.

n. Retirement and other employees benefits

Retirement benefits in the form of the provident fund are a defined contribution scheme and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.
Gratuity liabilities are defined benefit obligations and are provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.
Actuarial gains and losses for defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss.
Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.
The company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.
Actuarial gains and losses are immediately taken to the statement of profit and loss and are not deferred.

o. Income taxes

Tax expenses generally comprise current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each balance sheet date the Company reassesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each Balance Sheet date. The Company writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

p. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

q. Provisions

Provisions are recognized when the Company has a present obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

r. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the notes to financial statements.

s. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure V
Statement of Restatement Adjustments to Audited Unconsolidated Financial Statements
The summary of results of restatements made in the Audited Unconsolidated Summary Statements for the respective years and its impact on the profits / (losses) of the Company is as follows:

(Amount in Million)

S No	Particulars	Notes	For the six month ended	For the years ended				
			30-Sep-17	**31-Mar-17**	**31-Mar-16**	**31-Mar-15**	**31-Mar-14**	**31-Mar-13**
			₹	₹	₹	₹	₹	₹
A	**Net profit / (loss) as per audited financial statements**		(428.43)	(1,142.82)	(1,187.78)	(1,750.68)	126.49	104.23
B	Adjustments to net profit / (loss) as per audited financial statements:							
i)	***Increase / (decrease) in Income:***							
	Other non-operating income (service tax refund)	1	(19.59)	-	(117.00)	-	-	-
	Exchange gain (net)	2	-	-	-	-	-	17.63
			(19.59)	-	(117.00)	-	-	17.63
ii)	***(Increase) / decrease in Expenses:***							
	Occupancy costs	1	-	10.26	9.33	117.00	-	-
	Exchange loss (net)	2	-	-	-	-	-	(17.63)
			-	10.26	9.33	117.00	-	(17.63)
C	**Total adjustments before tax (i+ii)**		**(19.59)**	**10.26**	**(107.67)**	**117.00**	**-**	**-**
D	**Restated profit / (loss) before tax adjustments (A+C)**		**(448.02)**	**(1,132.56)**	**(1,295.45)**	**(1,633.68)**	**126.49**	**104.23**
E	Total current tax adjustment of earlier years	3	-	(7.53)	-	-	3.01	0.43
F	**Total tax adjustments**		**-**	**(7.53)**	**-**	**-**	**3.01**	**0.43**
G	**Restated profit / (loss) after tax adjustments (D+G)**		**(448.02)**	**(1,140.09)**	**(1,295.45)**	**(1,633.68)**	**129.50**	**104.66**

Notes:
The above statement should be read with the notes to the Restated Unconsolidated Summary Statements as appearing in Annexure IV.

1) **Other non-operating income (service tax refund) and Occupancy cost**
In the six month ended September 30, 2017 and in the year ended March 31, 2016, the Company had recognised service tax refund of ₹ 19.59 Million and ₹ 117 Million on the basis of claims made during the year in Other non-operating income respectively. Since the amounts pertain to March 2017, 2016 and 2015, the refund has been recognised as income in the respective years, i.e. March 2017, 2016 and 2015. Further, a receivable has been created and corresponding effect given in occupancy costs in the years ended March 31, 2017, 2016 and 2015 for the purpose of this statement.

2) **Reclassification of Exchange gain (net)**
In the year ended March 31, 2013, Exchange gain of ₹ 17.63 Million had been classified under Other expenses in the financial statements. For the purpose of this statement, the same has been reclassified to Other income in March 31, 2013.

3) **Accounting for taxes on income**
The profit and loss account of some years include amounts paid / provided for or refunded / written back, in respect of shortfall / excess income tax arising out of assessments, appeals, etc which has now been adjusted in the respective years and against the opening reserves as at April 1, 2012 for balances pertaining to periods prior to year ended March 31, 2013.

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure VI
Restated Unconsolidated Statement of Share capital

Particulars	30-Sep-17		31-Mar-17		31-Mar-16		31-Mar-15		31-Mar-14		31-Mar-13	
	No. of shares	₹ in Million	No. of shares	₹ in Million	No. of shares	₹ in Million	No. of shares	₹ in Million	No. of shares	₹ in Million	No. of shares	₹ in Million
a) Authorized share capital												
Equity shares of ₹ 10/- each	175,000	1.75	175,000	1.75	175,000	1.75	175,000	1.75	50,000	0.50	50,000	0.50
b) Issued, subscribed and fully paid-up share capital												
Equity shares of ₹ 10/- each	155,628	1.56	155,628	1.56	155,628	1.56	155,628	1.56	15,000	0.15	15,000	0.15
	155,628	**1.56**	**155,628**	**1.56**	**155,628**	**1.56**	**155,628**	**1.56**	**15,000**	**0.15**	**15,000**	**0.15**

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity shares:

Particulars	30-Sep-17		31-Mar-17		31-Mar-16		31-Mar-15		31-Mar-14		31-Mar-13	
	No. of shares	₹ in Million	No. of shares	₹ in Million	No. of shares	₹ in Million	No. of shares	₹ in Million	No. of shares	₹ in Million	No. of shares	₹ in Million
At the beginning of the year	155,628	1.56	155,628	1.56	155,628	1.56	15,000	0.15	15,000	0.15	15,000	0.15
Issued during the year	-	-	-	-	-	-	140,628	1.41	-	-	-	-
Outstanding at the end of the year	**155,628**	**1.56**	**155,628**	**1.56**	**155,628**	**1.56**	**155,628**	**1.56**	**15,000**	**0.15**	**15,000**	**0.15**

In the year ended March 31, 2015, the Company converted its convertible debentures of ₹ 1,167.87 Million into 86,164 equity shares at ₹ 10/- each. Also, the Company further issued 54,464 equity shares at ₹ 10/- each as per the share subscription agreement entered into with DFS Venture Singapore (PTE) Limited and Flemingo International (BVI) Limited. The shares were issued at ₹ 13,554/- per share.

b. Terms and rights attached to equity shares

The company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Shares held by holding company and its subsidiaries

Out of equity shares issued by the company, shares held by its holding companies and its subsidiaries are as below:

Particulars	30-Sep-17		31-Mar-17		31-Mar-16		31-Mar-15		31-Mar-14		31-Mar-13	
	No. of shares	₹ in Million	No. of shares	₹ in Million	No. of shares	₹ in Million	No. of shares	₹ in Million	No. of shares	₹ in Million	No. of shares	₹ in Million
Flemingo International (BVI) Limited, holding company	151,126	1.51126	151,126	1.51126	71,757	0.71700	71,757	0.71700	-	-	-	-
Flemingo Duty Free Shop Mumbai Private Limited, subsidiary of Flemingo International (BVI) Limited	4,500	0.04500	4,500	0.04500	4,500	0.04500	4,500	0.04500	-	-	-	-
DFS Venture Singapore (Pte) Limited, erstwhile jointly controlled company	1	0.00001	1	0.00001	79,370	0.79400	79,370	0.79400	10,499	0.10500	10,499	0.10500
DFS Singapore Pte Limited, subsidiary of DFS Venture Singapore (Pte) Limited	1	0.00001	1	0.00001	1	0.00001	1	0.00001	1	0.00001	1	0.00001

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure VI
Restated Unconsolidated Statement of Share capital

d. Details of shareholders holding more than 5% shares in the company

Particulars	30-Sep-17		31-Mar-17		31-Mar-16		31-Mar-15		31-Mar-14		31-Mar-13	
	No. of shares	% holding in the class	No. of shares	% holding in the class	No. of shares	% holding in the class	No. of shares	% holding in the class	No. of shares	% holding in the class	No. of shares	% holding in the class
Equity Shares of ₹ 10 each fully paid up												
Flemingo International (BVI) Limited	151,126	97.11%	151,126	97.11%	71,757	46.11%	71,757	46.11%	-	-	-	-
Flemingo Duty Free Shop Mumbai Private Limited	-	-	-	-	-	-	-	-	4,500	30.00%	4,500	30.00%
DFS Venture Singapore (Pte) Limited	1	0.00%	1	0.00%	79,370	50.99%	79,370	50.99%	10,499	69.99%	10,499	69.99%

As per records of the company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Notes:

i) The figures disclosed above are based on the Restated Unconsolidated Summary Statements of Assets and Liabilities of the Company.

ii) The above statement should be read with the notes to Restated Unconsolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Unconsolidated Financial Statements appearing in Annexure V.

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)

Annexure VII

Restated Unconsolidated Statement of Reserves and surplus

(Amount in Million)

Particulars	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	₹	₹	₹	₹	₹	₹
Securities premium (refer Note a)						
Balance per last financial statements	1,904.67	1,904.67	1,904.67	-	-	-
Add: Premium on issue of shares	-	-	-	1,904.67	-	-
Closing balance	**1,904.67**	**1,904.67**	**1,904.67**	**1,904.67**	**-**	**-**
Deficit in the statement of profit and loss						
Balance per last financial statements	(5,034.77)	(3,894.68)	(2,599.23)	(965.55)	(1,095.05)	(1,199.71)
Profit / (Loss) for the year	(448.02)	(1,140.09)	(1,295.45)	(1,633.68)	129.50	104.66
Net deficit in the statement of profit and loss	**(5,482.79)**	**(5,034.77)**	**(3,894.68)**	**(2,599.23)**	**(965.55)**	**(1,095.05)**
Total reserves and surplus	**(3,578.12)**	**(3,130.10)**	**(1,990.01)**	**(694.56)**	**(965.55)**	**(1,095.05)**

Note a

Securities premium is used to record the excess of the amount received over the face value of the shares. This reserve will be utilised in accordance with the provision of the Companies Act, 2013.

Notes:

i) The figures disclosed above are based on the Restated Unconsolidated Summary Statements of Assets and Liabilities of the Company.

ii) The above statement should be read with the notes to Restated Unconsolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Unconsolidated Financial Statements appearing in Annexure V.

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure VIII
Restated Unconsolidated Statement of Long-term borrowings and Statement of Principal terms of borrowings outstanding as at September 30, 2017

(Amount in Million)

Particulars	Non-current portion						Current maturities **					
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Term loans												
Indian rupee loan from banks (secured)	1,697.05	1,864.70	1,872.84	1,987.24	1,702.59	-	335.30	335.30	232.81	219.82	-	-
13% compulsorily convertible debentures (unsecured)	-	-	-	-	-	1,167.87	-	-	-	-	1,167.87	-
	1,697.05	**1,864.70**	**1,872.84**	**1,987.24**	**1,702.59**	**1,167.87**	**335.30**	**335.30**	**232.81**	**219.82**	**1,167.87**	**-**

Of the above:

Secured borrowings	1,697.05	1,864.70	1,872.84	1,987.24	1,702.59	-	335.30	335.30	232.81	219.82	-	-
Unsecured borrowings	-	-	-	-	-	1,167.87	-	-	-	-	1,167.87	-
	1,697.05	**1,864.70**	**1,872.84**	**1,987.24**	**1,702.59**	**1,167.87**	**335.30**	**335.30**	**232.81**	**219.82**	**1,167.87**	**-**

***Current maturities of Long term borrowings disclosed under the head "Other Current Liabilities" (refer Annexure XII)*

Principal Terms of Borrowings Outstanding as at September 30, 2017

(Amount in Million)

Lender	Nature of facility	Loan Currency	Amount sanctioned	Amount o/s as at 30-Sep-17 #	Rate of interest (p.a.)	Repayment / modification of terms	Security / Principal terms and conditions
Yes bank	Term loan (secured)	INR	2,350.00	2,032.35	0.2% spread over and above the 1 year MCLR fro 1 to 3 years; 2.85% spread over and above the 1 year MCLR after 3rd year	The loan is repayable along with interest, in 33 quarterly installments starting from April 30, 2017 till April 30, 2025 and the interest to be serviced as and when charged	The loan is secured by charge over current assets (including security deposit placed with MIAL and to be furnished to MIAL) and movable fixed assets of Company, Fixed Deposit of ₹ 36 Crores and pledge over 30% shareholding in the company. The loan has been guaranteed by Flemingo International (BVI) Limited. Further, it has been secured by personal guarantee of Mr. Atul Ahuja, Mr. Viren Ahuja, Mr. Karan Ahuja and Mr. Arjun Ahuja.

 # The above includes long term borrowings and the current maturities of long-term borrowings

Notes:

i) The figures disclosed above are based on the Restated Unconsolidated Summary Statements of Assets and Liabilities of the Company.

ii) The above statement should be read with the notes to Restated Unconsolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Unconsolidated Financial Statements appearing in Annexure V.

iii) The rates of interest given above are base rate plus spread as agreed with the lenders in the respective facility letters except wherever specifically mentioned at fixed rate in the Annexure above.

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure IX
Restated Unconsolidated Statement of Other long-term liabilities

(Amount in Million)

Particulars	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	₹	₹	₹	₹	₹	₹
Occupancy cost liability	4,505.47	4,001.05	3,065.08	1,719.42	92.90	74.99
	4,505.47	**4,001.05**	**3,065.08**	**1,719.42**	**92.90**	**74.99**

Notes:

i) The figures disclosed above are based on the Restated Unconsolidated Summary Statements of Assets and Liabilities of the Company.

ii) The above statement should be read with the notes to Restated Unconsolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Unconsolidated Financial Statements appearing in Annexure V.

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure X
Restated Unconsolidated Statement of Long-term and Short-term Provisions

(Amount in Million)

Particulars	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	₹	₹	₹	₹	₹	₹
A. Long term provisions						
Provision for employee benefits						
Provision for gratuity (refer Annexure XXXI)	17.42	14.59	11.07	9.29	6.14	0.70
Provision for accrued leave	-	-	-	-		
	17.42	**14.59**	**11.07**	**9.29**	**6.14**	**0.70**
Other provisions						
Provision for asset restoration cost (refer Annexure XXXVI)	-	-	6.54	6.54	6.54	8.02
	-	**-**	**6.54**	**6.54**	**6.54**	**8.02**
	17.42	**14.59**	**17.61**	**15.83**	**12.68**	**8.72**
B. Short term provisions						
Provision for employee benefits						
Provision for gratuity (refer Annexure XXXI)	0.96	1.02	0.72	0.65	0.48	2.23
Provision for accrued leave	21.24	15.55	7.37	7.83	3.02	4.05
	22.20	**16.57**	**8.09**	**8.48**	**3.50**	**6.28**
Other provisions						
Provision for asset restoration cost (refer Annexure XXXVI)	0.39	5.50	-	-	-	20.58
	0.39	**5.50**	**-**	**-**	**-**	**20.58**
	22.59	**22.07**	**8.09**	**8.48**	**3.50**	**26.86**

Notes:
i) The figures disclosed above are based on the Restated Unconsolidated Summary Statements of Assets and Liabilities of the Company.

ii) The above statement should be read with the notes to Restated Unconsolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Unconsolidated Financial Statements appearing in Annexure V.

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure XI
Restated Unconsolidated Statement of Short term borrowings and Statement of Principal terms of borrowings outstanding as at September 30, 2017

(Amount in Million)

Particulars	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	₹	₹	₹	₹	₹	₹
From banks (secured)						
Working capital demand loan	200.00	200.00	-	-	-	-
Buyers credit	444.73	129.80	-	-	-	-
	644.73	**329.80**	-	-	-	-

Of the above						
Secured	644.73	329.80	-	-	-	-
Unsecured	-	-	-	-	-	-
	644.73	**329.80**	-	-	-	-

Principal Terms of Borrowings Outstanding as at September 30, 2017

(Amount in Million)

Lender	Nature of facility	Loan Currency	Amount sanctioned	Amount o/s as at 30-Sep-17	Rate of interest (p.a.)	Repayment terms	Security / Principal terms and conditions
Yes bank	Working capital demand loan	INR	200.00	200.00	2.85% Spread over and above the 1 year MCLR	12 months	The loan is secured by Charge over current assets (including security deposit placed with MIAL and to be furnished to MIAL) and Movable fixed assets of Company, Fixed Deposit of ₹ 36 Crores and pledge over 30% shareholding in the company. The loan has been guaranteed by Flemingo International (BVI) Limited. Further, it has been secured by personal guarantee of Mr. Atul Ahuja, Mr. Viren Ahuja, Mr. Karan Ahuja and Mr. Arjun Ahuja.
Yes bank	Buyer's credit	INR	700.00	444.73	Average interest @ Libor plus 32bps + USD50	Repayable within 40 to 120 days with a maximum tenure of 180 days	Secured by charge over current assets, movable fixed assets of company and fixed deposit.

Notes:

i) The figures disclosed above are based on the Restated Unconsolidated Summary Statements of Assets and Liabilities of the Company.

ii) The above statement should be read with the notes to Restated Unconsolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Unconsolidated Financial Statements appearing in Annexure V.

iii) The rates of interest given above are base rate plus spread as agreed with the lenders in the respective facility letters except wherever specifically mentioned at fixed rate in the Annexure above.

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure XII
Restated Unconsolidated Statement of Trade Payables and Other current liabilities

(Amount in Million)

Particulars	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	₹	₹	₹	₹	₹	₹
Non Current Liabilities						
A. Trade Payables**	226.22	309.99	-	-	-	-
	226.22	**309.99**	**-**	**-**	**-**	**-**
Current Liabilities						
B. Trade Payables**						
Total outstanding dues of micro enterprises and small enterprises (refer Annexure XXXVIII)	8.39	1.32	1.25	0.52	0.42	0.15
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,101.87	958.27	1,126.41	875.91	569.85	645.58
	1,110.26	**959.59**	**1,127.66**	**876.43**	**570.27**	**645.73**
C. Other current liabilities						
Current maturities of long-term debt (refer Annexure VIII)	335.30	335.30	232.81	219.82	1,167.87	-
Capital creditors	0.92	3.15	7.23	13.43	8.08	4.72
Other payables:						
Salaries and wages payable	37.73	36.39	18.15	26.61	13.23	22.01
Interest accrued and but not due on borrowings	18.23	18.95	0.16	-	129.98	347.91
Statutory dues payable	28.41	11.92	11.72	3.33	27.64	76.61
	420.59	**405.71**	**270.07**	**263.19**	**1,346.80**	**451.25**

***This includes Trade Payables pertaining to DFS Venture Singapore (Pte) Limited with some distinctive terms and conditions as follows:*

Nature	Primary Currency	Amount outstanding as on September 30, 2017	Rate of interest (p.a.)	Repayment / modification of terms	Security / Principal terms and conditions
Trade Payables (Non-current with extended credit terms)	USD	226.22	4.77% or such higher rate as permitted by the applicable law on the amounts which become past due, i.e., not paid within 60 days.	Payments shall be made within 60 days from the date of invoice which is as per the 3 year supply arrangement entered on February 20, 2017 post which interest would be charged as agreed.	All such payables shall become current if the payment is not made within 30 days after the receipt of notice from DFS Venture Singapore (Pte) Limited or occurrence of a breach is not cured after any applicable notice and the applicable cure period has elapsed or the company cease to be under the direct or indirect control of Mr. Viren Ahuja and / or Mr. Atul Ahuja or the company or any company having control over the company offers its securities to the public.

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure XII
Restated Unconsolidated Statement of Trade Payables and Other current liabilities

Trade Payables (Current with extended credit terms)	USD	175.75	4.77% or such higher rate as permitted by the applicable law on the amounts which become past due, i.e., not paid within 60 days.	Payments shall be made within 60 days from the date of invoice which is as per the 3 year supply arrangement entered on February 20, 2017 post which interest would be charged as agreed.	N.A.
		401.97			

Notes:
i) The figures disclosed above are based on the Restated Unconsolidated Summary Statements of Assets and Liabilities of the Company.
ii) The above statement should be read with the notes to Restated Unconsolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Unconsolidated Financial Statements appearing in Annexure V.

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure XIII
Restated Unconsolidated Statement of Property, plant and equipment and intangible assets

(Amount in Million)

Particulars	Property, plant & equipment					Intangibles
	Computers and Office Equipment	Furniture and Fittings	Leasehold Improvements	Vehicles	Total	Software
	₹	₹	₹	₹	₹	₹
Cost or valuation						
At April 1, 2012	40.67	125.28	127.86	-	293.81	7.46
Additions / Adjustments	2.29	10.51	34.05	-	46.85	-
Disposals / Adjustments	-	-	-	-	-	-
At March 31, 2013	**42.96**	**135.79**	**161.91**	**-**	**340.66**	**7.46**
Additions / Adjustments	0.25	27.72	15.84	-	43.81	-
Disposals / Adjustments	-	-	(23.10)	-	(23.10)	-
At March 31, 2014	**43.21**	**163.51**	**154.65**	**-**	**361.37**	**7.46**
Additions / Adjustments	27.95	483.32	311.85	0.09	823.21	0.06
Disposals / Adjustments	(1.27)	(135.16)	(111.15)	-	(247.58)	-
At March 31, 2015	**69.89**	**511.67**	**355.35**	**0.09**	**937.00**	**7.52**
Additions / Adjustments	15.33	17.43	20.50	-	53.26	-
Disposals / Adjustments	(38.10)	(22.39)	-	-	(60.49)	(7.46)
At March 31, 2016	**47.12**	**506.71**	**375.85**	**0.09**	**929.77**	**0.06**
Additions / Adjustments	0.83	0.87	2.83	-	4.53	29.21
Disposals / Adjustments	-	(17.22)	-	-	(17.22)	-
At March 31, 2017	**47.95**	**490.36**	**378.68**	**0.09**	**917.08**	**29.27**
Additions / Adjustments	7.89	10.34	6.12	-	24.35	-
Disposals / Adjustments	-	-	-	-	-	-
At September 30, 2017	**55.84**	**500.70**	**384.80**	**0.09**	**941.43**	**29.27**
Depreciation						
At April 1, 2012	31.15	96.98	100.38	-	228.51	5.21
Charge for the year	9.93	29.28	30.03	-	69.24	2.25
Disposals	-	-	-	-	-	-
At March 31, 2013	**41.08**	**126.26**	**130.41**	**-**	**297.75**	**7.46**
Charge for the year	0.81	12.61	7.56	-	20.98	-
Disposals	-	-	(20.58)	-	-20.58	-
At March 31, 2014	**41.89**	**138.87**	**117.39**	**-**	**298.15**	**7.46**
Charge for the year	4.96	72.50	35.11	0.02	112.59	0.00
Disposals	(1.21)	(125.89)	(108.48)	-	(235.58)	-
At March 31, 2015	**45.64**	**85.48**	**44.02**	**0.02**	**175.16**	**7.46**
Charge for the year	11.71	126.26	48.34	0.02	186.33	0.02
Disposals	(38.10)	(22.39)	-	-	(60.49)	(7.46)
At March 31, 2016	**19.25**	**189.35**	**92.36**	**0.04**	**301.00**	**0.02**
Charge for the year	20.15	77.43	42.11	0.02	139.71	29.23
Disposals	-	(12.49)	-	-	(12.49)	-
At March 31, 2017	**39.40**	**254.29**	**134.47**	**0.06**	**428.22**	**29.25**
Charge for the period	3.10	48.09	31.52	0.01	82.72	0.01
Disposals	-	-	-	-	-	-
At September 30, 2017	**42.50**	**302.38**	**165.99**	**0.07**	**510.94**	**29.26**
Net Block						
At March 31, 2012	**9.52**	**28.30**	**27.48**	**-**	**65.30**	**2.25**
At March 31, 2013	**1.88**	**9.53**	**31.50**	**-**	**42.91**	**-**
At March 31, 2014	**1.32**	**24.64**	**37.26**	**-**	**63.22**	**-**
At March 31, 2015	**24.25**	**426.19**	**311.33**	**0.07**	**761.84**	**0.06**
At March 31, 2016	**27.87**	**317.36**	**283.49**	**0.05**	**628.77**	**0.04**
At March 31, 2017	**8.55**	**236.07**	**244.21**	**0.03**	**488.86**	**0.02**
At September 30, 2017	**13.34**	**198.32**	**218.81**	**0.02**	**430.49**	**0.01**

Notes:

i) The moveable assets of the Company as at March 2014, 2015, 2016 and 2017 being furniture and fittings and computers and office equipnments have been given as security against the loans taken from the banks.

ii) The figures disclosed above are based on the Restated Unconsolidated Summary Statements of Assets and Liabilities of the Company.

iii) The above statement should be read with the notes to Restated Unconsolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Unconsolidated Financial Statements appearing in Annexure V.

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure XIV
Restated Unconsolidated Statement of non-current investments

(Amount in Million)

Particulars	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	₹	₹	₹	₹	₹	₹
Non- trade investments (Valued at cost unless stated otherwise)						
Unquoted equity instruments						
Investment in subsidiaries *						
Flemingo International Limited S.A. Burundi September 30, 2017: 3,960 (March 31, 2017: 3,960, March 31, 2016, 2015, 2014, 2013: Nil) Equity shares of Burandian Franc (BIF) 25,000/- each Fully paid up	-	-	-	-	-	-
Flemingo International Rawanda Limited September 30, 2017: 49,990 (March 31, 2017: 49,990; March 31, 2016, 2015, 2014, 2013: Nil) Equity shares of Rwanda Franc (RF) 1000/- each Fully paid up	-	-	-	-	-	-
	-	-	-	-	-	-

* The Flemingo Middle East Limited and Flemingo International Limited (Subsidiary of Flemingo International (BVI) Limited - Holding Company) has transferred Flemingo International Limited S.A Burundi and Flemingo International Rwanda Limited at free of cost to the company, hence the cost of investment to the company is valued at Nil.

Notes:

i) The figures disclosed above are based on the Restated Unconsolidated Summary Statements of Assets and Liabilities of the Company.

ii) The above statement should be read with the notes to Restated Unconsolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Unconsolidated Financial Statements appearing in Annexure V.

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure XV
Restated Unconsolidated Statement of Deferred tax assets (net)

(Amount in Million)

Particulars	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	₹	₹	₹	₹	₹	₹
Deferred tax assets						
Loss as per income tax calculations	264.32	185.39	184.71	45.14	27.16	19.37
Straightlining of occupancy cost	1,534.09	1,473.89	1,017.11	559.72	6.86	0.78
Fixed assets: impact of difference between tax depreciation and depreciation/ amortization charged	113.60	97.56	80.42	148.47	50.45	50.54
Employee benefit provision allowed on payment basis	19.64	20.61	8.14	8.22	5.16	2.37
Disallowance under Sec 40 (a)	31.04	32.32	34.99	49.26	40.37	125.68
Total deferred tax asset *	**1,962.69**	**1,809.77**	**1,325.37**	**810.81**	**130.00**	**198.74**

* In absence of virtual certainity the Company has not recognized deferred tax assets (DTA) on timing differences arising from depreciation, disallowance of occupancy expense, carry forward of business loss, accumulated depreciation and other items.

Notes:
i) The figures disclosed above are based on the Restated Unconsolidated Summary Statements of Assets and Liabilities of the Company.

ii) The above statement should be read with the notes to Restated Unconsolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Unconsolidated Financial Statements appearing in Annexure V.

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure XVI
Restated Unconsolidated Statement of Loans and advances

(Amount in Million)

Particulars	Long term						Short term					
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Security deposit												
Unsecured, considered good	2,199.29	2,192.21	2,397.60	2,260.61	1,708.06	10.94	23.63	28.55	1.32	0.53	32.60	42.70
(A)	**2,199.29**	**2,192.21**	**2,397.60**	**2,260.61**	**1,708.06**	**10.94**	**23.63**	**28.55**	**1.32**	**0.53**	**32.60**	**42.70**
Advances recoverable in cash or kind												
Unsecured, considered good	-	-	-	-	-	-	89.25	40.59	12.66	13.25	2.09	3.06
Doubtful	-	-	-	-	-	-	1.48	1.48	0.52	-	-	-
	-	-	-	-	-	-	90.73	42.07	13.18	13.25	2.09	3.06
Provision for doubtful debt	-	-	-	-	-	-	(1.48)	(1.48)	(0.52)	-	-	-
(B)	**-**	**-**	**-**	**-**	**-**	**-**	**89.25**	**40.59**	**12.66**	**13.25**	**2.09**	**3.06**
Other loans and advances												
Unsecured, considered good												
Advance income-tax (net of provision for taxation of September 30, 2017: ₹ 1.68 Million, March 31, 2017: ₹ 0.17 Million; March 31, 2016 : ₹ 62.87 Million; March 31, 2015 : ₹ 62.87 Million; March 31, 2014 : ₹ 62.87 Million; March 31, 2013 : ₹ 65.87 Million)	14.49	15.22	71.98	65.35	65.00	53.81	-	-	-	-	-	-
Prepaid expenses	1.86	3.59	7.19	10.78	14.38	-	9.97	11.91	10.79	11.35	8.60	6.11
Balance with statutory / government authorities	97.33	403.17	191.61	11.54	7.30	3.79	469.80	19.59	9.33	117.00	-	17.86
(C)	**113.68**	**421.98**	**270.78**	**87.67**	**86.68**	**57.60**	**479.77**	**31.50**	**20.12**	**128.35**	**8.60**	**23.97**
Total (A+B+C)	**2,312.97**	**2,614.19**	**2,668.38**	**2,348.28**	**1,794.74**	**68.54**	**592.65**	**100.64**	**34.10**	**142.13**	**43.29**	**69.73**

Notes:

i) The figures disclosed above are based on the Restated Unconsolidated Summary Statements of Assets and Liabilities of the Company.

ii) The above statement should be read with the notes to Restated Unconsolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Unconsolidated Financial Statements appearing in Annexure V.

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure XVII
Restated Unconsolidated Statement of Other assets

(Amount in Million)

Particulars	Non-current						Current					
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Unamortized expenditure												
Ancillary cost of arranging the term loans	100.32	147.87	15.48	18.30	21.12	-	46.13	21.64	2.82	2.82	2.81	-
(A)	**100.32**	**147.87**	**15.48**	**18.30**	**21.12**	**-**	**46.13**	**21.64**	**2.82**	**2.82**	**2.81**	**-**
Others												
Margin money deposit *	360.60	360.00	-	-	-	-	-	-	-	-	-	-
Interest accrued on deposits	-	-	-	-	-	-	12.92	1.40	-	-	-	1.71
Interest accrued on security deposit	-	-	-	-	-	-	32.08	46.37	69.85	64.11	1.67	0.77
(B)	**360.60**	**360.00**	**-**	**-**	**-**	**-**	**45.00**	**47.77**	**69.85**	**64.11**	**1.67**	**2.48**
Total (A+B)	**460.92**	**507.87**	**15.48**	**18.30**	**21.12**	**-**	**91.13**	**69.41**	**72.67**	**66.93**	**4.48**	**2.48**

* The margin money has been paid as security against long term loan acquired by the Company (refer Annexure VIII).

Notes:

i) The figures disclosed above are based on the Restated Unconsolidated Summary Statements of Assets and Liabilities of the Company.

ii) The above statement should be read with the notes to Restated Unconsolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Unconsolidated Financial Statements appearing in Annexure V.

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure XVIII
Restated Unconsolidated Statement of Inventories (valued at lower of cost and net realizable value)

(Amount in Million)

Particulars	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	₹	₹	₹	₹	₹	₹
Traded goods *	**1,036.52**	**745.56**	**694.79**	**644.07**	**215.96**	**253.27**

* Includes goods in transit of	232.78	61.69	102.69	144.73	134.00	69.50

Annexure XIX
Restated Unconsolidated Statement of Trade receivables

(Amount in Million)

Particulars	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	₹	₹	₹	₹	₹	₹
Trade receivables						
Outstanding for more than 6 months from the date they became due	-	-	-	-	-	-
Other receivables						
Unsecured, considered good	24.31	9.71	9.53	4.03	7.67	9.04
	24.31	**9.71**	**9.53**	**4.03**	**7.67**	**9.04**

Annexure XX
Restated Unconsolidated Statement of Cash and bank balances

(Amount in Million)

Particulars	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	₹	₹	₹	₹	₹	₹
Cash and cash equivalents						
Balance with banks:						
On current accounts (including in transit)	96.29	236.22	213.59	187.69	414.32	503.13
Deposits with original maturity of less than 3 months	-	-	-	-	-	330.00
Cash on hand	1.60	1.32	1.33	1.28	1.02	0.80
	97.89	**237.54**	**214.92**	**188.97**	**415.34**	**833.93**

Notes:

i) The figures disclosed above are based on the Restated Unconsolidated Summary Statements of Assets and Liabilities of the Company.

ii) The above statement should be read with the notes to Restated Unconsolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Unconsolidated Financial Statements appearing in Annexure V.

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)

Annexure XXI

Restated Unconsolidated Statement of Revenue from operations

(Amount in Million)

Particulars	For six month ended 30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	₹	₹	₹	₹	₹	₹
Revenue from operations						
Sale of products						
Traded goods	3,198.56	5,986.83	5,390.01	4,182.33	3,051.97	2,643.85
	3,198.56	**5,986.83**	**5,390.01**	**4,182.33**	**3,051.97**	**2,643.85**

Details of products sold **(Amount in Million)**

Particulars	For six month ended 30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	₹	₹	₹	₹	₹	₹
Traded goods sold						
Liquor	1,870.12	3,652.59	3,341.17	2,672.35	2,006.89	1,672.67
Fashion accessories	566.56	993.98	875.03	630.23	531.26	485.22
Food and candies	504.66	917.36	791.46	561.45	293.24	290.62
Others	257.22	422.90	382.35	318.30	220.58	195.34
	3,198.56	**5,986.83**	**5,390.01**	**4,182.33**	**3,051.97**	**2,643.85**

Annexure XXII

Restated Unconsolidated Statement of Other income

(Amount in Million)

Particulars	For six month ended 30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	Recurring/ Non Recurring	Related/ Not related to business activity
	₹	₹	₹	₹	₹	₹		
Interest income on:								
Security deposit	32.06	52.07	68.87	62.78	1.67	-	Recurring	Related
Bank deposit	12.33	1.22	-	-	21.55	33.03	Recurring	Not related
Income tax refund	-	13.41	-	-	0.31	-	Non Recurring	Not related
Others	0.45	-	-	-	-	-	Non Recurring	Related
Exchange gain (net)	-	9.21	-	-	-	17.63	Non Recurring	Related
Marketing support income	-	-	-	-	-	0.43	Non Recurring	Related
Write back of provision for asset restoration cost (refer Annexure XXXVI)	5.11	1.04	-	-	23.10	-	Non Recurring	Related
Write back of liability no longer required	-	-	-	-	5.77	-	Non Recurring	Related
Miscellaneous income	4.46	0.01	15.73	8.60	2.50	-	Recurring	Not related
Other non-operating income	-	-	-	0.00	0.40	0.36	Non Recurring	Not related
	54.41	**76.96**	**84.60**	**71.38**	**55.30**	**51.45**		

Notes:

i) The figures disclosed above are based on the Restated Unconsolidated Summary Statements of Profits and Losses of the Company.

ii) The above statement should be read with the notes to Restated Unconsolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Unconsolidated Financial Statements appearing in Annexure V.

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure XXIII
Restated Unconsolidated Statement of Cost of goods sold

(Amount in Million)

Particulars	For six month ended 30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	₹	₹	₹	₹	₹	₹
Inventory at the beginning of the year	745.56	694.79	644.07	215.96	253.27	231.02
Add: Purchases	1,587.91	2,665.08	2,383.48	2,287.63	1,273.12	1,162.36
	2,333.47	3,359.87	3,027.55	2,503.59	1,526.39	1,393.38
Less: Inventory at the end of the year	(1,036.52)	(745.56)	(694.79)	(644.07)	(215.96)	(253.27)
Cost of goods sold	**1,296.95**	**2,614.31**	**2,332.76**	**1,859.52**	**1,310.43**	**1,140.11**

Details of purchases **(Amount in Million)**

Particulars	For six month ended 30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	₹	₹	₹	₹	₹	₹
Traded goods						
Liquor	896.50	1,516.23	1,439.17	1,420.57	828.41	771.60
Fashion accessories	312.93	521.23	397.32	401.96	218.01	181.48
Food and candies	233.54	433.35	347.73	303.87	122.91	125.74
Others	144.94	194.27	199.26	161.23	103.79	83.54
	1,587.91	**2,665.08**	**2,383.48**	**2,287.63**	**1,273.12**	**1,162.36**

Annexure XXIV
Restated Unconsolidated Statement of Employee benefits expense

(Amount in Million)

Particulars	For six month ended 30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	₹	₹	₹	₹	₹	₹
Salaries, wages and bonus	141.08	225.66	206.79	180.03	122.14	123.60
Contribution to provident and other fund	3.94	7.48	6.69	5.64	5.47	3.75
Gratuity expense (refer Annexure XXXI)	2.77	4.40	3.32	3.53	3.76	0.11
Staff welfare expenses	7.52	10.84	9.60	14.48	9.19	6.14
	155.31	**248.38**	**226.40**	**203.68**	**140.56**	**133.60**

Notes:
i) The figures disclosed above are based on the Restated Unconsolidated Summary Statements of Profits and Losses of the Company.
ii) The above statement should be read with the notes to Restated Unconsolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Unconsolidated Financial Statements appearing in Annexure V.

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure XXV
Restated Unconsolidated Statement of Occupancy Cost

(Amount in Million)

Particulars	For six month ended 30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	₹	₹	₹	₹	₹	₹
Occupancy cost expense	1,361.94	2,430.32	2,060.51	1,612.74	1,042.35	652.84
Linearisation impact	466.21	1,026.52	1,366.60	1,588.01	17.90	2.28
	1,828.15	**3,456.84**	**3,427.11**	**3,200.75**	**1,060.25**	**655.12**

Annexure XXVI
Restated Unconsolidated Statement of Other expenses

(Amount in Million)

Particulars	For six month ended 30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	₹	₹	₹	₹	₹	₹
Electricity charges	11.44	19.54	31.70	17.89	13.49	10.58
Repairs and maintenance:						
Equipment	0.37	-	-	0.11	0.09	0.13
Others	5.61	1.81	1.26	1.21	1.00	2.71
Advertising and sales promotion	31.91	58.21	68.67	48.70	30.17	28.26
Bank charges including credit card commission	19.30	33.63	40.35	47.30	36.51	32.76
Communication costs	1.03	3.81	2.59	1.96	1.82	1.49
Exchange Loss (net)	61.35	-	145.98	22.13	28.22	-
Insurance	5.27	6.57	4.21	3.09	2.48	2.01
Legal and professional fees	15.03	19.30	18.51	34.02	12.93	11.88
Other contract services	26.25	46.14	71.91	59.15	23.94	20.64
Payment to auditor	0.98	3.90	2.64	2.41	2.28	2.04
Recruitment fees	-	0.98	0.65	2.98	0.80	0.89
Taxes and licences	1.66	8.35	9.47	14.14	29.15	24.28
Travelling and conveyance	4.11	4.99	5.53	6.29	5.16	8.37
Bid development cost	-	-	-	-	62.48	-
Miscellaneous expenses	5.30	13.31	10.06	7.50	9.82	4.13
	189.61	**220.54**	**413.53**	**268.88**	**260.34**	**150.17**

Payment to auditor **(Amount in Million)**

Particulars	For six month ended 30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	₹	₹	₹	₹	₹	₹
As auditor (including taxes):						
Audit fee	0.50	2.30	1.74	1.63	1.66	1.52
Tax audit fee	0.23	0.46	0.46	0.46	0.45	0.41
In other capacity:						
Certification fee and other services	0.25	1.14	0.44	0.32	0.17	0.11
	0.98	**3.90**	**2.64**	**2.41**	**2.28**	**2.04**

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)

Annexure XXVII
Restated Unconsolidated Statement of Depreciation and amortization expense

(Amount in Million)

Particulars	For six month ended 30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	₹	₹	₹	₹	₹	₹
Depreciation of tangible assets	82.72	139.71	186.33	112.59	20.98	69.24
Amortization of intangible assets	0.01	29.23	0.02	0.00	-	2.25
	82.73	**168.94**	**186.35**	**112.59**	**20.98**	**71.49**

Notes:
i) The figures disclosed above are based on the Restated Unconsolidated Summary Statements of Profits and Losses of the Company.
ii) The above statement should be read with the notes to Restated Unconsolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Unconsolidated Financial Statements appearing in Annexure V.

Annexure XXVIII
Restated Unconsolidated Statement of Finance costs

(Amount in Million)

Particulars	For six month ended 30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	₹	₹	₹	₹	₹	₹
Interest on:						
Term loan	95.27	150.65	150.92	143.07	3.53	-
Debentures	-	-	-	96.09	151.82	409.30
Working capital loan	11.80	2.12	-	-	-	-
Buyer's credit	3.24	-	-	-	-	-
Others	14.85	35.22	30.17	-	-	-
Other borrowing cost	-	40.61	-	-	-	-
Amortization of ancillary borrowing costs	23.08	21.44	2.82	2.81	0.09	-
	148.24	**250.04**	**183.91**	**241.97**	**155.44**	**409.30**

Annexure XXIX
Restated Unconsolidated Statement of Exceptional items

(Amount in Million)

Particulars	For six month ended 30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	₹	₹	₹	₹	₹	₹
Other expenses						
Forex loss on conversion of USD denominated security deposit to INR	-	189.21	-	-	-	-
Forex gain on cancellation of Swap Facility with bankers	-	(180.33)	-	-	-	-
	-	8.88	-	-	-	-
Finance cost						
Swap cancellation charges paid to banker	-	235.95	-	-	-	-
	-	**244.83**	**-**	**-**	**-**	**-**

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)

The Company in the year ended March 31, 2017 had negotiated the concession agreement with Mumbai International Airport Limited ('MIAL') which required the Company to convert its existing USD denominated security deposit placed with MIAL of USD 35,191,072 into an INR denominated Security Deposit of ₹ 2,142.32 million leading to a forex loss of ₹189.21 million.

On account of the above event, the Company cancelled its swap facility on loans taken primarily to finance USD deposit and paid ₹ 235.95 million as swap cancellation cost. Further this cancellation of swap has resulted in a forex gain of ₹ 180.33 million.

Considering the above events relate to a one time negotiation with MIAL, the cost associated with such negotiations have been disclosed as exceptional items in the Statement of Profit & Loss for the year ended March 31, 2017.

Notes:

i) The figures disclosed above are based on the Restated Unconsolidated Summary Statements of Profits and Losses of the Company.

ii) The above statement should be read with the notes to Restated Unconsolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Unconsolidated Financial Statements appearing in Annexure V.

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure XXX
Restated Unconsolidated Statement of Earnings per share (EPS)

The following reflects the restated (loss)/profit and share data used in the basic and diluted EPS computations:

(Amount in Million)

Particulars	**For six month ended 30-Sep-17**	**31-Mar-17**	**31-Mar-16**	**31-Mar-15**	**31-Mar-14**	**31-Mar-13**
	₹	₹	₹	₹	₹	₹
Net restated (loss)/profit for calculation of basic EPS	(448.02)	(1,140.09)	(1,295.45)	(1,633.68)	129.50	104.66
Net restated (loss)/profit as above	(448.02)	(1,140.09)	(1,295.45)	(1,633.68)	129.50	104.66
Add: Interest on debentures (net of tax)	-	-	-	96.09	120.00	324.71
Net (loss)/profit for calculation of Diluted EPS	**(448.02)**	**(1,140.09)**	**(1,295.45)**	**(1,537.59)**	**249.50**	**429.37**
	No. Million	**No. Million**	**No. Million**	**No. Million**	**No. Million**	**No. Million**
Weighted average number of equity shares in calculating basic EPS	0.16	0.16	0.16	0.07	0.02	0.02
Weighted average number of equity shares in calculating diluted EPS*	0.16	0.16	0.16	0.07	0.10	0.10
Basic earnings per share (₹)	**(2,878.77)**	**(7,325.73)**	**(8,324.00)**	**(24,575.54)**	**8,633.41**	**6,977.28**
Diluted earnings per share (₹)	**(2,878.77)**	**(7,325.73)**	**(8,324.00)**	**(24,575.54)**	**2,470.31**	**4,251.15**
EPS after considering bonus share adjustment (refer note below):						
Net profit / (loss) for calculation of basic EPS	(448.02)	(1,140.09)	(1,295.45)	(1,633.68)	129.50	104.66
Net loss as above	(448.02)	(1,140.09)	(1,295.45)	(1,633.68)	129.50	104.66
Add: Interest on debentures (net of tax)	-	-	-	96.09	120.00	324.71
Net profit / (loss) for calculation of Diluted EPS	**(448.02)**	**(1,140.09)**	**(1,295.45)**	**(1,537.59)**	**249.50**	**429.37**
Number of equity shares (before Bonus shares)	0.16	0.16	0.16	0.07	0.02	0.02
Bonus shares	38.91	38.91	38.91	38.91	3.75	3.75
Weighted average number of equity shares in calculating basic EPS	39.06	39.06	39.06	38.97	3.77	3.77
Number of equity shares (before Bonus shares)	0.16	0.16	0.16	0.07	0.10	0.10
Bonus shares	38.91	38.91	38.91	38.91	3.75	3.75
Weighted average number of equity shares in calculating diluted EPS *	39.06	39.06	39.06	38.97	3.85	3.85
Basic earnings per share (₹)	**(11.47)**	**(29.19)**	**(33.16)**	**(41.92)**	**34.40**	**27.80**
Diluted earnings per share (₹)	**(11.47)**	**(29.19)**	**(33.16)**	**(41.92)**	**64.79**	**111.49**

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)

*Weighted average number of equity shares in calculating diluted EPS for the year March 31, 2014 and March 31, 2013 includes the equivalent number of equity shares arrived at considering the conversion of Compulsorily Convertible Debentures to equity shares at a likely fair value of ₹.13,554 per share.

For March, 2015, the effect of the convertible debentures is anti-dilutive because it decreases the loss per share as per para 41 of AS 20. Hence, the net loss considered for calculating Basic EPS is taken for calculating the Diluted EPS as well.

Note: Subsequent to September 30, 2017, the board of directors of Flemingo Travel Retail Limited in their meeting held on December 11, 2017, have recommended to shareholders for the issue and allotment of bonus shares in the ratio of two hundred and fifty (250) equity shares for every one (1) equity share held by the equity shareholders of the Company, which has been approved in extra - ordinary general meeting of the Company held on December 11, 2017. The EPS - Basic, EPS - Diluted and Net Asset Value per Equity Share has been re-calculated for all the five restated years based on this new bonus share issue ratio.

Annexure XXXI

Restated Unconsolidated Statement of Employee Benefits - Defined Benefit Obligation (Gratuity)

General Description of Defined Benefit Plan - Gratuity

Under the gratuity plan, every employee is entitled to the benefit equivalent to fifteen days salary of last drawn salary for each completed year of service depending on the date of joining and eligibility terms, in terms of provisions of the Payment of Gratuity Act.

The same is payable on termination of service or retirement, whichever is earlier. The benefit vests after five years of continuous service.

Liabilities for such benefits are provided on the basis of valuation, as at the balance sheet date, carried out by an independent actuary. The actuarial valuation method used by an independent actuary for measuring the liability is the Projected Unit Credit method.

The scheme is not funded with an insurance company in the form of qualifying insurance policy, neither has created any asset.

The following tables summarizes the components of gratuity expense recognized in the restated unconsolidated statement of profit and loss and amounts recognized in the balance sheet for the respective plan:

(Amount in Million)

Particulars	For six month ended 30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	₹	₹	₹	₹	₹	₹
Current service cost	1.82	2.34	2.22	1.46	0.25	1.08
Interest cost on benefit obligation	0.57	1.08	0.94	0.73	0.17	0.33
Net actuarial loss / (gain) recognized in the year	0.38	0.98	0.16	1.34	3.34	(1.30)
Gratuity recorded in employee benefits expense	**2.77**	**4.40**	**3.32**	**3.53**	**3.76**	**0.11**

(Amount in Million)

Particulars	For six month ended 30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	₹	₹	₹	₹	₹	₹
Details of provision for gratuity						
Present value of defined benefit obligation	18.38	15.61	11.79	9.94	6.62	2.92
Plan liability	**18.38**	**15.61**	**11.79**	**9.94**	**6.62**	**2.92**

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)

Changes in present value of defined benefit obligation are as follows: **(Amount in Million)**

Particulars	For six month ended 30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	₹	₹	₹	₹	₹	₹
Opening defined benefit obligation	15.61	11.79	9.94	6.62	2.92	2.81
Current service cost	1.82	2.34	2.22	1.46	0.25	1.08
Interest cost	0.57	1.08	0.94	0.73	0.17	0.33
Actuarial losses on obligation	0.38	0.98	0.16	1.34	3.34	(1.30)
Benefits paid	-	(0.58)	(1.47)	(0.21)	(0.06)	-
Closing defined benefit obligation	**18.38**	**15.61**	**11.79**	**9.94**	**6.62**	**2.92**

Annexure XXXI

Restated Unconsolidated Statement of Employee Benefits - Defined Benefit Obligation (Gratuity) (contd.)

The principal assumptions used in determining gratuity for the Company's plans are shown below:

Particulars	For six month ended 30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	₹	₹	₹	₹	₹	₹
Discount rate	7.25%	7.35%	7.85%	7.90%	9.30%	8.05%
Annual increase in salary cost	10% for the first 2 years and 7% thereafter	10% for the first 2 years and 7% thereafter	10% for the first 2 years and 7% thereafter	10% for first 3 years & 7% thereafter	10% for first 4 years & 7% thereafter	10% for first 5 years & 7% thereafter
Mortality (Table)	(2006-08) Ult	(2006-08) Ult	(2006-08) Ult	(2006-08) Ult	(2006-08) Ult	(2006-08) Ult
Retirement Age (years)	60	60	60	60	60	60

The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.
The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Amounts for the current and previous five periods are as follows: **(Amount in Million)**

Particulars	For six month ended 30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	₹	₹	₹	₹	₹	₹
Gratuity:						
Defined benefit obligation	18.38	15.61	11.79	9.94	6.62	2.92
Experience adjustment on plan liabilities	(0.15)	0.06	0.08	(0.14)	4.37	(1.39)

Notes:
i) The figures disclosed above are based on the Restated Unconsolidated Summary Statements of Profits and Losses of the Company.
ii) The above statement should be read with the notes to Restated Unconsolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Unconsolidated Financial Statements appearing in Annexure V.

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure XXXII
Restated Unconsolidated Statement of Leases

Operating lease: company as lessee

Shop premises were obtained on an operating lease. The lease terms are given as follow:

Shop Premises	For six month ended 30-Sep-17	31-Mar-13 to 31-Mar-17
Mumbai International airport - coreconcession shops	10 years 8 months	10 years 8 months
Mumbai International airport - indian gourmet shop	5	5
Delhi International airport shops	5	5

(Amount in Million)

Particulars	For six month ended 30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	₹	₹	₹	₹	₹	₹
Lease payments recognised in the statement of Profit and loss for the year / period						
Minimum lease rent	1,820.37	3,405.16	3,147.87	3,200.75	1,060.25	655.12
Contingent lease rent	7.78	51.68	279.24	-	-	-
	1,828.15	**3,456.84**	**3,427.11**	**3,200.75**	**1,060.25**	**655.12**

Future minimum rentals payable under operating lease in ₹ are as follows: **(Amount in Million)**

Particulars	For six month ended 30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	₹	₹	₹	₹	₹	₹
Within one year	2,966.67	2,668.82	2,516.19	2,151.04	361.50	434.53
After one year but not more than five years	16,161.58	14,766.77	13,216.58	12,178.06	1,658.36	99.46
More than five years	11,390.21	13,343.80	17,482.84	21,654.24	3,013.66	-
	30,518.46	**30,779.39**	**33,215.61**	**35,983.34**	**5,033.52**	**533.99**

i) The contingent rentals are determined basis a percentage of revenue or the minimum monthly payments whichever is higher.

ii) There are no renewal or purchase options. The minimum monthly rentals are subject to escalations as stated in the agreements.

iii) There are no restrictions imposed by the above lease arrangements.

Annexure XXXIII
Restated Unconsolidated Statement of Segment information

In accordance with the principles given in accounting standard on Segment Reporting (AS 17) as notified under the accounting standard rules, the Company has determined its business segments as managing and operating duty free shops.

Since 100% of the Company’s revenue is from this business, there is no other primary reportable segment. Further, all turnover of the Company is earned within India, hence the reportable geographical segment is also single geographical segment. Accordingly, disclosure of information as per AS 17 is not required.

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)

Annexure XXXIV
Restated Unconsolidated Statement of Capital and other commitments

Capital and other commitments as on the balance sheet date are as follow:

Particulars	For six month ended 30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	₹	₹	₹	₹	₹	₹
Shops under construction	**10.25**	**1.39**	**5.72**	**98.63**	**678.03**	**-**

Annexure XXXV
Restated Unconsolidated Statement of Contingent liabilities

Particulars	For six month ended 30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	₹	₹	₹	₹	₹	₹
Claims against the company not acknowledged as debts:						
Custom duty on goods imported for unexpired bonds as per custom rules	730.46	697.38	411.60	465.03	76.38	170.76
Income tax demand	33.87	33.87	0.19	0.19	-	-
	764.33	**731.25**	**411.79**	**465.22**	**76.38**	**170.76**

The contingent liabilities, if materialized, shall entirely be borne by the Company, as there is no likely reimbursement from any other party.

a. Flemingo Duty Free Shop Mumbai Private Limited ("Flemingo") v. Mumbai International Airport Limited ("MIAL") and the Company

In 2007, Flemingo filed a petition against MIAL in the Bombay High Court, alleging that MIAL had acted arbitrarily in excluding Flemingo from the list of eligible bidders and that the bidding process was not transparent. The High Court dismissed the petition as untimely, but on Flemingo's appeal to the Supreme Court, issued an order in June 2008 setting aside the Mumbai duty free concession granted to the Company. The Company appealed to the Supreme Court, which in August 2008 granted a stay of the order pending hearing of the appeal. In September 2008, the Company filed a notice with the Supreme Court that the Company and Flemingo had entered into a settlement regarding the operation and management of the duty free shops at the Mumbai Airport.
The Supreme Court did not act in response to that notice.
The appeal will be heard by the Supreme Court for disposal in due course. It is not possible to predict with certainty the eventual ruling of the Supreme Court. However, in view of settlement between Flemingo and the Company, both Flemingo (the originally contesting party) and the Company will urge the Court that setting aside of the concession is not in the interest of any party, and that the Court should hold that the Company is entitled to continue operation of the concession.

b. Service tax litigation against Government of India and MIAL

In September 2008, the Company filed a petition in the Bombay High Court seeking a declaration that the Government lacked power to levy and collect, via MIAL, the 12.36% service tax on the license fee payable under the concession agreement. The Court stayed collection of the tax provided that if the case is ultimately decided in favor of the Government, the Company shall pay the tax plus interest. In November 2008, MIAL took the position that while the Court had stayed collection, it had not enjoined the levy of the tax. The Company filed a subsequent petition to enjoin MIAL from levying the tax or calling on the Company's performance bond. That petition is still awaiting action by the Court. From January 1, 2012, the Company has started paying service tax under protest to MIAL and has paid all the accumulated service tax payable up to December, 2011 to MIAL under protest in August, 2012. Further the Company has accrued interest on service tax of ₹ 72.7 Million (March 31, 2017, 2016, 2015, 2014 and 2013: ₹ 72.7 Million) till August, 2012.

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure XXXVI
Restated Unconsolidated Statement of Provision for asset restoration cost

As per terms of Delhi occupancy agreement, the Company has an obligation for restoration of the premises. A provision has been recognized for the expected costs related to the restoration of the leased premises.

(Amount in Million)

Particulars	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	₹	₹	₹	₹	₹	₹
Opening	5.50	6.54	6.54	6.54	28.60	20.58
Addition during the year / period	-	-	-	-	1.04	8.02
Reversed during the year / period	(5.11)	(1.04)	-	-	(23.10)	-
Closing	**0.39**	**5.50**	**6.54**	**6.54**	**6.54**	**28.60**

Annexure XXXVII
Restated Unconsolidated Statement of Derivative Instruments and unhedged foreign currency exposure

a. Particulars of unhedged foreign currency exposure as at the reporting date

(Amount in Million)

Particulars	30-Sep-17			31-Mar-17			31-Mar-16			31-Mar-15			31-Mar-14			31-Mar-13		
	Foreign currency		₹	Foreign currency		₹	Foreign currency		₹	Foreign currency		₹	Foreign currency		₹	Foreign currency		₹
Other receivables	CHF	0.038	2.57		-	-	CHF	0.007	0.48	CHF	0.001	0.06	CHF	-	0.00	CHF	0.001	0.05
		-	-		-	-		-	-		-	-	SGD	0.001	0.03		-	-
	EUR	0.006	0.49		-	-		-	-		-	-		-	-	EUR	0.002	0.15
	USD	0.772	50.43	USD	0.007	4.65	USD	0.070	4.66	USD	0.194	12.12	USD	-	18.11	USD	4.800	26.09
	GBP	0.030	2.65		-	-		-	-		-	-		-	-		-	-
			56.14			**4.65**			**5.14**			**12.18**			**18.14**			**26.29**
Security deposit		-	-		-	-	USD	35.191	2,331.54	USD	35.190	2,200.43	USD	27.867	1,641.13		-	-
			-			**-**			**2,331.54**			**2,200.43**			**1,641.13**			**-**
Trade payables		-	-		-	-	AED	(0.40)	(7.14)		-	-		-	-		-	-
	CHF	(8.04)	(56.76)	CHF	(0.126)	(8.20)	CHF	(0.047)	(3.22)	CHF	(0.032)	(2.07)	CHF	(0.097)	(6.57)		-	-
	EUR	(0.456)	(35.61)	EUR	(0.024)	(1.64)	EUR	(0.001)	(0.45)	EUR	(0.014)	(0.97)	EUR	(0.014)	(1.16)		-	-
		-	-		-	-		-	-	SGD	(0.102)	(4.62)		-	-	SGD	(0.004)	(0.17)
		-	-		-	-	GBP	(0.001)	(0.06)		-	-		-	-	GBP	(0.014)	(1.14)
		-	-		-	-	HKD	(0.039)	(0.34)		-	-		-	-		-	-
	NZD	0.000	0.01	NZD	0.003	0.01		-	-		-	-		-	-		-	-
	USD	(11.880)	(826.56)	USD	(16.040)	(1,040.39)	USD	(14.684)	(972.90)	USD	(12.623)	(789.31)	USD	(0.406)	(24.27)	USD	(0.123)	(6.70)
			(918.91)			**(1,050.22)**			**(984.11)**			**(796.97)**			**(32.00)**			**(8.01)**
Short term borrowings	USD	6.803	(444.64)	USD	(2.007)	(130.20)		-	-		-	-		-	-		-	-
			(444.64)			**(130.20)**			**-**			**-**			**-**			**-**
Cash and bank balances		-	-		-	-		-	-		-	-		-	-	HKD	0.001	0.00
		-	-		-	-		-	-		-	-		-	-	SGD	0.002	0.07
	EUR	0.032	2.49		-	-		-	-		-	-		-	-		-	-
	GBP	0.019	1.68		-	-		-	-		-	-		-	-		-	-
	AUD	0.001	0.08		-	-		-	-		-	-		-	-		-	-
	BHD	0.000	0.01		-	-		-	-		-	-		-	-		-	-
	CAD	0.006	0.30		-	-		-	-		-	-		-	-		-	-
	JPY	0.021	0.01		-	-		-	-		-	-		-	-		-	-
	KWD	0.001	0.14		-	-		-	-		-	-		-	-		-	-
	OMR	0.000	0.06		-	-		-	-		-	-		-	-		-	-
	USD	1.254	80.19	USD	2.500	162.14	USD	1.827	121.05	USD	0.842	52.62	USD	1.950	116.78	USD	2.111	114.68
			84.96			**162.14**			**121.05**			**52.62**			**116.78**			**114.75**
Trade receivables	USD	0.380	24.31		-	-		-	-		-	-		-	-		-	-
			24.31			**-**			**-**			**-**			**-**			**-**
Other assets		-	-		-	-	USD	1.054	69.85		-	-		-	-		-	-
			-			**-**			**69.85**			**-**			**-**			**-**
Loans and advances		-	-	USD	0.511	33.14	USD	0.141	9.32		-	-		-	-		-	-
			-			**33.14**			**9.32**			**-**			**-**			**-**
			(1,198.15)			**(980.49)**			**1,552.79**			**1,468.26**			**1,744.05**			**133.03**

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)

Annexure XXXVII
Restated Unconsolidated Statement of Derivative Instruments and unhedged foreign currency exposure

b. Derivatives outstanding as at the reporting date

Particulars	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	Purpose
Rupee to USD Cross Currency Swap - Notional amount	$ -	$ -	$ 31,781,590.48	$ 35,297,190.68	$ 27,980,095.58	$ -	Hedge for Rupee term loan against exchange rate fluctuations due to Company's sales being entirely in foreign currency (USD) and for savings in interest cost. Swap to pay the Rupee term loan in fixed USD terms and for interest swap to pay fixed interest @ 6.68% p.a. for 1st tranche and @ 6.74% for second tranche, on USD notional amount and receive interest @ 12.25% p.a. on Rupee term loan amount.
Loss on currency swap recognised	-	-	180,236,149.59	68,665,267.84	-	-	

Annexure XXXVIII
Restated Unconsolidated Statement of Details of dues to micro and small enterprises as defined under the MSMED Act 2006 *

(Amount in Million)

Particulars	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	₹	₹	₹	₹	₹	₹
a. The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year						
- Principal amount due to micro and small enterprises	8.39	1.32	1.25	0.52	0.42	0.15
- Interest due on above	0.01	0.02	-	-	-	-
b. The amount of interest paid by the buyer in terms of section 16 of the Micro and Small enterprise Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-	-	-	-	-
c. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro and Small Enterprise Development Act, 2006.	0.16	0.08	-	-	-	-
d. The amount of interest accrued and remaining unpaid at the end of each accounting year.	0.17	0.10	-	-	-	-
e. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro and Small Enterprise Development Act, 2006.	0.17	0.10	-	-	-	-

* The disclosure has been given basis the information collated by the Company.

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure XXXIX
Restated Unconsolidated Statement of Value of imports calculated on CIF basis

(Amount in Million)

Particulars	For six month ended 30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	₹	₹	₹	₹	₹	₹
Trading goods	1,750.50	2,161.48	1,894.32	1,910.97	1,071.62	1,029.68
Capital goods	-	1.41	50.48	201.58	89.74	-
	1,750.50	**2,162.89**	**1,944.80**	**2,112.55**	**1,161.36**	**1,029.68**

Annexure XXXX
Restated Unconsolidated Statement of Expenditure in foreign currency (accrual basis)

(Amount in Million)

Particulars	For six month ended 30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	₹	₹	₹	₹	₹	₹
Finance cost	12.28	-	-	-	-	-
Sales promotion expenses	-	2.11	2.88	0.69	0.25	0.06
Bank charges	10.63	2.35	2.23	7.09	6.94	8.11
Travelling expenses	0.41	-	-	-	-	-
Advertisement and sales promotion	0.06	-	-	-	-	-
Legal and professional fees	0.02	-	3.89	0.07	0.03	4.59
Other contract services	-	0.13	0.22	0.74	0.18	0.22
Occupany cost	1.56	-	-	-	-	-
Others	0.01	-	1.01	0.03	0.00	0.64
	24.97	**4.59**	**10.23**	**8.62**	**7.40**	**13.62**

Annexure XXXXI
Restated Unconsolidated Statement of Earnings in foreign currency (accrual basis)

(Amount in Million)

Particulars	For six month ended 30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	₹	₹	₹	₹	₹	₹
Exports at F.O.B value	3,198.56	5,986.83	5,390.01	4,182.33	3,051.97	2,643.85

The Company is in the business of operating duty free shops at Mumbai International Airport Limited (MIAL) and Delhi International Airport (DIAL) and the entire revenue is considered as earnings in foreign currency.

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure XXXXII
Restated Unconsolidated Statement of Related party disclosures

Names of related parties and related party relationship

(i) Related parties where control exists

Holding company	Flemingo International (BVI) Limited from Feb 27, 2017 (esrtwhile Jointly controlled company till Feb 26, 2017) DFS Venture Singapore (Pte) Limited (erstwhile Holding Company in March 2013 and 2014; erstwhile Jointly controlled company in March 2015, 2016 and till Feb 26, 2017)
Subsidiaries	Flemingo International Limited S.A. Burundi from Feb 28, 2017 Flemingo International Rwanda Limited from Feb 28, 2017

(ii) Related parties with whom transactions have taken place during the year

Fellow subsidiary	Flemingo International Limited from Feb 27, 2017 Flemingo Middle East Limited from Feb 27, 2017 Flemingo Duty Free Private Limited - Sri Lanka from Feb 27, 2017 Flemingo Dutyfree Shop Private Limited - India from Feb 27, 2017 Dutyfree Distribution Services Private Limited - India from Feb 27, 2017 DFS Group LP till March 2014 DFS Hong Kong Limited till March 2014

(iii) Enterprise owned by or significantly influenced by key mangerial personnel or their relative

Flemingo Airport Retail Limited (FARL) - India from September 2017

(iv) Key managerial personnel

Mr. Manishi Sanwal from January 2012
Mr. Vispi Patel till April 2012

(v) Related party transactions:

(Amount in Million)

S No	Particulars	For six month ended 30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
		₹	₹	₹	₹	₹	₹
(1)	**Transactions during the year**						
a.	**DFS Venture Singapore (Pte) Limited (transactions till Feb 26, 2017)**						
	Purchase of trading goods	-	2,003.60	1,897.71	1,910.97	1,037.54	966.73
	Purchase of property, plant and equipment	-	-	-	1.05	-	-
	Interest on compulsorily convertible debentures payable/paid (CCD)	-	-	-	96.09	151.82	409.30
	Interest charge payable/paid on delay payment	-	35.21	30.17	-	-	-
	Expenses paid on behalf of the company (paid/payable)	-	48.03	56.72	7.20	7.19	6.26
	Excess share subscription refunded to shareholders	-	-	-	0.03	-	-
	Liability no longer required	-	-	-	-	5.77	-
	Reimbursement of expenses incurred by the company (received/receivable)	-	55.89	39.57	46.83	5.22	4.31
b.	**Flemingo International Limited**						
	Purchase of shares of Flemingo International Rwanda Limited	-	-	-	-	-	-
	49,990 Equity shares of Rwanda Franc (RF) 1000 (₹ 79.10) each Fully paid up						
	Purchase of trading goods	6.68	-	-	-	-	-
c.	**Flemingo Middle East Limited**						
	Purchase of shares of Flemingo International Limited S.A. Burundi	-	-	-	-	-	-
	3,960 Equity shares of Burandian Franc (BIF) 25,000 (₹ 967.50) each Fully paid up						
d.	**Flemingo Duty Free Private Limited - Sri Lanka**						
	Purchase of trading goods	-	-	-	-	-	-
	Reimbursement of expenses incurred by the company (received/receivable)	1.28	-	-	-	-	-
e.	**Flemingo Dutyfree Shop Private Limited - India**						
	Purchase of trading goods	50.64	-	-	-	-	-
	Reimbursement of expenses incurred by the company (received/receivable)	0.79	-	-	-	-	-
f.	**Flemingo Airport Retail Limited (FARL) - India**						
	Advance paid	10.00	-	-	-	-	-
g.	**Dutyfree Distribution Services Private Limited - India**						
	Purchase of trading goods	2.73	-	-	-	-	-
h.	**DFS Hong Kong Limited**						
	Reimbursement of expenses incurred by the company (received/receivable)	-	-	-	-	0.03	0.17
	Expenses paid on behalf of the company (paid/payable)	-	-	-	-	-	0.26
i.	**DFS Group LP**						
	Reimbursement of expenses incurred by the company (received/receivable)	-	-	-	-	-	0.01
j.	**Remuneration to key managerial personnel**						
	Mr. Vispi Patel	-	-	-	-	-	0.65
	Mr. Manishi Sanwal	12.27	27.43	22.62	22.47	20.71	15.43

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure XXXXII
Restated Unconsolidated Statement of Related party disclosures

(Amount in Million)

S No	Particulars	For six month ended 30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
		₹	₹	₹	₹	₹	₹
(2)	**Balance outstanding as at the year end**						
a.	**Payables**						
	Flemingo International Limited	1.48	-	-	-	-	-
	Flemingo Dutyfree Shop Private Limited - India	10.08	-	-	-	-	-
	DFS Venture Singapore (Pte) Limited	-	-	954.15	746.39	605.86	716.28
	Flemingo Dutyfree Private Limited - Sri Lanka	-	-	-	-	-	-
b.	**Receivables**						
	Flemingo Dutyfree Private Limited - Sri Lanka	1.15	-	-	-	-	-
c.	**Advance**						
	Flemingo Airport Retail Limited (FARL) - India	10.00	-	-	-	-	-
d.	**CCDs outstanding (not yet converted to equity)**						
	DFS Venture Singapore (Pte) Limited	-	-	-	-	1,167.87	1,167.87

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure XXXXIII
Restated Unconsolidated Statement of Accounting Ratios

(Amount in Million)

S No	Particulars	For six month ended	For the years ended				
		30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
		₹	₹	₹	₹	₹	₹
A	**Earning per share (EPS):**						
	Net profit / (loss) for calculation of basic EPS	(448.02)	(1,140.09)	(1,295.45)	(1,633.68)	129.50	104.66
	Net loss as above	(448.02)	(1,140.09)	(1,295.45)	(1,633.68)	129.50	104.66
	Add: Interest on debentures (net of tax)	-	-	-	96.09	120.00	324.71
	Net profit / (loss) for calculation of Diluted EPS	**(448.02)**	**(1,140.09)**	**(1,295.45)**	**(1,537.59)**	**249.50**	**429.37**
	Weighted average number of equity shares in calculating basic EPS	0.16	0.16	0.16	0.07	0.02	0.02
	Weighted average number of equity shares in calculating diluted EPS *	0.16	0.16	0.16	0.07	0.10	0.10
	Basic earnings per share (₹)	**(2,878.77)**	**(7,325.73)**	**(8,324.00)**	**(24,575.54)**	**8,633.41**	**6,977.28**
	Diluted earnings per share (₹)	**(2,878.77)**	**(7,325.73)**	**(8,324.00)**	**(24,575.54)**	**2,470.31**	**4,251.15**
B	**Return on net worth**						
	Net profit / (loss)	(448.02)	(1,140.09)	(1,295.45)	(1,633.68)	129.50	104.66
	Net worth at the end of the year	(3,576.56)	(3,128.54)	(1,988.45)	(693.00)	(965.40)	(1,094.90)
	Return on Net Worth (%)	**-12.53%**	**-36.44%**	**-65.15%**	**-235.74%**	**-13.41%**	**-9.56%**
C	**Net asset value per equity share:**						
	Net worth at the end of the year	(3,576.56)	(3,128.54)	(1,988.45)	(693.00)	(965.40)	(1,094.90)
	Number of equity shares outstanding at the end of the year	0.16	0.16	0.16	0.16	0.02	0.02
	Net asset value per equity share:	**(22,981.48)**	**(20,102.69)**	**(12,776.96)**	**(4,452.94)**	**(64,360.00)**	**(72,993.33)**
	Accounting Ratios after considering bonus share adjustment (refer note 4 below):						
D	**Earning per share (EPS):**						
	Net profit / (loss) for calculation of basic EPS	(448.02)	(1,140.09)	(1,295.45)	(1,633.68)	129.50	104.66
	Net loss as above	(448.02)	(1,140.09)	(1,295.45)	(1,633.68)	129.50	104.66
	Add: Interest on debentures (net of tax)	-	-	-	96.09	120.00	324.71
	Net profit / (loss) for calculation of Diluted EPS	**(448.02)**	**(1,140.09)**	**(1,295.45)**	**(1,537.59)**	**249.50**	**429.37**
	Number of equity shares (before Bonus shares)	0.16	0.16	0.16	0.07	0.02	0.02
	Bonus shares	38.91	38.91	38.91	38.91	3.75	3.75
	Weighted average number of equity shares in calculating basic EPS	39.06	39.06	39.06	38.97	3.77	3.77
	Number of equity shares (before Bonus shares)	0.16	0.16	0.16	0.07	0.10	0.10
	Bonus shares	38.91	38.91	38.91	38.91	3.75	3.75
	Weighted average number of equity shares in calculating diluted EPS *	39.06	39.06	39.06	38.97	3.85	3.85
	Basic earnings per share (₹)	**(11.47)**	**(29.19)**	**(33.16)**	**(41.92)**	**34.40**	**27.80**
	Diluted earnings per share (₹)	**(11.47)**	**(29.19)**	**(33.16)**	**(41.92)**	**64.79**	**111.49**
E	**Return on net worth**						
	Net profit / (loss)	(448.02)	(1,140.09)	(1,295.45)	(1,633.68)	129.50	104.66
	Net worth at the end of the year	(3,576.56)	(3,128.54)	(1,988.45)	(693.00)	(965.40)	(1,094.90)
	Return on Net Worth (%)	**-12.53%**	**-36.44%**	**-65.15%**	**-235.74%**	**-13.41%**	**-9.56%**
F	**Net asset value per equity share:**						
	Net worth at the end of the year	(3,576.56)	(3,128.54)	(1,988.45)	(693.00)	(965.40)	(1,094.90)
	Number of equity shares outstanding at the end of the year	39.06	39.06	39.06	38.97	3.77	3.77
	Net asset value per equity share:	**(91.56)**	**(80.09)**	**(50.90)**	**(17.78)**	**(256.41)**	**(290.81)**

*Weighted average number of equity shares in calculating diluted EPS for the year March 31, 2014 and March 31, 2013 includes the equivalent number of equity shares arrived at considering the conversion of Compulsorily Convertible Debentures to equity shares at a likely fair value of ₹.13,554 per share.

For March, 2015, the effect of the convertible debentures is anti-dilutive because it decreases the loss per share as per para 41 of AS 20. Hence, the net loss considered for calculating Basic EPS is taken for calculating the Diluted EPS as well.

Notes:

1) Formulae:

a) Basic Earnings per Share (EPS) (₹) = Profit / (loss) after tax attributable to equity shareholders for the year / period ÷ Weighted Average No. of equity shares

b) Diluted Earnings per Share (EPS) (₹) = Profit / (loss) after tax attributable to equity shareholders for the year / period ÷ Weighted Average dilutive No. of equity shares

c) Return on Net Worth (%) = Profit / (loss) after tax attributable to equity shareholders for the year / period ÷ Net Worth at the end of the year

d) Net Assets Value per Equity Share (₹) = Net Worth at the end of the year / period ÷ Total number of equity shares outstanding at the end of the year / period

2) Net worth for ratios mentioned represents sum of equity share capital, reserves and surplus (securities premium, general reserve and surplus in the Statement of Profits and Losses).

3) Earnings per share calculations are in accordance with Accounting Standard 20 - Earnings per share ('AS 20'), notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014. Weighted average number of equity shares outstanding during all the previous years have been considered accordingly.

4) Subsequent to September 30, 2017, the board of directors of Flemingo Travel Retail Limited in their meeting held on December 11, 2017, have recommended to shareholders for the issue and allotment of bonus shares in the ratio of two hundred and fifty (250) equity shares for every one (1) equity share held by the equity shareholders of the Company, which has been approved in extra -ordinary general meeting of the Company held on December 11, 2017. The EPS - Basic, EPS - Diluted and Net Asset Value per Equity Share has been re-calculated for all the five restated years based on this new bonus share issue ratio.

5) The figures disclosed above are based on the Restated Unconsolidated Summary Statements of Assets and Liabilities of the Company.

6) The above statement should be read with the notes to Restated Unconsolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Unconsolidated Financial Statements appearing in Annexure V.

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure XXXXIV
Unconsolidated Capitalisation Statement

(Amount in Million)

Particulars		Pre-IPO as at 30-Sep-17	As Adjusted for IPO
		₹	₹
Borrowings			
Long term borrowings			
Non current portion	1,697.05		
Current maturity of long term borrowings	335.30		
Sub total (A)		2,032.35	
Short term borrowings (B)		644.73	
Total (C)=(A)+(B)		**2,677.08**	
Shareholders Funds:			
Share capital (D)		1.56	
Reserves (E)		(3,578.12)	
Total (F)=(D)+(E)		**(3,576.56)**	
Debt / equity ratio - (C) / (F)		(0.75) : 1	
Long term debt / equity ratio - (A) / (F)		(0.57) : 1	

Notes:

1) The above ratio has been computed on the basis of the Restated Unconsolidated Summary Statement of Assets and Liablities as of September 30, 2017 on standalone basis.

2) The corresponding Post IPO capitalisation data for each of the amounts given in the above table is not determinable at this stage pending the completion of the Book Building Process and hence, the same has not been provided in the above statement.

3) Subsequent to September 30, 2017, the board of directors of Flemingo Travel Retail Limited in their meeting held December 11, 2017, have recommended to shareholders for the issue and allotment of bonus shares in the ratio of two hundred and fifty (250) equity shares for every one (1) equity share held by the equity shareholders of the Company, which has been approved in extra - ordinary general meeting of the Company held on December 11, 2017. Hence, the share capital has increased from ₹ 1.56 million to ₹ 390.63 million.

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure XXXXV
Reconciliation of taxable income and book profits

(Amount in Million)

S No	Particulars	For six month ended	For the years ended				
		30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
		₹	₹	₹	₹	₹	₹
A	Restated profit/(loss) before taxes	(448.02)	(1,140.09)	(1,295.45)	(1,633.68)	159.27	135.51
B	Statutory tax rate (%)	33.06%	34.61%	34.61%	33.99%	33.99%	32.45%
C	**Tax at statutory rate (A* B)**	**(148.13)**	**(394.59)**	**(448.35)**	**(555.29)**	**54.13**	**43.97**
D	***Adjustments for permanent differences:***						
	Transfer pricing adjustment	-	-	-	-	-	39.22
		-	-	-	-	-	39.22
E	***Adjustments for timing differences:***						
	Property, plant and equipment : Impact of difference between tax depreciation and depreciation/ amortization charged in the books (restated)	36.32	57.60	83.52	73.20	(1.96)	48.97
	Amounts inadmissible under Section 40(a) of the Act	-	-	4.04	0.14	(247.70)	229.60
	Provision for employee benefit expenses	3.48	27.49	1.48	8.80	4.22	(3.59)
	Rent straightlining	466.21	1,026.52	1,366.60	1,587.35	17.90	46.68
	Other adjustments	6.39	10.76	(129.38)	17.69	(13.02)	(156.41)
		512.40	**1,122.37**	**1,326.26**	**1,687.18**	**(240.56)**	**165.25**
F	**Net adjustments (D+E)**	**512.40**	**1,122.37**	**1,326.26**	**1,687.18**	**(240.56)**	**204.47**
G	**Tax expense/ (saving) thereon (F * B)**	**169.41**	**388.45**	**459.02**	**573.47**	**(81.76)**	**66.35**
H	**Current (tax losses)/ tax profits (C+G)**	**21.28**	**(6.14)**	**10.67**	**18.18**	**(27.63)**	**110.32**
I	Adjusted against brought forward losses	(21.28)	-	(10.67)	(18.18)	-	(99.61)
J	**Current (tax losses)/ tax profits (H-I)**	**-**	**(6.14)**	**-**	**-**	**(27.63)**	**10.71**
	Calculation of MAT						
K	Restated Book Profits	-	-	-	-	159.27	135.51
	Less:adjustments for provisions	-	-	-	-	(17.25)	18.69
L	**Taxable income (book profits) as per MAT**	**-**	**-**	**-**	**-**	**142.02**	**154.20**
M	MAT Rate (%)	-	-	-	-	20.96%	20.01%
N	**Tax liability as per MAT (L*M)**	**-**	**-**	**-**	**-**	**29.77**	**30.85**
O	**Current tax being higher of J or N**	**-**	**-**	**-**	**-**	**29.77**	**30.85**
	Deferred tax (income) / charge	-	-	-	-	-	-
P	**Total tax expenses**	**-**	**-**	**-**	**-**	**29.77**	**30.85**

Notes:
i) The above statement has been prepared as per Restated Summary Statements of Profits and Losses of the Company.

ii) The above statement should be read with the notes to Restated Unconsolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited unconsolidated Financial Statements appearing in Annexure V.

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm registration number: 324982E/E300003

per Firoz Pradhan
Partner
Membership No.: 109360

Place: Mumbai
Date: January 31, 2018

For and on behalf of the board of directors of
Flemingo Travel Retail Limited
(formerly known as DFS India Private Limited)

Atul V. Ahuja
(Director)
DIN-00015713

Ayyaswamy R. Choodamani
(Director)
DIN-00103472

Manishi Sanwal
(Chief Executive Officer)

Suresh Jayant Nene
(Chief Financial Officer)

Suvarna Bhatjiwale
(Company Secretary)

Place: Mumbai
Date: January 31, 2018

Auditors' Report on the Restated Consolidated Summary Statement of Assets and Liabilities as at September 30, 2017 and March 31, 2017 and Profits and Losses and Cash Flows for six month period ended September 30, 2017 and for the year ended March 31, 2017 of Flemingo Travel Retail Limited (collectively, the "Restated Consolidated Summary Statements")

To
The Board of Directors
Flemingo Travel Retail Limited
Chhatrapati Shivaji International Airport,
Terminal 2C, Airside, Arrival level, Sahar,
Mumbai 400099, Maharashtra

Dear Sirs,

1. We have examined the attached Restated Consolidated Summary Statements of Flemingo Travel Retail Limited (formerly known as "DFS India Private Limited") ('Company') and its subsidiaries consisting of Flemingo International Limited S.A. Burundi ('Burundi') and Flemingo International Rwanda Limited ('Rwanda') (together referred to as the "Group") as at and for six month period ended September 30, 2017 and as at and for the year ended March 31, 2017, annexed to this report and prepared by the Company for the purpose of inclusion in the offer document in connection with its proposed initial public offer ("IPO"). The Restated Consolidated Summary Statements, which have been approved by the Board of Directors of the Company, have been prepared in accordance with the requirements of:

   a. Sub-clauses (i), (ii) and (iii) of clause (b) of Sub-section (1) of Section 26 of Part I of Chapter III of the Companies Act 2013 (the "Act") read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 (the "Rules"); and

   b. relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "ICDR Regulations") issued by the Securities and Exchange Board of India ("SEBI") on August 26, 2009, as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992.

Management's Responsibility for the Restated Consolidated Summary Statements

2. The preparation of the Restated Consolidated Summary Statements including the interim financial information as mentioned in paragraph 7 below, which is to be included in the Draft Red Herring Prospectus ("DRHP") and Red Herring Prospectus ("RHP") (collectively referred hereinafter as "offer document"), is the responsibility of the Management of the Company for the purpose set out in paragraph 13 below. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Summary Statements. The Management is also responsible for identifying and ensuring that the Company complies with the Rules and the ICDR Regulations.

Auditors' Responsibilities

3. We have examined such Restated Consolidated Summary Statements taking into consideration:

   a. the terms of reference and terms of our engagement agreed with you vide our engagement letter dated November 13, 2017, requesting us to carry out the assignment, in connection with the proposed IPO of the Company;

   b. the Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India (the "ICAI") (the "Guidance Note").; and

   c. the requirements of Section 26 of the Act read with applicable provisions within Rule 4 to 6 of the Rules and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the ICDR Regulations in connection with the IPO.

4. The Company proposes to make an IPO which comprises of a fresh issue of equity shares, having a face value of Rs. 10 each at an issue price to be arrived at by the book building process (referred to as the 'Offer'), as may be decided by the Company's Board of Directors.

Restated Consolidated Summary Statements as per audited Consolidated financial statements:

5. The Restated Consolidated Summary Statements have been compiled by the management from:

   a. the audited Consolidated financial statements of the Group as at and for the six month period ended September 30, 2017 and as at and for the year ended March 31, 2017, prepared in accordance with accounting principles generally accepted in India at the relevant time, which have been approved by the Board of Directors at their meetings held on December 11, 2017 and September 29, 2017, respectively; and

   b. the audited consolidated financial statements include information in relation to the Company's subsidiaries as listed below

Name of the Entity	Relationship	Name of Auditor	Period covered
Flemingo International Limited S.A ("Burundi")	Subsidiary	M/s Bhalotia Associates	For the six month period ended September 30, 2017 and for the period March 1, 2017 to March 31, 2017
Flemingo International Rwanda Ltd ("Rwanda")	Subsidiary	M/s Bhalotia Associates	For the six month period ended September 30, 2017 and for the period March 1, 2017 to March 31, 2017

6. For the purpose of our examination, we have relied on the Auditors' Reports issued by us dated December 11, 2017 and September 29, 2017 on the Consolidated financial statements of the Group as at and for the six month period ended September 30, 2017 and as at and for the year ended March 31, 2017, respectively, as referred in Para 5 (a) above.

   We did not audit the financial statements of the subsidiaries as referred in Para 5 (b) above, whose share of total assets, total revenues, net cash inflows / (outflows) and the group's share of net profit / (loss) included in the Restated Consolidated Summary Statements with respect to these subsidiaries, for the relevant years is tabulated below:

(Amount in Lakhs)

Particulars	Total Assets	Total Revenue	Net Cash inflow / (outflow)
As at and for the six month ended September 30, 2017	1,229.20	530.79	(20.36)
As at and for the year ended March 31, 2017	1,292.74	88.10	(85.28)

   These financial statements have been audited by other auditors as listed in paragraph 5(b) above, whose reports have been furnished to our opinion and us in so far as it relates to the amounts and disclosures in respect of the subsidiaries included in these Restated Consolidated Summary Statements are based solely on the examination report of other auditors.

The other auditors of the subsidiaries, as mentioned in paragraph 5(b) has confirmed that the restated financial information of such subsidiaries:

a. do not require any adjustments for the changes in accounting policies, as the accounting policies as at and for the six month ended September 30, 2017 and as at and for the year ended March 31, 2017 are materially consistent with the policies adopted as applicable to such subsidiaries;
b. do not require any material adjustments to be made in the respective financial years/periods to which they relate; and
c. do not contain any extra-ordinary items that need to be disclosed separately in the Restated Consolidated Summary Statements and do not contain any qualification requiring adjustments therein.

7. Based on our examination, in accordance with the requirements of Section 26 of Part I of Chapter III of the Act read with Rules 4 to 6 of the Rules, ICDR Regulations and the Guidance Note, we report that:

   a. The Restated Consolidated Summary Statement of Assets and Liabilities of the Group as at September 30, 2017 and March 31, 2017 examined by us, as set out in Annexure I to this report, have been arrived at after making adjustments and regrouping/ reclassifications as in our opinion were appropriate and more fully described in Annexure V – Statement of Restatement Adjustments to the Audited Consolidated Financial Statements;

   b. The Restated Consolidated Summary Statement of Profit and Loss of the Group for the six months ended September 30, 2017 and for the year ended March 31, 2017 examined by us, as set out in Annexure II to this report, have been arrived at after making adjustments and regrouping/ reclassifications as in our opinion were appropriate and more fully described in Annexure V – Statement of Restatement Adjustments to the Audited Consolidated Financial Statements;

   c. The Restated Consolidated Summary Statement of Cash Flows of the Group for the six month ended September 30, 2017 and for the year ended March 31, 2017 examined by us, as set out in Annexure III to this report, have been arrived at after making adjustments and regrouping/ reclassifications as in our opinion were appropriate and more fully described in Annexure V – Statement of Restatement Adjustments to the Audited Consolidated Financial Statements; and

   d. Based on the above and according to the information and explanations given to us, and also as per the reliance placed on the reports submitted by other auditors as referred to in paragraph 6 above for the respective years / period, we further report that:

      i) The accounting policies as at and for the six month ended September 30, 2017 are materially consistent with the policies adopted for the year ended March 31, 2017. Accordingly, no adjustments have been made to the audited financial statements of the respective periods presented on account of changes in accounting policies;

      ii) Restated Consolidated Summary Statements have been made after incorporating adjustments and regroupings for the material amounts in the respective financial years to which they relate;

      iii) There are no adjustments required to be made to the extra-ordinary items disclosed in the Restated Consolidated Summary Statements;

      iv) There are no qualifications in the auditors' reports on the audited Consolidated financial statements of the Group as at September 30, 2017 and March 31, 2017 and for the six month ended September 30, 2017 and for the year ended March 31, 2017, which require any adjustments to the Restated Consolidated Summary Statements; and

      v) Other audit qualifications included in the Annexure to the auditors' report issued under Companies (Auditor's Report) Order, 2016 on the Consolidated financial statements for the years ended March 31, 2017 which do not require any corrective adjustment in the Restated Standalone Summary Statements, are as follows:

For the year ended March 31, 2017

Clause (i) (b)

All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification

Clause (vii) (a)

Undisputed statutory dues including income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases of provident fund and employees' state insurance.

Clause (vii) (c)

According to the records of the Company, the dues outstanding of income-tax, sales-tax, service tax, custom duty, excise duty, value added tax and cess on account of any dispute, are as follow:

Name of the statute	Nature of dues	Amount (Rs)	Period to which the amount relates	Forum where dispute is pending
Income Act, 1961	Income tax	187,390	April 10 – March 11	Deputy Commissioner of Income tax
Income Act, 1961	Income tax	10,12,830	April 12 – March 13	Deputy Commissioner of Income tax
Income Act, 1961	Income tax	3,26,69,600	April 13 – March 14	Deputy Commissioner of Income tax
MVAT Act 2002	Sales Tax	915,501	April 08 - September 08	Commissioner of Service Tax (Appeals)

8. We have not audited any financial statements of the Group as of any date or for any period subsequent to September 30, 2017. Accordingly, we express no opinion on the financial position, results of operations or cash flows of the Group as of any date or for any period subsequent to September 30, 2017.

Other Financial Information:

9. At the Company's request, we have also examined the following restated financial information proposed to be included in the offer document, prepared by the management and approved by the Board of Directors of the Company and annexed to this report relating to the Group for the six month ended September 30, 2017 and for the year ended March 31, 2017:

   a. Restated Consolidated Statement of Share capital, enclosed as Annexure VI;
   b. Restated Consolidated Statement of Reserves and surplus, enclosed as Annexure VII;
   c. Restated Consolidated Statement of Minority Interest, enclosed as Annexure VIII;
   d. Restated Consolidated Statement of Long-term borrowings and Consolidated Statement of Principal terms of borrowings outstanding as at September 30, 2017, enclosed as Annexure IX;
   e. Restated Consolidated Statement of Other long-term liabilities, enclosed as Annexure X;
   f. Restated Consolidated Statement of Long-term and Short-term Provisions, enclosed as Annexure XI;
   g. Restated Consolidated Statement of Short-term borrowings and Consolidated Statement of Principal terms of borrowings outstanding as at September 30, 2017, enclosed as Annexure XII;
   h. Restated Consolidated Statement of Trade payables and Other current liabilities, enclosed as Annexure XIII;
   i. Restated Consolidated Statement of Fixed assets (Property, plant and equipment's and Intangible assets), enclosed as Annexure XIV;
   j. Restated Consolidated Statement of Deferred tax assets (net), enclosed as Annexure XV;

k. Restated Consolidated Statement of Long-term and short-term loans and advances, enclosed as Annexure XVI;
l. Restated Consolidated Statement of Other non current and current assets; enclosed as Annexure XVII;
m. Restated Consolidated Statement of Inventories, enclosed as Annexure XVIII;
n. Restated Consolidated Statement of Trade receivables, enclosed as Annexure XIX;
o. Restated Consolidated Statement of Cash and bank balances, enclosed as Annexure XX;
p. Restated Consolidated Statement of Revenue from operations, enclosed as Annexure XXI;
q. Restated Consolidated Statement of Other income, enclosed as Annexure XXII;
r. Restated Consolidated Statement of Cost of Goods Sold, enclosed as Annexure XXIII;
s. Restated Consolidated Statement of Employee benefits expense, enclosed as Annexure XXIV;
t. Restated Consolidated Statement of Occupancy Cost, enclosed as Annexure XXV;
u. Restated Consolidated Statement of Other expenses, enclosed as Annexure XXVI;
v. Restated Consolidated Statement of Depreciation and amortisation expenses, enclosed as Annexure XXVII;
w. Restated Consolidated Statement of Finance cost, enclosed as Annexure XXVIII;
x. Restated Consolidated Statement of Exceptional items, enclosed as Annexure XXIX;
y. Restated Consolidated Statement of Earnings per share (EPS), enclosed as Annexure XXX;
z. Restated Consolidated Statement of Segment Information, enclosed as Annexure XXXIII;
aa. Restated Consolidated Statement of Capital and other commitments, enclosed as Annexure XXXIV;
bb. Restated Consolidated Statement of Contingent liabilities, enclosed as Annexure XXXV;
cc. Restated Consolidated Statement of Related party transactions, enclosed as Annexure XXXVII;
dd. Restated Consolidated Statement of accounting ratios, enclosed as Annexure XXXX;
ee. Consolidated Capitalisation statement, enclosed as Annexure XXXXI; and
ff. Restated Consolidated Statement of tax shelter, enclosed as Annexure XXXXII.

10. According to the information and explanations given to us, in our opinion, the Restated Consolidated Summary Statements and the abovementioned restated financial information contained in Annexures I to XXXXII accompanying this report, read with Notes to the Restated Consolidated Summary Statements of Assets and Liabilities, Statement of Profits and Losses and Statement of Cash Flows disclosed in Annexure IV, are prepared after making adjustments and regroupings as considered appropriate and have been prepared in accordance with Section 26 of Part I of Chapter III of the Act read with Rules 4 to 6 of the Rules, the ICDR Regulations and the Guidance Note.

11. This report should not be in any way construed as a reissuance or re-dating of any of the previous audit reports issued by us or by other firm of Chartered Accountants, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

13. Our report is intended solely for use of the management for inclusion in the offer document to be filed with SEBI, BSE Limited, National Stock Exchange of India Limited and Registrar of Companies, Maharashtra in connection with the proposed IPO of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Firoz Pradhan
Partner
Membership No: 109360

Place: Mumbai
Date: January 31, 2018

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure I
Restated Consolidated Summary Statement of Assets and Liabilities

(Amount in million)

S No	Particulars	Annexures	As at 30-Sep-17 ₹	As at 31-Mar-17 ₹
	Equity and Liabilities			
A	**Shareholders' Funds**			
	Share capital	VI	1.56	1.56
	Reserves and surplus	VII	(3,589.19)	(3,131.74)
			(3,587.63)	**(3,130.18)**
B	**Minority Interest**	VIII	**(0.55)**	**(0.47)**
C	**Non Current Liabilities**			
	Long term borrowings	IX	1,697.05	1,864.70
	Trade payables	XIII A	226.22	309.99
	Other long-term liabilities	X	4,505.47	4,001.05
	Long term provisions	XI	17.42	14.59
			6,446.16	**6,190.33**
D	**Current Liabilities**			
	Short term borrowings	XII	644.73	329.80
	Trade payables	XIII B		
	- Total outstanding dues of micro enterprises and small enterprises		8.39	1.32
	- Total outstanding dues of creditors other than micro enterprises and small enterprises		1,233.34	1,086.47
	Other current liabilities	XIII C	421.98	407.69
	Short term provisions	XI	24.31	23.27
			2,332.75	**1,848.55**
	Total (A+B+C+D)		**5,190.73**	**4,908.23**
	Assets			
E	**Non Current Assets**			
	Fixed Assets			
	- Property, plant and equipment	XIV	438.97	502.73
	- Intangible assets	XIV	1.52	2.06
	- Capital work in progress		21.28	6.49
	- Intangible assets under development		0.97	-
	Deferred tax assets (net)	XV	-	-
	Loans and advances	XVI	2,321.64	2,623.42
	Other non current assets	XVII	460.92	507.87
			3,245.30	**3,642.57**
F	**Current Assets**			
	Inventories	XVIII	1,123.03	832.34
	Trade receivables	XIX	27.54	13.32
	Cash and bank balances	XX	104.38	246.07
	Loans and advances	XVI	595.41	104.20
	Other current assets	XVII	95.07	69.73
			1,945.43	**1,265.66**
	Total (E+F)		**5,190.73**	**4,908.23**

Note:
The above statement should be read with the notes to the Restated Consolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Consolidated Financial Statements appearing in Annexure V.

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm registration number: 324982E/E300003

per Firoz Pradhan
Partner
Membership No.: 109360

Place: Mumbai
Date: January 31, 2018

For and on behalf of the board of directors of
Flemingo Travel Retail Limited
(formerly known as DFS India Private Limited)

Atul V. Ahuja
(Director)
DIN-00015713

Ayyaswamy R. Choodamani
(Director)
DIN-00103472

Manishi Sanwal
(Chief Executive Officer)

Suresh Jayant Nene
(Chief Financial Officer)

Suvarna Bhatjiwale
(Company Secretary)

Place: Mumbai
Date: January 31, 2018

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure II
Restated Consolidated Summary Statement of Profits and Losses

(Amount in million)

S No	Particulars	Annexures	For the six months ended 30-Sep-17 ₹	For the year ended 31-Mar-17 ₹
G	**Income**			
	Revenue from operations	XXI	3,251.64	5,995.64
	Other income	XXII	54.52	76.58
	Total Revenue		**3,306.16**	**6,072.22**
H	**Expenditure**			
	Cost of goods sold	XXIII	1,329.45	2,620.46
	Employee benefits expense	XXIV	163.16	249.85
	Occupancy costs	XXV	1,834.24	3,457.99
	Other expenses	XXVI	199.20	221.54
	Depreciation and amortisation expenses	XXVII	88.70	170.16
	Finance costs	XXVIII	148.24	250.04
	Total Expenses		**3,762.99**	**6,970.04**
I	**Restated loss before tax and exceptional items (G-H)**		**(456.83)**	**(897.82)**
J	Exceptional items	XXIX	-	(244.83)
K	**Restated loss before tax and after exceptional items (I-J)**		**(456.83)**	**(1,142.65)**
L	**Tax expense**			
	Current Tax	XXXXII	0.47	0.05
			0.47	**0.05**
M	**Restated loss for the period / year (K-L)**		**(457.30)**	**(1,142.70)**
N	Less: Minority Interest	VIII	(0.08)	(0.03)
O	**Restated loss attributable to shareholders of the company (M-N)**		**(457.22)**	**(1,142.67)**
P	**Earnings per equity share (EPS) (refer Annexure XXXX)**			
	Earnings per share (in ₹) [with bonus share adjustment, nominal value of share is ₹ 10 for September 30, 2017, March 31, 2017 - ₹10]			
	Basic and diluted	XXXX	(11.70)	(29.25)

Note:
The above statement should be read with the notes to the Restated Consolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Consolidated Financial Statements appearing in Annexure V.

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm registration number: 324982E/E300003

per Firoz Pradhan
Partner
Membership No.: 109360

Place: Mumbai
Date: January 31, 2018

For and on behalf of the board of directors of
Flemingo Travel Retail Limited
(formerly known as DFS India Private Limited)

Atul V. Ahuja
(Director)
DIN-00015713

Ayyaswamy R. Choodamani
(Director)
DIN-00103472

Manishi Sanwal
(Chief Executive Officer)

Suresh Jayant Nene
(Chief Financial Officer)

Suvarna Bhatjiwale
(Company Secretary)

Place: Mumbai
Date: January 31, 2018

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure III
Restated Consolidated Summary Statement of Cash Flows

(Amount in million)

Particulars	For the six months ended	For the year ended
	30-Sep-17	31-Mar-17
	₹	₹
Cash flow from operating activities		
Loss before tax and after exceptional items (restated)	**(456.83)**	**(1,142.65)**
Adjustments for:		
Depreciation and amortization	88.70	170.16
(Reversal) / Provision of inventories	-	8.79
Interest income	(12.36)	(1.24)
Unrealised exchange loss / (gain)	57.78	(38.67)
Interest expense	125.16	187.98
Loss/ (profit) on demolition of property, plant and equipment	-	2.25
Loan Prepayment charges	-	40.61
Loan Swap cancellation charges paid to banker	-	235.95
Amortization of ancillary borrowing costs	23.08	21.44
Operating loss before working capital changes	**(174.47)**	**(515.38)**
Movements in working capital :		
Increase in trade payables and other liabilities	534.10	1,282.46
Increase in provisions	3.87	12.15
Increase in trade receivables	(14.22)	(3.80)
Increase in inventories	(290.69)	(146.34)
Increase in loans and advances	(191.12)	(76.34)
Decrease in other assets	10.70	-
Cash generated used in operations	**(121.83)**	**552.75**
Direct taxes (paid)/refund received	1.07	51.15
Net cash flow used in operating activities (A)	**(120.76)**	**603.90**
Cash flows from investing activities		
Interest received	0.83	1.24
Purchase of property, plant and equipment	(42.35)	(4.77)
Property, plant and equipment received on acquisition of subsidiaries	-	(14.98)
Investments in bank deposits (having original maturity of more than three months)	(0.60)	(360.00)
Net cash flow used in investing activities (B)	**(42.12)**	**(378.51)**
Cash flows from financing activities		
Proceeds from long term borrowings	-	2,200.00
Repayment of long term borrowings	(167.65)	(2,105.65)
Proceeds from short term borrowings	314.93	329.80
Interest paid	(125.90)	(169.19)
Borrowing costs paid	-	(449.21)
Net cash flow from / (used) in financing activities (C)	**21.38**	**(194.25)**
Net decrease/increase in cash and cash equivalents (A + B + C)	(141.50)	31.14
Net foreign exchange difference	(0.19)	0.01
Cash and cash equivalents at the beginning of the year / period	246.07	214.92
Cash and cash equivalents at the end of the year / period	**104.38**	**246.07**
Components of cash and cash equivalents		
Cash on hand	2.44	2.17
On current account (including in transit)	100.66	231.72
Cash Received on acqusition of Rwanda and Burundi	-	10.23
Deposits with original maturity of less than three months	1.28	1.95
Total cash and cash equivalents	**104.38**	**246.07**

Note:
1) The above statement should be read with the notes to the Restated Consolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Consolidated Financial Statements appearing in Annexure V.
2) Figures in brackets represents outflows.
3) Cash flow statement has been prepared under the "Indirect method" as set out in Accounting Standard - 3 Cash Flow Statement.

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm registration number: 324982E/E300003

per Firoz Pradhan
Partner
Membership No.: 109360

Place: Mumbai
Date: January 31, 2018

For and on behalf of the board of directors of
Flemingo Travel Retail Limited
(formerly known as DFS India Private Limited)

Atul V. Ahuja
(Director)
DIN-00015713

Ayyaswamy R. Choodamani
(Director)
DIN-00103472

Manishi Sanwal
(Chief Executive Officer)

Suresh Jayant Nene
(Chief Financial Officer)

Suvarna Bhatjiwale
(Company Secretary)

Place: Mumbai
Date: January 31, 2018

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure IV
Notes to the Restated Consolidated Summary Statements of Assets and Liabilities, Statement of Profits and Losses and Statement of Cash Flows

1 Corporate information

Flemingo Travel Retail Limited (hereinafter referred to as "the Company" or "the Holding Company") was incorporated as DFS India Private Limited on December 15, 2007 at Mumbai, Maharashtra as a private limited company under the Companies Act, 1956. Thereafter, w.e.f. November 17, 2017, the name has been changed to Flemingo Travel Retail Private Limited. Subsequently, the Holding Company was converted into a public limited company pursuant to approval of the shareholders in an extraordinary general meeting held on December 01, 2017 and consequently, the name of the Holding Company was changed to Flemingo Travel Retail Limited and a fresh certificate of incorporation consequent upon conversion to public limited company was issued by the Registrar of Companies Mumbai, Maharashtra on December 06, 2017. The CIN number of the Holding Company is U51410MH2007FLC176802.

The consolidated financial statements comprise of the financial statements of Flemingo Travel Retail Limited (formerly known as DFS India Private Limited) and its subsidiaries hereinafter together referred to as "the Group". The Group is principally engaged in operating and running duty free shops at various international airports.

The consolidated financial statements for the six months ended September 30, 2017 and for the year ended March 31, 2017 includes the financial statements of the following subsidiaries:

Name of the Subsidiary	Country of Incorporation	% of ownership either directly or indirectly through subsidiaries as at	
		30-Sep-17	31-Mar-17
Flemingo International Limited S.A ("Burundi") (acquired on Feruary 28, 2017)	Burundi	99.00%	99.00%
Flemingo International Rwanda Ltd ("Rwanda") (acquired on Feruary 28, 2017)	Rwanda	99.98%	99.98%

2 Basis of preparation

The Restated Consolidated Summary Statement of Assets and Liabilities of the Company as at September 30, 2017 and March 31, 2017 and the Related Restated Consolidated Summary Statement of Profits and Losses and Restated Consolidated Summary Statement of Cash Flows for the six months ended September 30, 2017 and for the year ended March 31, 2017 and other Financial Information (herein collectively referred to as 'Restated Consolidated Summary Statements') have been derived by the Management from the then Audited Consolidated Financial Statements of the Company for the respective corresponding year / period.

The Audited Consolidated Financial Statements were prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Group has prepared the Restated Consolidated Summary Statements to comply in all material aspects with the accounting standards notified and under Section 133 of the Companies Act, 2013 ('the Act'), read together with paragraph 7 of the Companies (Accounts) Rules, 2014. The Restated Consolidated Summary Statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies have been consistently applied by the Group and are consistent with those used for the purpose of preparation of Restated Consolidated Summary Statements as at and for all the years ended / period ended.

These Restated Consolidated Summary Statements have been prepared for inclusion in the Offer Document to be filed by the Group with the Securities and Exchange Board of India ('SEBI') in connection with proposed Initial Public Offering of its equity shares, in accordance with the requirements of:

(a) Sub-clause (i), (ii) and (iii) of clause (b) of Sub-section (1) of Section 26 of Chapter III of the Act read with Rule 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014;

(b) relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "Regulations") issued by the Securities and Exchange Board of India ('SEBI') on 26 August 2009, as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992; and

(c) the Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India (the "ICAI") (the "Guidance Note").

These statements and other financial information have been prepared after incorporating adjustments for the material amounts in the respective years to which they relate.
Since the acquisition of subsidiaries have taken place only on February 28, 2017, the Restated Consolidated Financial Statements have been prepared only for the year ended March 31, 2017 and for the period ended September 30, 2017.

2.1 Basis of consolidation

The Restated Consolidated Summary Statements of the Group have been consolidated on a line-by-line basis by adding together the book values of subsidiary companies like items of assets, liabilities, income and expenses, after eliminating intra—group balances and the unrealized profits/ losses on intra—group transactions as per Accounting Standard 21(AS 21) "Consolidated Financial Statements". The results of subsidiaries are included from the date of acquisition of a controlling interest. The excess/shortfall of cost to the Company of its investments in the subsidiary companies is recognized in the Restated Consolidated Summary Statements as goodwill/capital reserves, as the case may be.
The financial statements of each of the subsidiary are drawn up to the same reporting date i.e year ended March 31, 2017 and six months ended September 30, 2017 and have been used for the purpose of consolidation.
Minority interest in net asset of consolidated subsidiary consist of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the company in subsidiary Companies and further movement in their share in equity, subsequent to the dates of investment.
Translation of the Restated Consolidated Summary Statements of foreign subsidiaries for incorporation in the consolidated financial statements have been done using the following exchange rates
I. Assets and liabilities have been translated by using the rates prevailing as on the date of balance sheet
II. Income and expense items have been translated by using the monthly average rate of exchange
III. Exchange difference arising on translation of financial statements as specified above is recognized in the Foreign Currency Translation Reserve.

2.2 Summary of significant accounting policies

a. Presentation and disclosure of financial statements

The Audited Consolidated financial statements pertaining to the six months ended September 30, 2017 and for the year ended March 31, 2017 has been prepared in accordance with Schedule III of the Companies Act, 2013. The Group has prepared the Restated Consolidated Summary Statements along with the relevant notes in accordance with the requirements of Schedule III of the Act.

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

b. Use of estimates

The preparation of Restated Consolidated Summary Statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future years.

c. Property, Plant and Equipment

Property, plant and equipment are stated at cost net of accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use, net of reimbursements from brand owners towards the cost of assets. Further, any trade discounts and rebates are deducted in arriving at the purchase price.
Such cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.
Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.
The present value of the expected cost for the restoration cost of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.
The Group identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.
Property, plant and equipment held for sale is valued at lower of their carrying amount and net realizable value. Any write-down is recognized in the restated consolidated statement of profit and loss.

d. Depreciation on Property, Plant and Equipment

Depreciation is accounted for using the straight-line method based on the estimated useful lives of the assets estimated by the management. The Group has used the following rates to provide depreciation on its property, plant and equipment:

	Useful life estimated by Management (years)
Computers and Office Equipment	3 - 5
Furniture and fittings	5
Vehicles	5
Leasehold improvements	Over lease period
POS machine	5

The management has estimated the above useful life and the same is supported by technical expert. Further, if the asset life as per management estimate is more than the balance period of lease as per occupancy agreement, the assets are depreciated over the balance period of lease.

The management has estimated, supported by their experience, the useful lives of the following classes of assets.

• POS machines are depreciated over the estimated useful lives of 5 years, which is higher than those indicated in schedule II.

• Furniture and fixtures and vehicles are depreciated over the estimated useful lives of 5 years, which are lower than those indicated in schedule II.

e. Asset restoration obligations

Asset restoration obligations (ARO) are recognized when there is an obligation to restore the leased premises, and when a reliable estimate of that liability can be made. Where an obligation exists for a leased premises, this liability is recognized when the agreement for the concession becomes effective. An obligation for restoration may also crystallize during the period of operation of the concession through a change in legislation. The amount recognized is the estimated future expenditure determined in accordance with local conditions and requirements. A corresponding item of property, plant and equipment of an amount equivalent to the provision is also recognized. This is subsequently depreciated as a part of the main asset i.e. leasehold improvements made pursuant to the concession agreement.
These costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted at pre-tax rate that reflects current market assessment of time value of money and the risks specific to the liability. The unwinding of the discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost. The estimated future costs of asset restoration are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

f. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost comprises acquisition cost and directly attributable cost of bringing the asset to its working condition for the intended use. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.
Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.
Software is amortized over a period of 5 years.

g. Impairment of property, plant and equipment and intangible assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Group's of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the restated consolidated statement of profit and loss.

h. Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.
The difference between the contractual occupancy cost and the straight lined occupancy cost is accounted as linearisation.

i. Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

Ancillary cost incurred in arranging the term loans are amortized over the period of loans.

j. Derivative instruments and hedge accounting

The company uses derivative financial instruments, such as, cross currency principal-only-swaps (POS) to hedge interest rate risk arising from variable rate loans in compliance with Guidance note on Accounting for Derivative Contracts, keeping in view the principle of prudence as enunciated in AS 1 Disclosure of Accounting Policies, the entity provides for losses in respect of all outstanding derivative contracts at the balance sheet date by marking them to market.

k. Inventories

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

l. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Sale of goods
Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods.

Interest income
Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Interest income is included in "Other Income" in the statement of profit and loss.

Marketing Support
Income from marketing support is recognised over the period of the agreement with the brand owners.

m. Foreign currency translation

Foreign currency translations and balances

Initial recognition
Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion
Foreign currency monetary items are reported using the closing rate. Non-monetary items are carried at the historical cost denominated in the foreign currency and are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange differences
Exchange differences arising on the settlement of monetary items, or on reporting such monetary items of the Group at rates different from those at which they were initially recorded during the year, are recognized as income or as expenses in the year in which they arise.

n. Retirement and other employees benefits

Retirement benefits in the form of the provident fund are a defined contribution scheme and the contributions are charged to the restated consolidated statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.
Gratuity liabilities are defined benefit obligations and are provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.
Actuarial gains and losses for defined benefit plans are recognized in full in the period in which they occur in the restated consolidated statement of profit and loss.
Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.
The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.
Actuarial gains and losses are immediately taken to the restated consolidated statement of profit and loss and are not deferred.

o. Income taxes

Tax expenses generally comprise current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Group has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each balance sheet date the Group reassesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each Balance Sheet date. The Group writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Group recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Group reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

p. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year / period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year / period.
For the purpose of calculating diluted earnings per share, the net profit or loss for the year / period attributable to equity shareholders and the weighted average number of shares outstanding during the year / period are adjusted for the effects of all dilutive potential equity shares.

q. Provisions

Provisions are recognized when the Group has a present obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

r. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the notes to financial statements.

s. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

t. Segment reporting

Identification of segments
The Group's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Group operate.

Inter-segment transfers
The Group generally accounts for intersegment sales and transfers at cost plus appropriate margins.

Allocation of common cost
Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items
Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies
The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the Restated Consolidated Summary Statements of the Group as a whole.

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure V
Statement of Restatement Adjustments to Audited Consolidated Financial Statements

The summary of results of restatements made in the audited Consolidated Summary Statements for the respective years and its impact on the profits of the Group is as follows:

(Amount in million)

S No	Particulars	Notes	For the six months ended 30-Sep-17 ₹	For the year ended 31-Mar-17 ₹
A	**Net loss as per audited financial statements**		(437.63)	(1,145.40)
B	Adjustments to Net loss as per audited financial statements:			
i)	***Increase / (Decrease) in Income:***			
	Other non-operating income (interest on service tax refund)	1	(19.59)	-
			(19.59)	-
ii)	***(Increase) / Decrease in Expenses:***			
	Occupancy costs	1	-	10.26
			-	10.26
C	**Total adjustments before tax (i+ii)**		**(19.59)**	**10.26**
D	**Restated loss before tax adjustments (A+C)**		**(457.22)**	**(1,135.14)**
E	Total current tax adjustment of earlier years	2	-	(7.53)
G	**Total tax adjustments**		**-**	**(7.53)**
H	**Restated loss after tax (D+G)**		**(457.22)**	**(1,142.67)**

Notes:

The above statement should be read with the notes to the Restated Consolidated Summary Statements as appearing in Annexure IV.

1) **Other non-operating income (service tax refund) and Occupancy cost**
In the six months ended September 30, 2017, the Company had recognised service tax refund of ₹ 19.59 million on the basis of refunds received during the period in excess of refunds recovered in the books. Hence such income has been recorded as Other non-operating income in September 2017. Since the amounts pertain to March 2017 and 2016, the refund has been recognised as income in the respective years, i.e. March 2017 and 2016. Further, a receivable has been created and corresponding effect given in occupancy costs in the years ended March 31, 2017 and 2016 for the purpose of this statement.

2) **Accounting for taxes on income**
The profit and loss account of some years include amounts paid / provided for or refunded / written back, in respect of shortfall/ excess income tax arising out of assessments, appeals, etc which has now been adjusted against the opening reserves as at April 1, 2016 since the balances pertain to periods prior to year ended March 31, 2016.

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure VI
Restated Consolidated Statement of Share capital

Particulars	30-Sep-17		31-Mar-17	
	No. of shares	₹ in million	No. of shares	₹ in million
a) Authorized share capital				
Equity shares of ₹ 10/- each	175,000	1.75	175,000	1.75
b) Issued, subscribed and fully paid-up share capital				
Equity shares of ₹ 10/- each	155,628	1.56	155,628	1.56
	155,628	**1.56**	**155,628**	**1.56**

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year / period

Equity shares:

Particulars	30-Sep-17		31-Mar-17	
	No. of shares	₹ in million	No. of shares	₹ in million
At the beginning of the year / period	155,628	1.56	155,628	1.56
Issued during the year / period	-	-	-	-
Outstanding at the end of the year / period	**155,628**	**1.56**	**155,628**	**1.56**

b. Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Shares held by Holding Company and its subsidiaries

Out of equity shares issued by the company, shares held by its holding companies and its subsidiaries are as below:

Particulars	30-Sep-17		31-Mar-17	
	No. of shares	₹ in million	No. of shares	₹ in million
Flemingo International (BVI) Limited, holding company	151,126	1.51	151,126	1.51
Flemingo Duty Free Shop Mumbai Private Limited, subsidiary of Flemingo International (BVI) Limited	4,500	0.05	4,500	0.05
DFS Venture Singapore (Pte) Limited	1	0.00001	1	0.00001
DFS Singapore Pte Limited, subsidiary of DFS Venture Singapore (Pte) Limited	1	0.00001	1	0.00001

d. Details of shareholders holding more than 5% shares in the Company

Particulars	30-Sep-17		31-Mar-17	
	No. of shares	% holding in the class	No. of shares	% holding in the class
Equity Shares of ₹ 10 each fully paid up				
Flemingo International (BVI) Limited	151,126	97.11%	151,126	97.11%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure VII
Restated Consolidated Statement of Reserves and surplus

(Amount in million)

Particulars	30-Sep-17	31-Mar-17
	₹	₹
Securities premium (refer Note a)		
Balance per last financial statements	1,904.67	1,904.67
Add: Premium on issue of shares	-	-
Closing balance	**1,904.67**	**1,904.67**
Capital Reserve (refer Note b)		
Balance per last financial statements	0.90	-
Add: Capital reserve on acquisition (refer Annexure XXXVIII)	-	0.90
Closing balance	**0.90**	**0.90**
Deficit in the restated consolidated statement of profit and loss		
Balance per last financial statements	(5,037.33)	(3,894.66)
Add: Loss for the year / period	(457.22)	(1,142.67)
Net deficit in the restated consolidated statement of profit and loss	**(5,494.55)**	**(5,037.33)**
Foreign currency translation reserve (refer Note c)		
Balance per last financial statements	0.02	-
Add: for the year / period	(0.23)	0.02
Closing balance	**(0.21)**	**0.02**
Total reserves and surplus	**(3,589.19)**	**(3,131.74)**

Note a
Securities premium is used to record the excess of the amount received over the face value of the shares. This reserve will be utilised in accordance with the provision of the Companies Act, 2013.

Note b
This reserves pertains to the shortfall of cost of investment in the subsidiaries vis a vis the net assets/liabilities taken over on consolidation.

Note c
The reserve pertains to the exchange differences arising on translation of the financial statements of foreign subsidiaries for incorporation in the Restated Consolidated Summary Statements.

Annexure VIII
Restated Consolidated Statement of Minority Interest

(Amount in million)

Particulars	30-Sep-17	31-Mar-17
	₹	₹
Balance per last financial statements	(0.47)	-
Minority interest on acquisition of subsidiary (refer Annexure XXXVIII)	-	(0.44)
Loss for the year / period (refer Annexure XXXIX)	(0.08)	(0.03)
Closing Balance	**(0.55)**	**(0.47)**

Notes:

i) The figures disclosed above are based on the Restated Consolidated Summary Statements of Assets and Liabilities of the Group.

ii) The above statement should be read with the notes to Restated Consolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Consolidated Financial Statements appearing in Annexure V.

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure IX
Restated Consolidated Statement of Long-term borrowings

(Amount in million)

Particulars	Non-current portion		Current maturities **	
	30-Sep-17	31-Mar-17	30-Sep-17	31-Mar-17
	₹	₹	₹	₹
Term loans				
Indian Rupee loan from banks (secured)	1,697.05	1,864.70	335.30	335.30
	1,697.05	**1,864.70**	**335.30**	**335.30**

Of the above:

Secured Borrowings	1,697.05	1,864.70	335.30	335.30
Unsecured Borrowings	-	-	-	-
	1,697.05	**1,864.70**	**335.30**	**335.30**

***Current maturities of Long term borrowings disclosed under the head "Other Current Liabilities" (refer Annexure XIII C)*

Principal Terms of Borrowings Outstanding as at September 30, 2017

(Amount in million)

Lender	Nature of facility	Loan Currency	Amount sanctioned	Amount o/s as at 30-Sep-17 #	Rate of interest (p.a.)	Repayment / modification of terms	Security / Principal terms and conditions
Yes Bank	Term loan (secured)	INR	2,350.00	2,032.35	0.2% Spread over and above the 1 year MCLR from 1 to 3 years; 2.85% Spread over and above the 1 year MCLR after 3rd year	The loan is repayable along with interest, in 33 quarterly installments starting from April 30, 2017 till April 30, 2025 and the interest to be serviced as and when charged	The loan is secured by charge over current assets (including security deposit placed with MIAL and to be furnished to MIAL) and movable fixed assets of Company, Fixed Deposit of ₹ 36 Crores and pledge over 30% shareholding in the company. The loan has been guaranteed by Flemingo International (BVI) Limited. Further, it has been secured by personal guarantee of Mr. Atul Ahuja, Mr. Viren Ahuja, Mr. Karan Ahuja and Mr. Arjun Ahuja.

 # The above includes long term borrowings and the current maturities of long-term borrowings

Notes:

i) The figures disclosed above are based on the Restated Consolidated Summary Statements of Assets and Liabilities of the Group.
ii) The above statement should be read with the notes to Restated Consolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Consolidated Financial Statements appearing in Annexure V.
iii) The rates of interest given above are base rate plus spread as agreed with the lenders in the respective facility letters except wherever specifically mentioned at fixed rate in the Annexure above.

Annexure X
Restated Consolidated Statement of Other long-term liabilities

(Amount in million)

Particulars	30-Sep-17	31-Mar-17
	₹	₹
Occupancy cost liability	4,505.47	4,001.05
	4,505.47	**4,001.05**

Notes:

i) The figures disclosed above are based on the Restated Consolidated Summary Statements of Assets and Liabilities of the Group.
ii) The above statement should be read with the notes to Restated Consolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Consolidated Financial Statements appearing in Annexure V.

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure XI
Restated Consolidated Statement of Long-term and Short-term Provisions

(Amount in million)

Particulars	Long-term		Short-term	
	30-Sep-17	31-Mar-17	30-Sep-17	31-Mar-17
	₹	₹	₹	₹
Provision for employee benefits				
Provision for gratuity (refer Annexure XXXI)	17.42	14.59	0.96	1.02
Provision for accrued leave	-	-	22.42	16.74
	17.42	**14.59**	**23.38**	**17.76**
Other provisions				
Provision for asset restoration cost (refer Annexure XXXVI)	-	-	0.40	5.51
Provision for taxes	-	-	0.53	-
	-	**-**	**0.93**	**5.51**
	17.42	**14.59**	**24.31**	**23.27**

Notes:

i) The figures disclosed above are based on the Restated Consolidated Summary Statements of Assets and Liabilities of the Group.
ii) The above statement should be read with the notes to Restated Consolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Consolidated Financial Statements appearing in Annexure V.

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure XII
Restated Consolidated Statement of Short term borrowings

(Amount in million)

Particulars	30-Sep-17	31-Mar-17
	₹	₹
From Banks (secured)		
Working Capital Demand Loan	200.00	200.00
Buyers Credit	444.73	129.80
	644.73	**329.80**

Of the above		
Secured	644.73	329.80
Unsecured	-	-
	644.73	**329.80**

Principal Terms of Borrowings Outstanding as at September 30, 2017

(Amount in million)

Lender	Nature of facility	Loan Currency	Amount sanctioned	Amount o/s as at 30-Sep-17	Rate of interest (p.a.)	Repayment terms	Security / Principal terms and conditions
Yes Bank	Working capital demand loan	INR	200.00	200.00	2.85% Spread over and above the 1 year MCLR	12 months	The loan is secured by Charge over current assets (including security deposit placed with MIAL and to be furnished to MIAL) and Movable fixed assets of Company, Fixed Deposit of ₹ 36 Crores and pledge over 30% shareholding in the company. The loan has been guaranteed by Flemingo International (BVI) Limited. Further, it has been secured by personal guarantee of Mr. Atul Ahuja, Mr. Viren Ahuja, Mr. Karan Ahuja and Mr. Arjun Ahuja.
Yes Bank	Buyer's credit	INR	700.00	444.73	Average interest @ Libor plus 32bps + USD50	Repayable within 40 to 120 days with a maximum tenure of 180 days	Secured by charge over current assets, movable fixed assets of company and fixed deposit.

Notes:

i) The figures disclosed above are based on the Restated Consolidated Summary Statements of Assets and Liabilities of the Group.
ii) The above statement should be read with the notes to Restated Consolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Consolidated Financial Statements appearing in Annexure V.

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure XIII
Restated Consolidated Statement of Trade Payables and Other current liabilities

(Amount in million)

Particulars	30-Sep-17	31-Mar-17
	₹	₹
Non Current Liabilities		
A. Trade Payables**	226.22	309.99
	226.22	**309.99**
Current Liabilities		
B. Trade Payables**		
Total outstanding dues of micro enterprises and small enterprises	8.39	1.32
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,233.34	1,086.47
	1,241.73	**1,087.79**
C. Other current liabilities		
Current maturities of long-term debt (Refer Annexure IX)	335.30	335.30
Capital creditors	0.92	3.15
Other payables:		
Salaries and wages payable	37.74	36.39
Interest accrued and but not due on borrowings	18.23	18.95
Statutory dues payable	28.41	11.92
Others	1.38	1.98
	421.98	**407.69**

***This includes Trade Payables pertaining to DFS Venture Singapore (Pte) Limited with some distinctive terms and conditions as follows:*

Nature	Primary Currency	Amount outstanding as on September 30, 2017	Rate of interest (p.a.)	Repayment / modification of terms	Security / Principal terms and conditions
Trade Payables (Non-current with extended credit terms)	USD	226.22	4.77% or such higher rate as permitted by the applicable law on the amounts which become past due, i.e., not paid within 60 days.	Payments shall be made within 60 days from the date of invoice which is as per the 3 year supply arrangement entered on February 20, 2017 post which interest would be charged as agreed.	All such payables shall become current if the payment is not made within 30 days after the receipt of notice from DFS Venture Singapore Pte Limited or occurrence of a breach is not cured after any applicable notice and the applicable cure period has elapsed or the company cease to be under the direct or indirect control of Mr. Viren Ahuja and / or Mr. Atul Ahuja or the company or any company having control over the company offers its securities to the public.
Trade Payables (Current with extended credit terms)	USD	175.75	4.77% or such higher rate as permitted by the applicable law on the amounts which become past due, i.e., not paid within 60 days.	Payments shall be made within 60 days from the date of invoice which is as per the 3 year supply arrangement entered on February 20, 2017 post which interest would be charged as agreed.	N.A.
		401.97			

Notes:

i) The figures disclosed above are based on the Restated Consolidated Summary Statements of Assets and Liabilities of the Group.
ii) The above statement should be read with the notes to Restated Consolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Consolidated Financial Statements appearing in Annexure V.

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure XIV
Restated Consolidated Statement of Property, Plant and Equipment and Intangible assets

(Amount in million)

Particulars	Property, Plant and Equipment					Intangibles
	Computers and Office Equipment	Furniture and Fittings	Leasehold Improvements	Vehicles	Total	Software
	₹	₹	₹	₹	₹	₹
Cost or valuation						
At April 1, 2016	47.12	506.70	375.86	0.09	929.77	0.06
Additions / Adjustments	0.83	0.87	2.83	-	4.53	29.21
Additions due to acquisition of subsidiaries	15.25	59.01	-	1.80	76.06	5.36
Disposals / Adjustments	-	(17.12)	-	-	(17.12)	-
At March 31, 2017	**63.20**	**549.46**	**378.69**	**1.89**	**993.24**	**34.63**
Additions / Adjustments	7.94	10.34	6.12	-	24.40	-
Disposals / Adjustments	-	-	-	-	-	-
At September 30, 2017	**71.14**	**559.80**	**384.81**	**1.89**	**1,017.64**	**34.63**
Depreciation						
At April 1, 2016	19.24	189.34	92.36	0.03	300.97	0.02
Additions due to acquisition of subsidiaries	14.68	44.97	-	1.43	61.08	3.31
Charge for the year	20.30	78.48	42.11	0.03	140.92	29.24
Disposals	-	(12.46)	-	-	(12.46)	-
At March 31, 2017	**54.22**	**300.33**	**134.47**	**1.49**	**490.51**	**32.57**
Charge for the period	3.39	53.16	31.52	0.09	88.16	0.54
Disposals	-	-	-	-	-	-
At September 30, 2017	**57.61**	**353.49**	**165.99**	**1.58**	**578.67**	**33.11**
Net Block						
At March 31, 2016	**27.88**	**317.36**	**283.50**	**0.06**	**628.80**	**0.04**
At March 31, 2017	**8.98**	**249.13**	**244.22**	**0.40**	**502.73**	**2.06**
At September 30, 2017	**13.53**	**206.31**	**218.82**	**0.31**	**438.97**	**1.52**

Notes:

i) The figures disclosed above are based on the Restated Consolidated Summary Statements of Assets and Liabilities of the Group.

ii) The above statement should be read with the notes to Restated Consolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Consolidated Financial Statements appearing in Annexure V.

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure XV
Restated Consolidated Statement of Deferred tax assets (net)

(Amount in million)

Particulars	30-Sep-17	31-Mar-17
	₹	₹
Deferred Tax Assets		
Loss as per Income Tax Calculations	264.32	185.39
Straightlining of concession cost	1,534.09	1,473.89
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged	113.60	97.56
Employee benefit provision allowed on payment basis	19.64	20.61
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	31.04	32.32
Total deferred tax asset *	**1,962.69**	**1,809.77**

* In absence of virtual certainty the Group has not recognized deferred tax assets (DTA) on timing differences arising from depreciation, disallowance of occupancy expense, carry forward of business loss, accumulated depreciation and other items.

Annexure XVI
Restated Consolidated Statement of Loans and advances

(Amount in million)

Particulars	Long-term		Short-term	
	30-Sep-17	31-Mar-17	30-Sep-17	31-Mar-17
	₹	₹	₹	₹
Security deposit				
(Unsecured, considered good)	2,199.29	2,192.21	25.42	30.32
(A)	**2,199.29**	**2,192.21**	**25.42**	**30.32**
Loans and advances to related parties				
(Unsecured, considered good)	-	-	10.00	-
(B)	**-**	**-**	**10.00**	**-**
Advances recoverable in cash or kind				
(Unsecured, considered good)	-	-	79.25	40.59
Doubtful	-	-	1.48	1.48
	-	-	80.73	42.07
Provision for Doubtful advances			(1.48)	(1.48)
(C)	**-**	**-**	**79.25**	**40.59**
Other loans and advances				
(Unsecured, considered good)				
Advance income-tax (net of provision for taxation as at September 30, 2017: ₹ 1.68 million; March 31, 2017: ₹ 1.68 million)	19.09	20.78	-	-
Prepaid expenses	1.86	3.59	10.94	13.70
Balance with statutory / government authorities	101.40	406.84	469.80	19.59
(D)	**122.35**	**431.21**	**480.74**	**33.29**
Total (A+B+C+D)	**2,321.64**	**2,623.42**	**595.41**	**104.20**

Annexure XVII
Restated Consolidated Statement of Other assets

(Amount in million)

Particulars	Non-current		Current	
	30-Sep-17	31-Mar-17	30-Sep-17	31-Mar-17
	₹	₹	₹	₹
Unamortized expenditure				
Ancillary cost of arranging the term loans	100.32	147.87	46.13	21.64
(A)	**100.32**	**147.87**	**46.13**	**21.64**
Others				
Margin Money Deposit *	360.60	360.00	-	-
Interest accrued on fixed deposits	-	-	12.92	1.40
Interest accrued on security deposit	-	-	32.06	46.37
Due from officers and employees	-	-	3.52	-
Others	-	-	0.44	0.32
(B)	**360.60**	**360.00**	**48.94**	**48.09**
Total (A+B)	**460.92**	**507.87**	**95.07**	**69.73**

* The margin money has been paid as security against long term loan acquired by the Group (refer Annexure IX).

Notes:

i) The figures disclosed above are based on the Restated Consolidated Summary Statements of Assets and Liabilities of the Group.
ii) The above statement should be read with the notes to Restated Consolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Consolidated Financial Statements appearing in Annexure V.

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)

Annexure XVIII

Restated Consolidated Statement of Inventories (valued at lower of cost and net realizable value)

(Amount in million)

Particulars	30-Sep-17	31-Mar-17
	₹	₹
Traded Goods *	**1,123.03**	**832.34**

* Includes goods in transit of	252.17	73.28

Annexure XIX

Restated Consolidated Statement of Trade receivables

(Amount in million)

Particulars	30-Sep-17	31-Mar-17
	₹	₹
Other receivables		
Unsecured, considered good	27.54	13.32
	27.54	**13.32**

Annexure XX

Restated Consolidated Statement of Cash and bank balances

(Amount in million)

Particulars	30-Sep-17	31-Mar-17
	₹	₹
Cash and cash equivalents		
Cash on hand	2.44	2.17
Balance with banks:		
On current accounts (including in transit)	100.66	241.95
Deposits with original maturity of less than 3 months	1.28	1.95
	104.38	**246.07**

Notes:

i) The figures disclosed above are based on the Restated Consolidated Summary Statements of Assets and Liabilities of the Group.

ii) The above statement should be read with the notes to Restated Consolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Consolidated Financial Statements appearing in Annexure V.

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure XXI
Restated Consolidated Statement of Revenue from operations

(Amount in million)

Particulars	For six months ended 30-Sep-17	For the year ended 31-Mar-17
	₹	₹
Revenue from operations		
Sale of products		
Traded Goods	3,251.64	5,995.64
	3,251.64	**5,995.64**

Details of products sold (Amount in million)

Particulars	For six months ended 30-Sep-17	For the year ended 31-Mar-17
	₹	₹
Traded Goods Sold		
Liquor	1,895.56	3,656.67
Fashion accessories	578.70	995.54
Food and Candies	511.37	918.63
Tobacco and others	266.01	424.80
	3,251.64	**5,995.64**

Annexure XXII
Restated Consolidated Statement of Other income

(Amount in million)

Particulars	For six months ended 30-Sep-17	For the year ended 31-Mar-17	Recurring/ Non Recurring	Related/ Not related to business activity
	₹	₹		
Interest income on:				
Security deposit	32.06	52.07	Recurring	Related
Bank deposit	12.36	1.24	Recurring	Not related
Income Tax Refund	0.45	13.41	Non Recurring	Not related
Exchange Gain (net)	-	8.81	Non Recurring	Related
Write back of provision for asset restoration cost (Refer Annexure XXXVI)	5.11	1.04	Non Recurring	Related
Miscellaneous income	4.54	0.01	Recurring	Not related
	54.52	**76.58**		

Notes:

i) The figures disclosed above are based on the Restated Consolidated Summary Statements of Profits and Losses of the Group.
ii) The above statement should be read with the notes to Restated Consolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Consolidated Financial Statements appearing in Annexure V.

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure XXIII
Restated Consolidated Statement of Cost of goods sold

(Amount in million)

Particulars	For six months ended 30-Sep-17	For the year ended 31-Mar-17
	₹	₹
Inventory at the beginning of the year/period	832.34	694.79
Add: Acquisition of subsidiary	-	86.95
Add: Purchases	1,620.14	2,671.06
	2,452.48	3,452.80
Less: Inventory at the end of the year / period	(1,123.03)	(832.34)
Cost of goods sold	**1,329.45**	**2,620.46**

Details of purchases

Particulars	For six months ended 30-Sep-17	For the year ended 31-Mar-17
	₹	₹
Traded goods		
Liquor	896.50	1,516.23
Fashion accessories	312.93	521.24
Food and candies	233.54	433.35
Tobacco and others	177.17	200.24
	1,620.14	**2,671.06**

Annexure XXIV
Restated Consolidated Statement of Employee benefits expenses

(Amount in million)

Particulars	For six months ended 30-Sep-17	For the year ended 31-Mar-17
	₹	₹
Salaries, wages and bonus	148.23	227.06
Contribution to provident and other fund	4.22	7.49
Gratuity expense (refer Annexure XXXI)	2.77	4.40
Staff welfare expenses	7.94	10.90
	163.16	**249.85**

Notes:

i) The figures disclosed above are based on the Restated Consolidated Summary Statements of Profits and Losses of the Group.

ii) The above statement should be read with the notes to Restated Consolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Consolidated Financial Statements appearing in Annexure V.

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure XXV
Restated Consolidated Statement of Occupancy Cost

(Amount in million)

Particulars	For six months ended 30-Sep-17	For the year ended 31-Mar-17
	₹	₹
Occupancy cost expense	1,368.03	2,431.47
Linearisation impact	466.21	1,026.52
	1,834.24	**3,457.99**

Annexure XXVI
Restated Consolidated Statement of Other expenses

(Amount in million)

Particulars	For six months ended 30-Sep-17	For the year ended 31-Mar-17
	₹	₹
Electricity charges	11.91	19.62
Repairs and maintenance:		
Equipment	0.49	-
Others	5.61	1.85
Advertising and sales promotion	31.92	58.23
Bank charges including credit card commission	21.21	33.98
Communication costs	1.58	3.81
Exchange Loss (net)	64.94	-
Insurance	5.54	6.62
Legal and professional fees	16.41	23.26
Other contract services	26.47	46.17
Recruitment fees	-	0.98
Taxes and licences	1.81	8.41
Travelling and conveyance	5.52	5.18
Miscellaneous expenses	5.79	13.43
	199.20	**221.54**

Annexure XXVII
Restated Consolidated Statement of Depreciation and amortization expense

(Amount in million)

Particulars	For six months ended 30-Sep-17	For the year ended 31-Mar-17
	₹	₹
Depreciation of tangible assets	88.16	140.92
Amortization of intangible assets	0.54	29.24
	88.70	**170.16**

Annexure XXVIII
Restated Consolidated Statement of Finance costs

(Amount in million)

Particulars	For six months ended 30-Sep-17	For the year ended 31-Mar-17
	₹	₹
Interest on:		
Term loan	95.27	150.65
Working Capital Loan	11.80	2.12
Buyers credit	3.24	-
Others	14.85	35.22
Other Borrowing Cost	-	40.61
Amortization of ancillary borrowing costs	23.08	21.44
	148.24	**250.04**

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Notes:

i) The figures disclosed above are based on the Restated Consolidated Summary Statements of Profits and Losses of the Group.

ii) The above statement should be read with the notes to Restated Consolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Consolidated Financial Statements appearing in Annexure V.

Annexure XXIX
Restated Consolidated Statement of Exceptional items

(Amount in million)

Particulars	For six months ended 30-Sep-17	For the year ended 31-Mar-17
	₹	₹
Other Expenses		
Forex Loss on conversion of USD denominated security deposit to INR	-	189.21
Forex gain on cancellation of Swap Facility with bankers	-	(180.33)
	-	8.88
Finance Cost		
Swap cancellation charges paid to banker	-	235.95
	-	**244.83**

The Holding Company in the current year, has negotiated the concession agreement with Mumbai International Airport Limited (‘MIAL’) which required the Group to convert its existing USD denominated security deposit placed with MIAL of USD 35,191,072 into an INR denominated Security Deposit of ₹ 2,142.32 million leading to a forex loss of ₹189.21 million.

On account of the above event, the Group cancelled its swap facility on loans taken primarily to finance USD deposit and paid ₹ 235.95 million as swap cancellation cost. Further this cancellation of swap has resulted in a forex gain of ₹ 180.33 million.
Considering the above events relate to a one time negotiation with MIAL, the cost associated with such negotiations have been disclosed as exceptional items in the Restated Consolidated Statement of Profit & Loss for the year ended March 31, 2017.

Notes:

i) The figures disclosed above are based on the Restated Consolidated Summary Statements of Profits and Losses of the Group.

ii) The above statement should be read with the notes to Restated Consolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Consolidated Financial Statements appearing in Annexure V.

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure XXX
Restated Consolidated Statement of Earnings per share (EPS)

The following reflects the loss and share data used in the basic and diluted EPS computations:

(Amount in million)

Particulars	For six months ended 30-Sep-17	For the year ended 31-Mar-17
	₹	₹
Net loss for calculation of basic and diluted EPS	(457.22)	(1,142.67)
Weighted average number of equity shares in calculating basic and diluted EPS (no. in million)	0.16	0.16
Basic and Diluted earnings per share (₹)	**(2,937.90)**	**(7,342.32)**
Accounting Ratios after considering bonus share adjustment (refer note below):		
Net loss for calculation of basic and diluted EPS (in million)	(457.22)	(1,142.67)
Number of equity shares (before Bonus shares)	0.16	0.16
Bonus shares	38.91	38.91
Weighted average number of equity shares in calculating basic and diluted EPS (in million)	39.06	39.06
Basic and Diluted earnings per share (₹)	**(11.70)**	**(29.25)**

Note: Subsequent to September 30, 2017, the board of directors of Flemingo Travel Retail Limited in their meeting held on December 11, 2017, have recommended to shareholders for the issue and allotment of bonus shares in the ratio of two hundred and fifty (250) equity shares for every one (1) equity share held by the equity shareholders of the Group, which has been approved in extra-ordinary general meeting of the Group held on December 11, 2017. The EPS - Basic, EPS - Diluted and Net Asset Value per Equity Share has been re-calculated for the restated year ended March 31, 2017 based on this new bonus share issue ratio.

Annexure XXXI
Restated Consolidated Statement of Employee Benefits - Defined Benefit Obligation (Gratuity)

General Description of Defined Benefit Plan - Gratuity

The holding company has a gratuity plan for its employees in India. The Africa subsidiaries do not have any gratuity plan.
Under the gratuity plan, every employee is entitled to the benefit equivalent to fifteen days salary of last drawn salary for each completed year of service depending on the date of joining and eligibility terms, in terms of provisions of the Payment of Gratuity Act.
The same is payable on termination of service or retirement, whichever is earlier. The benefit vests after five years of continuous service.
Liabilities for such benefits are provided on the basis of valuation, as at the balance sheet date, carried out by an independent actuary. The actuarial valuation method used by an independent actuary for measuring the liability is the Projected Unit Credit method.
The scheme is not funded with an insurance company in the form of qualifying insurance policy, neither has created any asset.

The following tables summarizes the components of gratuity expenses recognized in the restated consolidated statement of profit and loss and amounts recognized in the balance sheet for the respective plan:

(Amount in million)

Particulars	For six months ended 30-Sep-17	For the year ended 31-Mar-17
	₹	₹
Current service cost	1.82	2.34
Interest cost on benefit obligation	0.57	1.08
Net actuarial loss recognized in the year	0.38	0.98
Gratuity recorded in employee benefits expenses	**2.77**	**4.40**

Particulars	30-Sep-17	31-Mar-17
	₹	₹
Details of provision for gratuity		
Present value of defined benefit obligation	18.38	15.61
Plan liability	**18.38**	**15.61**

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)

Annexure XXXI
Restated Consolidated Statement of Employee Benefits - Defined Benefit Obligation (Gratuity) (contd.)

Changes in present value of defined benefit obligation are as follows:

Particulars	30-Sep-17	31-Mar-17
	₹	₹
Opening defined benefit obligation	15.61	11.79
Current service cost	1.82	2.34
Interest cost	0.57	1.08
Actuarial losses on obligation	0.38	0.98
Benefits paid	-	(0.58)
Closing defined benefit obligation	**18.38**	**15.61**

The principal assumptions used in determining gratuity for the Company's plans are shown below:

Particulars	30-Sep-17	31-Mar-17
Discount rate	7.25%	7.35%
Annual increase in salary cost	10% for the first 2 years and 7% thereafter	10% for the first 2 years and 7% thereafter
Mortality (Table)	(2006-08) Ult	(2006-08) Ult
Retirement Age (years)	60	60

The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.
The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Amounts for the current and previous five periods are as follows:

(Amount in million)

Particulars	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	₹	₹	₹	₹	₹	₹
Gratuity:						
Defined benefit obligation	18.38	15.61	11.79	9.94	6.62	2.92
Experience adjustment on plan liabilities	0.15	0.06	0.08	(0.14)	4.37	(1.39)

Notes:

i) The figures disclosed above are based on the Restated Consolidated Summary Statements of Profits and Losses of the Group.
ii) The above statement should be read with the notes to Restated Consolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Consolidated Financial Statements appearing in Annexure V.

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure XXXII
Restated Consolidated Statement of Leases

Operating lease: company as lessee

Shop premises were obtained on an operating lease. The lease terms are given as follow:

Shop Premises	For six months ended 30-Sep-17	For the year ended 31-Mar-17
Mumbai International Airport - Core Concession Shops	10 years 8 months	10 years 8 months
Mumbai International Airport - Indian Gourmet Shop	5 years	5 years
Delhi International Airport Shops	5 years	5 years
Rwanda Warehouse	9 months	1 year and 3 months
Rwanda Departure shop	9 months	1 year and 3 months
Burundi DDF Shop	3 years	3 years and 6 months
Bujumbura international airport (Burundi)	9 years	9 years and 6 months

(Amount in million)

Particulars	For six months ended 30-Sep-17	For the year ended 31-Mar-17
	₹	₹
Lease payments recognised in the statement of Profit and loss for the year / period		
Minimum lease rent	1,824.86	3,405.92
Contingent lease rent	9.38	52.06
	1,834.24	**3,457.98**

Future minimum rentals payable under operating lease in USD and ₹ are as follows*: **(Amount in million)**

Particulars	For six months ended 30-Sep-17	For the year ended 31-Mar-17
	₹	₹
Within one year	2,974.85	2,678.00
After one year but not more than five years	16,184.68	14,791.15
More than five years	11,413.32	27,462.11
	30,572.85	**44,931.26**

i) The contingent rentals are determined basis a percentage of revenue or the minimum monthly payments whichever is higher.
ii) There are no renewal or purchase options. The minimum monthly rentals are subject to escalations as stated in the agreements.
iii) There are no restrictions imposed by the above lease arrangements.

Annexure XXXIII
Restated Consolidated Statement of Segment information

An operating segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns different from those of other operating segments. Where segment sales, segment expenses or segment result include transfers between segments, those transfers are eliminated in consolidation.

The Group has identified geographic segment as primary segment. Secondary segment is the business segment. Geographical revenues are allocated based on the location of the Assets. The Board of directors of the group evaluates the segments and based on their assessment, the group has identified reportable segments to India and Africa as Rest of the world. Accordingly, the segment information has been disclosed under two segments namely India and Rest of the world. Revenues and expenses directly attributable to segments are reported under each reportable segment. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment.

Geographical segments

Particulars	India	Rest of the world	Total
Six months ended September 30, 2017			
Segment Revenue			
External sales	3,198.56	53.08	3,251.64
Inter segment sales	-	-	-
Total	***3,198.56***	***53.08***	***3,251.64***
Segment Expenses	3,552.75	62.00	3,614.75
Other income	54.41	0.11	54.52
Segment result / Operating profit	***(299.78)***	***(8.81)***	***(308.59)***
Finance cost	148.24	-	148.24
Profit before tax	***(448.02)***	***(8.81)***	***(456.83)***
Income tax	-	0.47	0.47
Profit after tax	**(448.02)**	**(9.28)**	**(457.30)**
As on September 30, 2017			
Segment assets	5,053.28	118.36	5,171.64
Income tax assets	14.49	4.60	19.09
Total assets	**5,067.77**	**122.96**	**5,190.73**
Segment liabilities	8,644.35	134.03	8,778.38
Income tax liability	-	0.53	0.53
Total Liabilities	**8,644.35**	**134.56**	**8,778.91**

Annexure XXXIII
Restated Consolidated Statement of Segment information (contd.)

Particulars	India	Rest of the world	Total
Year ended March 31, 2017			
Segment Revenue			
External sales	5,986.83	8.81	5,995.64
Inter segment sales	-	-	-
Total	***5,986.83***	***8.81***	***5,995.64***
Segment Expenses	6,709.01	10.99	6,720.00
Other income	76.96	(0.38)	76.58
Segment result / Operating profit	***(645.22)***	***(2.56)***	***(647.78)***
Finance cost	250.04	-	250.04
Profit before tax	***(895.26)***	***(2.56)***	***(897.82)***
Exceptional items	(244.83)		***(244.83)***
Income tax	-	0.05	0.05
Profit after tax	**(1,140.09)**	**(2.61)**	**(1,142.70)**
As on March 31, 2017			
Segment assets	4,763.74	123.71	4,887.45
Income tax assets	15.22	5.56	20.78
Total assets	**4,778.96**	**129.27**	**4,908.23**
Segment liabilities	7,907.50	131.38	8,038.88
Income tax liability	-	-	-
Total Liabilities	**7,907.50**	**131.38**	**8,038.88**

Annexure XXXIV
Restated Consolidated Statement of Capital and other commitments

Capital and other commitments as on the balance sheet date are as follow: **(Amount in million)**

Particulars	30-Sep-17	31-Mar-17
	₹	₹
Shop Premises		
Shops under constructions	**102.53**	**13.90**

Annexure XXXV
Restated Consolidated Statement of Contingent liabilities

A. Claims against the Group not acknowledged as debts:

(Amount in million)

Particulars	For six months ended 30-Sep-17	For the year ended 31-Mar-17
	₹	₹
Custom duty on goods imported for unexpired bonds as per Custom rules	730.46	697.38
Income tax demand	33.87	33.87
	764.33	**731.25**

The contingent liabilities, if materialized, shall entirely be borne by the Group, as there is no likely reimbursement from any other party.

B. Litigations

a. Flemingo Duty Free Shop Mumbai Private Limited ("Flemingo") v. Mumbai International Airport Limited ("MIAL") and the Company

In 2007, Flemingo filed a petition against MIAL in the Bombay High Court, alleging that MIAL had acted arbitrarily in excluding Flemingo from the list of eligible bidders and that the bidding process was not transparent. The High Court dismissed the petition as untimely, but on Flemingo's appeal to the Supreme Court, issued an order in June 2008 setting aside the Mumbai duty free concession granted to the Company. The Company appealed to the Supreme Court, which in August 2008 granted a stay of the order pending hearing of the appeal. In September 2008, the Company filed a notice with the Supreme Court that the Company and Flemingo had entered into a settlement regarding the operation and management of the duty free shops at the Mumbai Airport.
The Supreme Court did not act in response to that notice.
The appeal will be heard by the Supreme Court for disposal in due course. It is not possible to predict with certainty the eventual ruling of the Supreme Court. However, in view of settlement between Flemingo and the Company, both Flemingo (the originally contesting party) and the Company will urge the Court that setting aside of the concession is not in the interest of any party, and that the Court should hold that the Company is entitled to continue operation of the concession.

b. Service tax litigation against Government of India and MIAL

In September 2008, the Company filed a petition in the Bombay High Court seeking a declaration that the Government lacked power to levy and collect, via MIAL, the 12.36% service tax on the license fee payable under the concession agreement. The Court stayed collection of the tax provided that if the case is ultimately decided in favor of the Government, the Company shall pay the tax plus interest. In November 2008, MIAL took the position that while the Court had stayed collection, it had not enjoined the levy of the tax. The Company filed a subsequent petition to enjoin MIAL from levying the tax or calling on the Company's performance bond. That petition is still awaiting action by the Court. From January 01, 2012, the Company has started paying service tax under protest to MIAL and has informed MIAL accordingly. During the earlier year, the Company has paid all the accumulated service tax payable up to December, 2011 to MIAL under protest in August, 2012. Pursuant to the same as a matter of abundant caution, the Company has accrued for interest on service tax till August, 2012.

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)

Annexure XXXVI
Restated Consolidated Statement of Provision for asset restoration cost

As per terms of Delhi occupancy agreement, the Group has an obligation for restoration of the premises. A provision has been recognized for the expected costs related to the restoration of the leased premises.

(Amount in million)

Particulars	For six months ended 30-Sep-17	For the year ended 31-Mar-17
	₹	₹
Opening balance	5.51	6.55
Reversed during the year / period	(5.11)	(1.04)
Closing balance	**0.40**	**5.51**

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure XXXVII
Restated Consolidated Statement of Related party disclosures

Names of related parties and related party relationship

(i) Related parties where control exists

Holding Company	Flemingo International (BVI) Limited from Feb 27, 2017 (esrtwhile Jointly controlled company till Feb 26, 2017)
Jointly controlled company	DFS Venture Singapore (Pte) Limited till Feb 26, 2017

(ii) Related parties with whom transactions have taken place during the year / period

Jointly controlled company	DFS Venture Singapore (Pte) Limited till Feb 26, 2017
Fellow Subsidiary	Flemingo International Limited, British Virgin Islands Flemingo Duty Free Private Limited - Sri Lanka Flemingo Dutyfree Shop Private Limited - India Dutyfree Distribution Services Private Limited - India Flemingo International Limited - Nairobi branch DRC duty free international SPRL Flemingo Duty Free shops international SA Proprietary Limited Flemingo International Limited - Sudan branch F I Mozambique Limitada Flemingo International Limited - Uganda Flemingo Middle East Limited Flemingo International Limited - Jebel Ali branch

(iii) Enterprise owned by or significantly influenced by key mangerial personnel or their relative

Flemingo Airport Retail Private Limited (FARL) - India

(iv) Key Managerial Personnel Mr. Manishi Sanwal

(v) Related party transactions: **(Amount in million)**

S No	Particulars	For six months ended 30-Sep-17	For the year ended 31-Mar-17
		₹	₹
(1)	**Transactions during the year / period**		
a.	**DFS Venture Singapore (Pte) Limited (transactions till Feb 26, 2017)**		
	Purchase of traded goods	-	2,003.60
	Interest charge on delay payment	-	35.21
	Expenses paid on behalf of the Group (paid / payable)	-	48.03
	Reimbursement of expenses incurred by the Group (received / receivable)	-	55.89
b.	**Flemingo International Limited, British Virgin Islands**		
	Purchase of shares of Flemingo International Rwanda Limited	-	-
	49,990 Equity shares of Rwanda Franc (RF) 1000 (₹ 79.10) each Fully paid up		
	Purchase of traded goods	136.44	8.46
c.	**Flemingo Middle East Limited**		
	Purchase of shares of Flemingo International Limited S.A. Burundi	-	-
	3,960 Equity shares of Burandian Franc (BIF) 25,000 (₹ 967.50) each Fully paid up		
d.	**Flemingo Dutyfree Shop Private Limited - India**		
	Purchase of traded goods	50.64	-
	Reimbursement of expenses incurred by the Group (received / receivable)	0.79	-
e.	**Flemingo Airport Retail Limited (FARL) - India**		
	Advance paid	10.00	-
f.	**Flemingo Duty Free Private Limited - Sri Lanka**		
	Reimbursement of expenses incurred by the Group (received / receivable)	1.28	-
g.	**Dutyfree Distribution Services Private Limited - India**		
	Purchase of traded goods	2.73	-

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure XXXVII
Restated Consolidated Statement of Related party disclosures

h.	**Flemingo International (BVI) Limited**		
	Transfer of inter company receivables	0.96	-
	Transfer of inter company payables	0.41	-
i.	**Remuneration to key managerial personnel**		
	Mr. Manishi Sanwal	12.27	27.43

(iv) Related party transactions (contd.)

(Amount in million)

S No	**Particulars**	**30-Sep-17** ₹	**31-Mar-17** ₹
(2)	**Balance outstanding as at the year / period end**		
a.	**Payables**		
	Flemingo International Limited, British Virgin Islands	55.10	-
	Flemingo International Limited - Jebel Ali branch	-	50.13
	Flemingo International Limited - Nairobi branch	-	0.94
	DRC duty free international SPRL	-	0.04
	Flemingo Duty Free shops international SA Proprietary Limited	-	0.22
	Flemingo International (BVI) Limited	76.43	75.42
	Flemingo Dutyfree Shop Private Limited - India	10.08	-
b.	**Receivables**		
	Flemingo International Limited, British Virgin Islands	1.44	-
	Flemingo Duty Free Private Limited - Sri Lanka	1.15	-
	DRC duty free international SPRL	-	1.52
	Flemingo International Limited - Nairobi branch	-	1.47
	Flemingo International Limited - Sudan branch	-	0.00
	Flemingo International (BVI) Limited	0.96	-
	F I Mozambique Limitada	-	0.07
	Flemingo International Limited - Uganda	-	0.05
c.	**Advance**		
	Flemingo Airport Retail Private Limited (FARL) - India	10.00	-

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure XXXVIII
Restated Consolidated Statement of Acquisition of subsidiaries

The Group has received the following subsidiaries for no consideration from fellow subsidiaries of the ultimate holding company, viz., Flemingo International (BVI) Limited on February 28, 2017

Name of the subsidiary	Date of acquisition	Country of incorporation	Percentage acquired
Flemingo International Limited S.A ("Burundi")	28-Feb-17	Burundi	99.00%
Flemingo International Rwanda Ltd ("Rwanda")	28-Feb-17	Rwanda	99.98%

The details of financial information on acquisition is as follows:

(Amount in million)

Particulars	Burundi	Rwanda	Total
	₹	₹	₹
Net Assets/(Liability)	(39.29)	39.75	0.46
Purchase consideration	-	-	-
Capital Reserve / (Goodwill) on consolidation	(38.84)	39.74	0.90
Minority Interest	(0.45)	0.01	(0.44)

The transaction is considered as a single transaction and hence the Goodwill and Capital Reserve has been netted off in the restated consolidated financial statements.

Annexure XXXIX
Restated Consolidated Statement of Information for Consolidated financial statements pursuant to Schedule III of Companies Act, 2013

Particulars	30-Sep-17				31-Mar-17			
	Net Assets		Share in loss		Net Assets		Share in loss	
	As a % of consolidated net assets	₹ in million	As a % of consolidated loss	₹ in million	As a % of consolidated net assets	₹ in million	As a % of consolidated loss	₹ in million
Parent- Flemingo Travel Retail Limited (formerly known	99.68%	(3,576.56)	97.99%	(448.03)	99.94%	(3,128.54)	99.77%	(1,140.09)
Foreign Subsidiaries								
Flemingo International Limited S.A	1.13%	(40.59)	1.78%	(8.16)	1.29%	(40.33)	0.23%	(2.62)
Flemingo International Rwanda Ltd	-0.82%	29.52	0.21%	(0.95)	-1.24%	38.69	-0.01%	0.07
Minority Interest in all subsidiaries	0.02%	**(0.55)**	0.03%	**(0.08)**	0.02%	**(0.47)**	0.01%	**(0.03)**
Total	**100.00%**	**(3,588.18)**	**100.00%**	**(457.22)**	**100.00%**	**(3,130.65)**	**100.00%**	**(1,142.67)**

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure XXXX
Restated Consolidated Statement of Accounting Ratios

(Amount in million)

Particulars	For six months ended 30-Sep-17	For the year ended 31-Mar-17
Net loss for calculation of basic and diluted EPS (in million)	(457.22)	(1,142.67)
Weighted average number of equity shares in calculating basic and diluted EPS (in million)	0.16	0.16
Basic and Diluted earnings per share (₹)	**(2,937.90)**	**(7,342.32)**
Return on Net Worth		
Net loss (in million)	(457.22)	(1,142.67)
Net worth at the end of the year (in million)	(3,587.63)	(3,130.18)
Return on Net Worth (%)	**-12.74%**	**-36.50%**
Net Asset Value Per Equity Share:		
Net worth at the end of the year / period (in million)	(3,587.63)	(3,130.18)
Number of equity shares outstanding at the end of the year / period (in million)	0.16	0.16
Net Asset Value Per Equity Share	**(23,052.61)**	**(20,113.22)**
Accounting Ratios after considering bonus share adjustment (refer note 4 below):		
Net loss for calculation of basic and diluted EPS (in million)	(457.22)	(1,142.67)
Number of equity shares (before Bonus shares)	0.16	0.16
Bonus shares	38.91	38.91
Weighted average number of equity shares in calculating basic and diluted EPS (in million)	39.06	39.06
Basic and Diluted earnings per share (₹)	**(11.70)**	**(29.25)**
Return on Net Worth		
Net loss (in million)	(457.22)	(1,142.67)
Net worth at the end of the year (in million)	(3,587.63)	(3,130.18)
Return on Net Worth (%)	**-12.74%**	**-36.50%**
Net Asset Value Per Equity Share:		
Net worth at the end of the year / period (in million)	(3,587.63)	(3,130.18)
Number of equity shares outstanding at the end of the year / period (in million)	39.06	39.06
Net Asset Value Per Equity Share	**(91.84)**	**(80.13)**

Notes:

1) Formulae:

Basic Earnings per Share (EPS) (₹)= $\dfrac{\text{Profit / (Loss) after tax attributable to equity shareholders for the year / period}}{\text{Weighted Average No. of equity shares}}$

Diluted Earnings per Share (EPS) (₹)= $\dfrac{\text{Profit / (Loss) after tax attributable to equity shareholders for the year / period}}{\text{Weighted Average dilutive No. of equity shares}}$

Return on Net Worth (%)= $\dfrac{\text{Profit / (Loss) after tax attributable to equity shareholders for the year / period}}{\text{Net Worth at the end of the year / period}}$

Net Assets Value per Equity Share (₹)= $\dfrac{\text{Net Worth at the end of the year / period}}{\text{Total number of equity shares outstanding at the end of the year / period}}$

2) Net worth for ratios mentioned represents sum of equity share capital, reserves and surplus (securities premium, capital reserve, foreign currency translation reserve and surplus / (deficit) in the Restated Consolidated Statement of Profits and Losses).

3) Earnings per share calculations are in accordance with Accounting Standard 20 - Earnings per share ('AS 20'), notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014. Weighted average number of equity shares outstanding during all the previous years have been considered accordingly.

4) Subsequent to September 30, 2017, the board of directors of Flemingo Travel Retail Limited in their meeting held on December 11, 2017, have recommended to shareholders for the issue and allotment of bonus shares in the ratio of two hundred and fifty (250) equity shares for every one (1) equity share held by the equity shareholders of the Group, which has been approved in extra-ordinary general meeting of the Group held on December 11, 2017. The EPS - Basic, EPS - Diluted and Net Asset Value per Equity Share has been re-calculated for the restated year ended March 31, 2017 based on this new bonus share issue ratio.

5) The figures disclosed above are based on the Restated Consolidated Summary Statements of Assets and Liabilities of the Group.

6) The above statement should be read with the notes to Restated Consolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Consolidated Financial Statements appearing in Annexure V.

Flemingo Travel Retail Limited (formerly known as DFS India Private Limited)
Annexure XXXXI
Consolidated Capitalisation Statement

(Amount in million)

Particulars		**Pre-IPO as at 30-Sep-17**	**As Adjusted for IPO**
		₹	**₹**
Borrowings			
Long term borrowings			
Non current portion	1,697.05		
Current maturity of long term borrowings	335.30		
Sub Total (A)		2,032.35	
Short term borrowings (B)		644.73	
Total (C)=(A)+(B)		**2,677.08**	
<u>Shareholders Funds:</u>			
Share Capital (D)		1.56	
Reserves (E)		(3,589.19)	
Total (F)=(D)+(E)		**(3,587.63)**	
Debt / Equity ratio - (C) / (F)		(0.75) : 1	
Long term Debt / Equity ratio - (A) / (F)		(0.57) : 1	

Notes:

1) The above ratio has been computed on the basis of the Restated Consolidated Summary Statement of Assets and Liablities as of September 30, 2017 on consolidated basis.

2) The corresponding Post IPO capitalisation data for each of the amounts given in the above table is not determinable at this stage pending the completion of the Book Building Process and hence, the same has not been provided in the above statement.

3) Subsequent to September 30, 2017, the board of directors of Flemingo Travel Retail Limited in their meeting held December 11, 2017, have recommended to shareholders for the issue and allotment of bonus shares in the ratio of two hundred and fifty (250) equity shares for every one (1) equity share held by the equity shareholders of the Company, which has been approved in extra -ordinary general meeting of the Company held on December 11, 2017. Hence, the share capital has increased from ₹ 1.56 million to ₹ 390.63 million.

Flemingo Travel Retail Private Limited (formerly known as DFS India Private Limited)

Annexure XXXXII

Reconciliation of taxable income and book profits

(Amount in million)

S No	Particulars	For six months ended 30-Sep-17 ₹	For the year ended 31-Mar-17 ₹
A	Restated loss before taxes of group	(456.83)	(1,142.65)
B	Income tax expense/(credit) at tax rates applicable to individual entities	**(147.66)**	**(394.55)**
C	***Adjustments for permanent differences:***	-	-
		-	-
D	***Adjustments for timing differences:***		
	Property, plant and equipment : Impact of difference between tax depreciation and depreciation/ amortization charged in the books (restated)	36.32	57.60
	Provision for employee benefit expenses	3.48	27.49
	Rent straightlining	466.21	1,026.52
	Other adjustments	6.39	10.76
		512.40	**1,122.37**
E	**Net Adjustments (C+D)**	**512.40**	**1,122.37**
F	**Tax expense thereon at statutory rates**	**169.41**	**388.45**
G	**Current tax expense/ (credit) (B+F)**	**21.75**	**(6.10)**
H	Adjusted against brought forward losses /carried forward losses	(21.28)	6.15
I	**Current tax expense (G-H)**	**0.47**	**0.05**
	Calculation of MAT		
J	Restated Book Profits	-	-
K	**Tax liability as per MAT**	-	-
L	**Current tax being higher of I or K**	**0.47**	**0.05**
M	Deferred tax (income) / charge	-	-
N	**Total tax expenses**	**0.47**	**0.05**

Flemingo Travel Retail Private Limited (formerly known as DFS India Private Limited)

Statutory rates applicable to:-		
Holding Company	33.06%	34.61%
Subsidiary in Burundi*	30.00%	30.00%
Subsidiary in Rwanda	30.00%	30.00%

*As per laws applicable in Burundi, if the Company is incurring losses, tax provision is to be made based on a 1% of revenue earned during the year / period.

Notes:

i) The above statement has been prepared as per Restated Consolidated Summary Statements of Profits and Losses of the Group.

ii) The above statement should be read with the notes to Restated Consolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Consolidated Financial Statements appearing in Annexure V.

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm registration number: 324982E/E300003

per Firoz Pradhan
Partner
Membership No.: 109360

Place: Mumbai
Date: January 31, 2018

For and on behalf of the board of directors of
Flemingo Travel Retail Limited
(formerly known as DFS India Private Limited)

Atul V. Ahuja
(Director)
DIN-00015713

Ayyaswamy R. Choodamani
(Director)
DIN-00103472

Manishi Sanwal
(Chief Executive Officer)

Suresh Jayant Nene
(Chief Financial Officer)

Suvarna Bhatjiwale
(Company Secretary)

Place: Mumbai
Date: January 31, 2018

Independent Auditor's Assurance report on the Compilation of Proforma Financial Statements included in offer document in connection with the Initial Public offer of Flemingo Travel Retail Limited

The Board of Directors
Flemingo Travel Retail Limited
Chhatrapati Shivaji International Airport
New Terminal 2, Sahar Road, Andheri (E)
Mumbai 400 099, India

Dear Sirs,

1. We have been engaged to report on the compilation of Proforma Financial Statements of Flemingo Travel Retail Limited ("the Company") by the Management of Company vide engagement letter dated December 8, 2017. The Proforma Financial Statements consists of the Proforma Balance Sheet as at March 31, 2017, the Proforma Statement of Profit and Loss for the periods ended March 31, 2017, March 31, 2016 and March 31, 2015 and the related notes ('Proforma Financial Statements'). The Proforma Financial Statements may be included in the draft red herring prospectus.

2. The Proforma Financial Statements has been compiled by the Management of Company to illustrate the impact of the acquisition of Flemingo International (UK) Limited, Flemingo Dutyfree Shop Private Limited and Flemingo Cruise Travel Retail Limited as set out in Note 2 on the Company's financial position as at March 31, 2017 and its financial performance for the periods ended March 31, 2017, March 31, 2016 and March 31, 2015 as if the acquisition of Flemingo International (UK) Limited, Flemingo Dutyfree Shop Private Limited and Flemingo Cruise Travel Retail Limited had taken place as on April 1, 2014.

3. As part of this process, information about the Company's financial position and financial performance has been extracted by the Management from the Company's restated consolidated summary Statements, on which other auditors have issued examination report. The Proforma Financial Statements have been adopted by the Board of Directors of the Company and initialled by it for the purpose of identification. For our assurance engagement, we have placed reliance on the following:

   a. The report on Restated Consolidated Summary Statement of Assets and Liabilities as at March 31, 2017, Restated Consolidated Summary Statement of Profit and Loss for the year ended March 31, 2017 and Restated Unconsolidated Summary Statement of Profit and Losses for the periods ended March 31, 2016 and March 31, 2015 of the Company which is examined by other firm of chartered accountants.

   b. The Special Purpose Restated Consolidated Financial Statements of the Flemingo International (UK) Limited for the periods ended December 31, 2016 and December 31, 2015.

c. The Special Purpose Restated Consolidated Financial Statements of the Flemingo Dutyfree Shop Private Limited for the years ended March 31, 2017, March 31, 2016 and March 31, 2015.

d. The Special Purpose Financial Statements of the Flemingo Cruise Travel Retail Limited consisting of Statement of Assets and Liabilities as at December 31, 2016, December 31, 2015 and December 31, 2014.

Management Responsibility for the Proforma Financial Statements

4. The Management is responsible for compiling the Proforma Financial Statements on the basis set out in note 2 to the Proforma Financial Statements and the same have been approved by the Board of Directors of the Company. This responsibility includes the responsibility for designing, implementing and maintaining internal control relevant for compiling the Proforma Financial Statements on the basis set out in note 2 to the Proforma Financial Statements that is free from material misstatement, whether due to fraud or error. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities, including compliance with the provisions of the laws and regulations for the compilation of Proforma Financial Statements.

Auditor's Responsibilities

5. Our responsibility is to express an opinion about whether the Proforma Financial Statements of the Company as attached to this report, read with respective significant accounting policies and notes thereto, have been compiled, in all material respects, by the Management on the basis set out in Note 2 to the Proforma Financial Statements.

6. We conducted our engagement in accordance with Standard on Assurance Engagements (SAE) 3420, Assurance Engagements to Report on the Compilation of Proforma Financial Statements Included in a Prospectus, issued by the Institute of Chartered Accountants of India. This Standard requires that we comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Management has compiled, in all material respects, the Proforma Financial Statements on the basis set out in Note 2 to the Proforma Financial Statements. Our examination of the Proforma Financial Statements has not been carried out in accordance with the auditing standards generally accepted in the United States of America ("U.S.") and accordingly should not be relied upon by U.S. investors as if it had been carried out in accordance with those standards or any other standards besides the standards referred to in this report.

7. Our work consisted primarily of comparing the respective columns in the Proforma Financial Statements to the underlying restated/audited historical financial Statements, as the case may be, referred to in paragraph 3 above, considering the evidence supporting the adjustments and reclassifications, performing procedures to assess whether the basis of preparation of Proforma Financial Statements as explained in the attached notes to the Proforma Financial Statements provide a reasonable basis for presenting the significant effects directly attributable to the acquisition and discussing the Proforma Financial Statements with the Management of the Company.

8. The purpose of Proforma Financial Statements included in offer document is solely to illustrate the impact of above mentioned acquisition on unadjusted financial Statements of the Company as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the above mentioned acquisition as on April 1, 2014 would have been as presented.

9. A reasonable assurance engagement to report on whether the Proforma Financial Statements has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Management in the compilation of the Proforma Financial Statements provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

   a. The related Proforma adjustments give appropriate effect to those criteria; and

   b. The Proforma Financial Statements reflects the proper application of those adjustments to the unadjusted financial Statements.

   The procedures selected depend on our judgment, having regard to our understanding of the nature of the company, the event or transaction in respect of which the Proforma Financial Statements has been compiled, and other relevant engagement circumstances.

   The engagement also involves evaluating the overall presentation of the Proforma Financial Statements.

10. Our work has not been carried out in accordance with the auditing or other standards and practices generally accepted in other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

11. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

12. In our opinion the Proforma Financial Statements of the Company consisting of the Proforma Balance Sheet as at March 31, 2017 and, the Proforma Statement of Profit and Loss for the periods ended March 31, 2017, March 31, 2016 and March 31, 2015 and the related notes, as attached to this report, read with significant accounting policies and the notes thereto have been properly prepared by the management of the Company, in all material respects, on the basis set out in the Note 2 to the Proforma Financial Statements.

Restriction on Use

13. This report should not in any way be construed as a reissuance or re-auditing or re-examination of any of the previous audit reports issued by us. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

14. Our report is intended solely for use of the Management for inclusion in the offer document to be filed with SEBI, BSE Limited, the National Stock Exchange of India Limited and Registrar of Companies, in connection with the proposed initial public offering of the Company and is not to be used, referred to or distributed for any other purpose except with our prior consent in writing.

For UBEROI SOOD & KAPOOR
CHARTERED ACCOUNTANTS
(Firm Registration No. 001462N)

S.D. SHARMA
PARTNER
(M. No.080399)

Place: Mumbai
Date: February 11, 2018

Proforma financials for the year 2015

Profit & Loss Account (Amount in Rs.millions)

	Flemingo Travel Retail Limited	Flemingo Cruise Travel Retail Limited	Flemingo Duty Free India consolidated			
	for the 12 months ended	for the 12 months ended	for the 12 months ended			
	31 March 2015	31 March 2015	31 March 2015	Total	Eliminations	Net
Particulars	**A**	**B**	**C**	**A+B+C**	**C**	**A+B+C+D**
Income						
Revenue from continuing operations	4,182.33	-	19,886.75	24,069.08		24,069.08
Other operating income	-	-	158.12	158.12		158.12
Total Turnover	**4,182.33**	**-**	**20,044.87**	**24,227.20**	**-**	**24,227.20**
Other income	71.38	-	153.99	225.37		225.37
Total Revenue	**4,253.71**	**-**	**20,198.86**	**24,452.57**	**-**	**24,452.57**
Expenses						
Cost of goods sold	1,859.52	-	12,450.04	14,309.56		14,309.56
Occupancy costs(excluding linearisation)	1,612.74	-	3,640.23	5,252.97		5,252.97
Employee benefits expense	203.68	-	1,538.62	1,742.30		1,742.30
Other expenses	268.88	-	1,538.93	1,807.81		1,807.81
Total	**3,944.82**	**-**	**19,167.82**	**23,112.64**	**-**	**23,112.64**
Earnings before interest, tax, linearisation, depreciation, amortization and impairment	**308.89**	**-**	**1,031.04**	**1,339.93**	**-**	**1,339.93**
Depreciation, amortization and impairment expense	(112.59)	-	(265.19)	(377.78)		(377.78)
Linearisation	(1,588.01)			(1,588.01)		(1,588.01)
Share of profit from joint venture	-	-	17.69	17.69		17.69
Profit on sale of subsidiary	-	-	201.77	201.77		201.77
Finance costs	(241.97)	-	(217.19)	(459.16)		(459.16)
Profit / (Loss) before tax & Exceptional Items	**(1,633.68)**	**-**	**768.12**	**(865.56)**	**-**	**(865.56)**
Exceptional Items	-	-	-	-		-
Profit / (Loss) before tax	**(1,633.68)**	**-**	**768.12**	**(865.56)**	**-**	**(865.56)**
Tax expenses						
Current tax	-	-	312.03	312.03		312.03
Deferred tax	-	-	(16.64)	(16.64)		(16.64)
Total tax expense	**-**	**-**	**295.39**	**295.39**	**-**	**295.39**
Profit / (Loss) after tax from continuing operations before minority interest	**(1,633.68)**	**-**	**472.73**	**(1,160.95)**	**-**	**(1,160.95)**

As per our report of even date
For Uberoi Sood & Kapoor
Chartered Accountants
(Firm Registration No.: 001462N)

S.D. Sharma
Partner
Membership No. 80399

Place: Mumbai
Date: February 11, 2018

For and on behalf of the board of directors of
Flemingo Travel Retail Limited
(formerly known as DFS India Private Limited)

Atul Ahuja
(Director)
DIN-00015713

Ayyaswamy R. Choodamani
(Director)
DIN-00103472

Place: Mumbai
Date: February 10, 2018

Proforma financials for the year 2015

Notes Annexed to Proforma Financials Statements

Segment Reporting **(Amount in Rs. millions)**

Particulars	Indian Sub Continent	Rest of World	Europe	Eliminations	Total
	A	B	C	D	A+B+C+D
	INR	INR	INR	INR	INR
Revenue from continuing operations	10,928.61	4,058.93	9,081.54		24,069.08
Other operating income	100.25	35.83	22.04		158.12
Total Turnover	**11,028.86**	**4,094.76**	**9,103.58**	**-**	**24,227.20**
Cost of goods sold	5,709.20	3,325.24	5,275.12		14,309.56
Occupancy costs(excluding linearisation)	3,183.85	116.95	1,952.17		5,252.97
Employee Benefit Expenses	489.74	381.50	871.06		1,742.30
Other expenses	601.63	231.82	809.56		1,643.01
Other Income	(19.22)	(6.43)	(41.01)		(66.66)
Earnings before interest, tax, linearisation, depreciation, amortization and impairment	**1,063.66**	**45.68**	**236.68**	**-**	**1,346.02**
Linearisation	1,588.01	-	-		1,588.01
Depreciation, amortization and impairment expense	157.80	76.62	143.36		377.78
Share of profit from joint venture	-	(17.69)	-		(17.69)
Finance income	(151.99)	(4.79)	(1.93)		(158.71)
Exchange gain/loss	38.35	50.29	76.15		164.79
Profit on sale of subsidiary	-	(201.77)	-		(201.77)
Finance cost	325.21	88.13	45.83		459.17
Profit / (Loss) before tax & Exceptional Items	**(893.72)**	**54.89**	**(26.73)**	**-**	**(865.56)**
Exceptional Items	**-**	-	-		-
Profit / (Loss) before tax	**(893.72)**	**54.89**	**(26.73)**	**-**	**(865.56)**
Tax expenses					
- Current Tax	241.56	55.18	15.29		312.03
- Deferred Tax	(12.94)	4.89	(8.59)		(16.65)
Total tax expense	**228.62**	**60.07**	**6.70**	**-**	**295.39**
Profit / (Loss) after tax from continuing operations before minority interest	**(1,122.34)**	**(5.18)**	**(33.43)**	**-**	**(1,160.95)**

As per our report of even date

For Uberoi Sood & Kapoor
Chartered Accountants
(Firm Registration No.: 001462N)

For and on behalf of the board of directors of
Flemingo Travel Retail Limited
(formerly known as DFS India Private Limited)

S.D. Sharma
Partner
Membership No. 80399

Atul Ahuja
(Director)
DIN-00015713

Ayyaswamy R. Choodamani
(Director)
DIN-00103472

Place: Mumbai
Date: February 11, 2018

Place: Mumbai
Date: February 10, 2018

Proforma financials for the year 2015

Notes Annexed to Proforma Financials Statements

Revenue from continuing operations-category wise

Particulars	**Indian Sub Continent**		**Rest of World**		**Europe**		**Total**	
	(Rs. in millions)	**%**	**(Rs. in millions)**	**%**	**(Rs. in millions)**	**%**	**(Rs. in millions)**	**%**
Revenue from operations	**10,928.62**	**100.00%**	**4,058.92**	**100.00%**	**9,081.54**	**100.00%**	**24,069.08**	**100.00%**
Liquor	7,641.71	69.92%	3,278.57	80.77%	1,550.26	17.07%	12,470.54	51.81%
Food and Candies	1,226.15	11.22%	52.62	1.30%	752.52	8.29%	2,031.29	8.44%
Cosmetics and Toiletries	790.51	7.23%	272.24	6.71%	1,277.01	14.06%	2,339.76	9.72%
Tobacco Products	798.23	7.30%	356.49	8.78%	4,510.27	49.66%	5,664.99	23.54%
Apparels (and Accessories)	-	0.00%	-	0.00%	116.86	1.29%	116.86	0.49%
Watches and Jewellery	43.83	0.40%	1.74	0.04%	154.16	1.70%	199.73	0.83%
Others	428.19	3.93%	97.26	2.40%	720.47	7.93%	1,245.91	5.17%

As per our report of even date

For Uberoi Sood & Kapoor
Chartered Accountants
(Firm Registration No.: 001462N)

S.D. Sharma
Partner
Membership No. 80399

Place: Mumbai
Date: February 11, 2018

For and on behalf of the board of directors of
Flemingo Travel Retail Limited
(formerly known as DFS India Private Limited)

Atul Ahuja
(Director)
DIN-00015713

Ayyaswamy R. Choodamani
(Director)
DIN-00103472

Place: Mumbai
Date: February 10, 2018

Proforma financials for the year 2016

Profit & Loss Account **(Amount in Rs. millions)**

	Flemingo Travel Retail Limited	Flemingo Cruise Travel Retail Limited	Flemingo Duty Free India consolidated	Flemingo UK consolidated			
	for the 12 months ended	for the 12 months ended	for the 12 months ended	for the 14 months ended			
	31 March 2016	31 March 2016	31 March 2016	31 December 2015	Total	Eliminations	Net
	A	B	C	D	A+B+C+D	E	A+B+C+D+E
Income							
Revenue from operations	5,390.01	-	20,621.43	9,702.39	35,713.83		35,713.83
Other Operating income	-	-	166.93	512.54	679.47		679.47
Total Turnover	**5,390.01**	**-**	**20,788.36**	**10,214.93**	**36,393.30**	**-**	**36,393.30**
Other income	84.60	-	137.71	0.13	222.44		222.44
Total Revenue	5,474.61	-	20,926.07	10,215.06	36,615.74	-	36,615.74
Expenses							
Cost of goods sold	2,332.76	-	12,838.66	4,085.31	19,256.73		19,256.73
Occupancy costs(excluding linearisation)	2,060.51	-	3,744.86	4,018.31	9,823.68		9,823.68
Employee benefits expense	226.40	-	1,494.23	1,292.35	3,012.98		3,012.98
Other expenses	413.53	-	1,385.80	838.45	2,637.78		2,637.78
Total	**5,033.20**	**-**	**19,463.55**	**10,234.42**	**34,731.17**	**-**	**34,731.17**
Earnings before interest, tax, linearisation, depreciation, amortization and impairment	**441.41**	**-**	**1,462.52**	**(19.36)**	**1,884.57**	**-**	**1,884.57**
Depreciation, impairment and amortization expense	(186.35)	-	(265.52)	(122.99)	(574.86)		(574.86)
Linearisation	(1,366.60)		(16.47)	-	(1,383.07)		(1,383.07)
Share of profit from joint venture	-	-	17.45	-	17.45		17.45
Finance costs	(183.91)	-	(265.28)	(59.65)	(508.84)		(508.84)
Profit / (Loss) before tax & Exceptional Items	**(1,295.45)**	**-**	**932.70**	**(202.00)**	**(564.75)**	**-**	**(564.75)**
Exceptional Items	-	-	-	-	-		-
Profit / (Loss) before tax	**(1,295.45)**	**-**	**932.70**	**(202.00)**	**(564.75)**	**-**	**(564.75)**
Tax expenses							
Current tax	-	-	317.57	3.48	321.05		321.05
Deferred tax	-	-	(1.27)	(5.58)	(6.85)		(6.85)
Total tax expense	**-**	**-**	**316.30**	**(2.10)**	**314.20**	**-**	**314.20**
Profit / (Loss) after tax before minority interest	**(1,295.45)**	**-**	**616.40**	**(199.90)**	**(878.95)**	**-**	**(878.95)**

As per our report of even date
For Uberoi Sood & Kapoor
Chartered Accountants
(Firm Registeration No.: 001462N)

S.D. Sharma
Partner
Membership No. 80399

Place: Mumbai
Date: February 11, 2018

For and on behalf of the board of directors of
Flemingo Travel Retail Limited
(formerly known as DFS India Private Limited)

Atul Ahuja
(Director)
DIN-00015713

Ayyaswamy R. Choodamani
(Director)
DIN-00103472

Place: Mumbai
Date: February 10, 2018

Proforma financials for the year 2016

Notes Annexed to Proforma Financials Statements

Segment Reporting

(Amount in Rs. millions)

Particulars	**Indian Sub continent**	**Rest of World**	**UK**	**Europe**	**Eliminations**	**Total**
	A	**B**	**C**	**D**	**E**	**A+B+C+D+E**
Revenue from operations	12,261.58	4,332.76	9,702.39	9,417.10		35,713.83
Other operating income	110.04	18.79	512.54	38.10		679.47
Total Turnover	**12,371.62**	**4,351.55**	**10,214.93**	**9,455.20**	**-**	**36,393.30**
Cost of goods sold	5,985.56	3,459.83	4,085.31	5,726.03		19,256.73
Occupancy costs(excluding linearisation)	3,873.08	116.38	4,018.31	1,815.91		9,823.68
Employee benefit expenses	577.62	267.84	1,292.35	875.17		3,012.98
Other expenses	635.02	143.35	672.06	773.47		2,223.90
Other income	(15.73)	(20.48)		(3.56)		(39.77)
Earnings before interest, tax, linearisation, depreciation, amortization and impairment	**1,316.07**	**384.63**	**146.90**	**268.18**	**-**	**2,115.78**
Linearisation	1,383.08	-		-		1,383.08
Depreciation, amortization and impairment expense	236.27	58.06	122.99	157.54		574.86
Share of profit from joint venture	-	(17.45)	-	-		(17.45)
Finance income	(178.42)	(2.45)	(0.13)	(1.67)		(182.65)
Exchange gain/loss	111.89	100.35	166.39	35.24		413.87
Finance Cost	274.87	131.99	59.65	42.33		508.84
Profit/(loss) Before Tax	**(511.62)**	**114.13**	**(202.00)**	**34.74**	**-**	**(564.75)**
Tax Expenses						
- Current Tax	291.04	9.03	3.48	17.50		321.05
- Deferred Tax	(1.44)	5.96	(5.58)	(5.79)		(6.85)
Total tax expense	**289.60**	**14.99**	**(2.10)**	**11.71**	**-**	**314.20**
Profit / (Loss) after tax before minority interest	**(801.22)**	**99.14**	**(199.90)**	**23.03**	**-**	**(878.95)**

As per our report of even date
For Uberoi Sood & Kapoor
Chartered Accountants
(Firm Registration No.: 001462N)

For and on behalf of the board of directors of
Flemingo Travel Retail Limited
(formerly known as DFS India Private Limited)

S.D. Sharma
Partner
Membership No. 80399

Atul Ahuja
(Director)
DIN-00015713

Ayyaswamy R. Choodamani
(Director)
DIN-00103472

Place: Mumbai
Date: February 11, 2018

Place: Mumbai
Date: February 10, 2018

Proforma financials for the year 2016

Notes Annexed to Proforma Financials Statements

Revenue from operations-category wise

Particulars	Indian Sub Continent		Rest of World		UK		Europe		Total	
	(Rs. in millions)	%	(Rs. in millions)	%	(Rs. in millions)	%	(Rs. in millions)	%	(Rs. in millions)	%
Revenue from operations	**12,261.58**	**100.00%**	**4,332.76**	**100.00%**	**9,702.39**	**100.00%**	**9,417.10**	**100.00%**	**35,713.83**	**100.00%**
Liquor	8,445.57	68.88%	3,229.20	74.53%	310.03	3.20%	1,522.11	16.16%	13,506.91	37.82%
Food and Candies	1,550.50	12.65%	187.37	4.32%	264.68	2.73%	1,045.73	11.10%	3,048.28	8.54%
Cosmetics and Toiletries	1,085.32	8.85%	422.11	9.74%	1,634.23	16.84%	1,240.13	13.17%	4,381.79	12.27%
Tobacco Products	969.59	7.91%	177.14	4.09%	512.60	5.28%	4,808.86	51.07%	6,468.19	18.11%
Apparels (and Accessories)	-	0.00%	-	0.00%	1,393.50	14.36%	121.31	1.29%	1,514.81	4.24%
Watches and Jewellery	39.39	0.32%	3.16	0.07%	4,428.59	45.64%	149.86	1.59%	4,621.00	12.94%
Others	171.21	1.39%	313.78	7.25%	1,158.76	11.95%	529.10	5.62%	2,172.85	6.08%

As per our report of even date
For Uberoi Sood & Kapoor
Chartered Accountants
(Firm Registration No.: 001462N)

S.D. Sharma
Partner
Membership No. 80399

Place: Mumbai
Date: February 11, 2018

For and on behalf of the board of directors of
Flemingo Travel Retail Limited
(formerly known as DFS India Private Limited)

Atul Ahuja
(Director)
DIN-00015713

Ayyaswamy R. Choodamani
(Director)
DIN-00103472

Place: Mumbai
Date: February 10, 2018

Proforma financials for the year 2017

Profit & Loss Account **(Amount in Rs. millions)**

	Flemingo Travel Retail Limited Consolidated	Flemingo Cruise Retail Limited	Flemingo Duty Free India consolidated	Flemingo UK consolidated			
	for the year ended	for the year ended	for the year ended	for the year ended			
	31 March 2017	31 March 2017	31 March 2017	31 December 2016	Total	Eliminations	Net
	A	B	C	D	A+B+C+D	E	A+B+C+D+E
Income							
Revenue from operations	5,995.64	-	20,420.05	12,542.87	38,958.56	(8.46)	38,950.10
Other operating income	-	-	192.74	464.43	657.17		657.17
Total Turnover	**5,995.64**	**-**	**20,612.79**	**13,007.30**	**39,615.73**	**(8.46)**	**39,607.27**
Other income	76.58	-	172.66	1.78	251.02	-	251.02
Total Revenue	**6,072.22**	**-**	**20,785.45**	**13,009.08**	**39,866.75**	**(8.46)**	**39,858.29**
Expenses							
Cost of goods sold	2,620.46	-	12,440.75	5,294.93	20,356.14	(8.46)	20,347.68
Occupancy costs (excluding linearisation)	2,431.47	-	4,259.81	5,459.99	12,151.27		12,151.27
Employee benefits expense	249.85	-	1,446.67	1,386.38	3,082.90		3,082.90
Other expenses	221.54	-	1,528.80	585.05	2,335.39		2,335.39
Total	**5,523.32**	**-**	**19,676.03**	**12,726.35**	**37,925.70**	**(8.46)**	**37,917.24**
Earnings before interest, tax, linearisation, depreciation, impairment and amortization	**548.90**	**-**	**1,109.42**	**282.73**	**1,941.05**	**-**	**1,941.05**
Depreciation, amortization and impairment expense	(170.16)	-	(246.83)	(121.37)	(538.36)	-	(538.36)
Linearisation	(1,026.52)	-	(30.97)		(1,057.49)	-	(1,057.49)
Share of profit from joint venture	-	-	36.65	-	36.65		36.65
Finance costs	(250.04)	-	(221.62)	(68.26)	(539.92)		(539.92)
Profit / (Loss) before tax & Exceptional Items	(897.82)	-	646.65	93.10	(158.07)	-	(158.07)
Exceptional Items	(244.83)	-	-	-	(244.83)		(244.83)
Profit / (Loss) before tax	**(1,142.65)**	**-**	**646.65**	**93.10**	**(402.90)**	**-**	**(402.90)**
Tax expenses							
Current tax	0.05	-	319.46	1.60	321.11		321.11
Deferred tax	-	-	(40.99)	(31.12)	(72.11)		(72.11)
Total tax expense	**0.05**	**-**	**278.47**	**(29.52)**	**249.00**	**-**	**249.00**
Profit / (Loss) after tax before minority interest	**(1,142.70)**	**-**	**368.18**	**122.62**	**(651.90)**	**-**	**(651.90)**

As per our report of even date
For Uberoi Sood & Kapoor
Chartered Accountants
(Firm Registration No.: 001462N)

For and on behalf of the board of directors of
Flemingo Travel Retail Limited
(formerly known as DFS India Private Limited)

S.D. Sharma
Partner
Membership No. 80399

Atul Ahuja
(Director)
DIN-00015713

Ayyaswamy R. Choodamani
(Director)
DIN-00103472

Place: Mumbai
Date: February 11, 2018

Place: Mumbai
Date: February 10, 2018

Proforma financials for the year 2017

Balance Sheet **(Amount in Rs. millions)**

	Flemingo Travel Retail Limited Consolidated	Flemingo Cruise Travel Retail Limited	Flemingo Duty Free India consolidated	Flemingo UK consolidated	Proforma Adjustments			
	As at 31 March 2017	As at 31 December 2016	As at 31 March 2017	As at 31 December 2016	Accounting Policy (Note 1)	Acquisition adjustments (Note 2)	Offering Adjustments (Note 3)	Consolidated
Equity and liabilities								
Shareholders' funds								
Share capital	1.56	0.57	0.51	0.00		(1.08)		1.56
Reserves and surplus	(3,131.74)	0.11	3,562.94	(898.27)		(2,664.78)		(3,131.74)
Minority Interest	(0.47)		675.72	-		(632.22)		43.03
	(3,130.65)	**0.68**	**4,239.17**	**(898.27)**	**-**	**(3,298.08)**	**-**	**(3,087.15)**
Non-current liabilities								
Long term borrowings	1,864.70		933.23	-				2,797.93
Deferred tax liabilities (net)	-		48.20	-				48.20
Trade payables	309.99		-	-				309.99
Other long-term liabilities	4,001.05		166.76	2,466.09				6,633.90
Long-term provisions	14.59		147.10	-				161.69
	6,190.33	**-**	**1,295.29**	**2,466.09**	**-**	**-**	**-**	**9,951.71**
Current liabilities								
Short term borrowings	329.80		2,756.13	805.02				3,890.95
Trade payables			-	-				-
Total outstanding dues of micro and small enterprises	1.32		-	-			-	1.32
Total outstanding dues of creditors other than micro and small enterprises	1,086.47		3,003.68	1,528.91		(54.41)		5,564.65
Other current liabilities	407.69		1,027.19	1,265.71				2,700.59
Payable towwards acquisition liability						22,225.43		22,225.43
Short-term provisions	23.27		261.62	-				284.89
	1,848.55	**-**	**7,048.62**	**3,599.64**	**-**	**22,171.02**	**-**	**34,667.83**
TOTAL	**4,908.23**	**0.68**	**12,583.08**	**5,167.46**	**-**	**18,872.94**	**-**	**41,532.39**
Assets								
Non-current assets								
Fixed assets								-
Property, Plant & Equipment	502.73		919.34	254.39			-	1,676.46
Intangible asset	2.06		33.10	-			-	35.16
Capital work-in-progress	6.49		285.08	-			-	291.57
Non-current investments	-		162.76	-			-	162.76
Goodwill on Consolidation	-		1,088.37	663.47		18,927.35		20,679.19
Loans and advances	2,623.42		466.93	-			-	3,090.35
Deferred Tax Assets (Net)	-		100.40	29.07			-	129.47
Other non-current assets	507.87		115.78	405.73			-	1,029.38
	3,642.57	**-**	**3,171.76**	**1,352.66**	**-**	**18,927.35**	**-**	**27,094.34**
Current assets								
Inventories	832.34		2,800.57	2,699.53			-	6,332.44
Trade receivables	13.32		1,389.41	804.74		(54.41)	-	2,153.06
Cash and bank balances	246.07		1,361.21	188.78			-	1,796.06
Loans and advances	104.20	0.68	3,860.13	121.75			-	4,086.76
Other current assets	69.73		-	-				69.73
	1,265.66	**0.68**	**9,411.32**	**3,814.80**	**-**	**(54.41)**	**-**	**14,438.05**
TOTAL	**4,908.23**	**0.68**	**12,583.08**	**5,167.46**	**-**	**18,872.94**	**-**	**41,532.39**

As per our report of even date
For Uberoi Sood & Kapoor
Chartered Accountants
(Firm Registration No.: 001462N)

For and on behalf of the board of directors of
Flemingo Travel Retail Limited
(formerly known as DFS India Private Limited)

S.D. Sharma
Partner
Membership No. 80399

Place: Mumbai
Date: February 11, 2018

Atul Ahuja
(Director)
DIN-00015713

Ayyaswamy R. Choodamani
(Director)
DIN-00103472

Place: Mumbai
Date: February 10, 2018

Proforma financials for the year 2017

Notes Annexed to Proforma Financials Statements

Segment Reporting **(Amount in Rs. millions)**

Particulars	Indian Sub Continent	Rest of World	UK	Europe	Eliminations	Total
	A	B	C	D	E	A+B+C+D+E
Revenue from operations	14,040.53	3,802.31	12,542.87	8,564.39		38,950.10
Other operating income	108.66	51.01	464.43	33.07		657.17
Total Turnover	**14,149.19**	**3,853.32**	**13,007.30**	**8,597.46**	**-**	**39,607.27**
Cost of goods sold	6,717.57	3,249.89	5,294.93	5,085.29		20,347.68
Occupancy costs (excluding linearisation)	4,862.25	64.78	5,459.99	1,764.25		12,151.26
Employee benefits expense	619.16	268.78	1,386.38	808.57		3,082.90
Other expenses	726.96	227.65	825.31	739.51		2,519.43
Other income	(91.93)	(16.26)	(0.30)	(7.55)		(116.04)
Earnings before interest, tax, linearisation, depreciation, amortization and impairment	**1,315.18**	**58.48**	**40.99**	**207.39**	**-**	**1,622.04**
Linearisation	1,057.49	-	-	-		1,057.49
Depreciation, amortization and impairment expense	226.93	61.45	121.37	128.61		538.36
Share of profit from joint venture	-	(36.65)		-		(36.65)
Finance income	(135.83)	(0.97)	(1.48)	(5.50)		(143.78)
Exchange gain/loss	20.11	5.72	(240.26)	39.20		(175.23)
Finance cost	335.57	91.90	68.26	44.19		539.92
Profit/(loss) before tax & Exceptional Items	**(189.09)**	**(62.97)**	**93.10**	**0.89**	**-**	**(158.07)**
Exceptional items	244.83					244.83
Profit/(loss) before Tax	**(433.92)**	**(62.97)**	**93.10**	**0.89**	**-**	**(402.90)**
Tax expenses						
- Current tax	263.80	46.66	1.60	9.05		321.11
- Deferred tax	(10.29)	6.72	(31.12)	(37.42)		(72.11)
Total tax expense	**253.51**	**53.38**	**(29.50)**	**(28.38)**	**-**	**249.00**
Profit/(loss) after tax before minority interest	**(687.43)**	**(116.35)**	**122.62**	**29.26**		**(651.90)**

As per our report of even date
For Uberoi Sood & Kapoor
Chartered Accountants
(Firm Registration No.: 001462N)

For and on behalf of the board of directors of
Flemingo Travel Retail Limited
(formerly known as DFS India Private Limited)

S.D. Sharma
Partner
Membership No. 80399

Atul Ahuja
(Director)
DIN-00015713

Ayyaswamy R. Choodamani
(Director)
DIN-00103472

Place: Mumbai
Date: February 11, 2018

Place: Mumbai
Date: February 10, 2018

Proforma financials for the year 2017

Notes Annexed to Proforma Financials Statements

Revenue from operations-category wise

Particulars	**Indian Sub Continent**		**Rest of World**		**UK**		**Europe**		**Total**	
	(Rs. in millions)	**%**	**(Rs. in millions)**	**%**	**(Rs. in millions)**	**%**	**(Rs. in millions)**	**%**	**(Rs. in millions)**	**%**
Revenue from operations	14,040.53	100.00%	3,802.31	100.00%	12,542.87	100.00%	8,564.39	100.00%	38,950.10	100.00%
Liquor	9,395.83	66.92%	2,796.48	73.55%	780.54	6.22%	1,228.34	14.34%	14,201.20	36.46%
Food and Candies	1,844.75	13.14%	19.37	0.51%	323.03	2.58%	1,147.04	13.39%	3,334.19	8.56%
Cosmetics and Toiletries	1,280.98	9.12%	507.69	13.35%	1,926.09	15.36%	968.46	11.31%	4,683.22	12.02%
Tobacco Products	1,160.82	8.27%	186.64	4.91%	744.16	5.93%	4,636.13	54.13%	6,727.75	17.27%
Apparels (and Accessories)	-	0.00%	-	0.00%	1,880.31	14.99%	117.20	1.37%	1,997.51	5.13%
Watches and Jewellery	25.55	0.18%	5.27	0.14%	5,405.57	43.10%	103.42	1.21%	5,539.81	14.22%
Others	332.60	2.37%	286.86	7.54%	1,483.17	11.82%	363.80	4.25%	2,466.43	6.34%

As per our report of even date
For Uberoi Sood & Kapoor
Chartered Accountants
(Firm Registration No.: 001462N)

S.D. Sharma
Partner
Membership No. 80399

Place: Mumbai
Date: February 11, 2018

For and on behalf of the board of directors of
Flemingo Travel Retail Limited
(formerly known as DFS India Private Limited)

Atul Ahuja
(Director)
DIN-00015713

Ayyaswamy R. Choodamani
(Director)
DIN-00103472

Place: Mumbai
Date: February 10, 2018

Notes to Proforma Financial Statements as on 31st March, 2017

1. Background

The audited Proforma Financial Statements include the historical combined consolidated financial statements restated to Indian GAAP (where applicable) of Flemingo Dutyfree Shop Private Limited and its subsidiaries, Flemingo Cruise Travel Retail Limited and Flemingo International (UK) Limited and its subsidiaries (collectively referred to as the "Target Companies" hereinafter) proposed to be acquired by Flemingo Travel Retail Limited (the "Company").

2. Basis of preparation

The Proforma Financial Statements of the Company comprising the Proforma Balance sheet as at March 31, 2017 and the Proforma Statement of Profit and Loss for the periods ended March 31, 2017, March 31, 2016 and March 31, 2015 read with the notes to the Proforma Financial Statements, has been prepared as per the request of the Company to reflect the acquisition of the target companies in the Draft Red Herring Prospectus (collectively 'Offer Documents'). Because of their nature, the Proforma Financial Statements addresses a hypothetical situation and, therefore, do not represent Company's actual consolidated financial position or results. They purport to indicate the results of operations that would have resulted had the acquisition been completed at the beginning of the period presented and the consolidated financial position had the acquisition been completed as at the year end, but are not intended to be indicative of expected results or operations in the future periods or the future financial position of the Company. The Proforma adjustments are based upon available information and assumptions that the management of the Company believes to be reasonable. Such Proforma Financial Statements has not been prepared in accordance with the requirements of Regulation S-X of the U.S. Securities and Exchange Commission or generally accepted practice in the United States of America ("U.S."). Accordingly, the degree of reliance placed by U.S. investors on such Proforma information should be limited. In addition, the rules and regulations related to the preparation of Proforma Financial Statements in other jurisdictions may also vary significantly from the basis of preparation as set out in paragraphs below to prepare these Proforma financial statements.

As explained in the following paragraphs, the Proforma balance sheet as at March 31, 2017 has been prepared to reflect the acquisitions by Flemingo Travel Retail Limited of the target companies as at March 31, 2017. The Proforma Statements of Profit and Loss for the periods ended March 31, 2017, March 31, 2016 and March 31, 2015 has been prepared to reflect the combined financial statements of Restated Consolidated Profit and Loss statements of Flemingo Travel Retail Limited and the target companies as if the acquisition had taken place on April 1, 2014. The financial year end of the Company and that of Flemingo Dutyfree Shop Private Limited is March 31 while that of Flemingo Cruise Travel Retail Limited and Flemingo International (UK) Limited is December 31. The adjustments made to the Proforma Financial Statements are included in the following section.

The Proforma Financial Statements is based on the restated consolidated balance sheets and profit and loss account of Flemingo Travel Retail Limited as of and for the year ended March 31, 2017, March 31, 2016 and March 31, 2015 (to be included elsewhere in the Offer Documents) on which other firm of chartered accountants have issued their examination report dated January 31, 2018; and

i. the audited balance sheet and profit and loss account of the target companies prepared in accordance with Indian GAAP for the period ended March 31, 2017, March 31, 2016 and March 31, 2015 in respect of Flemingo Dutyfree Shop Private Limited and December 31, 2016, December 31, 2015 in respect of Flemingo International (UK) Limited and December 31, 2016, December 31, 2015, December 31, 2014 in respect of Flemingo Cruise Travel Retail Limited (regrouped to conform to the presentation followed by Flemingo Travel Retail Limited).

ii. The audited Proforma Financial Statements does not include any adjustment for liabilities or related costs that may result from integration activities, nor do they reflect any adjustments for potential synergies that may result from integration of our and the target companies' operations and activities. Significant liabilities and related costs may ultimately be recorded for costs associated with integrations activities, and there can be no assurance that any synergies will be achieved.

3. Proforma adjustments

The following adjustments have been made to the historical financial statements (as mentioned above) to present the acquired entities consistently with the post-acquisition group structure.

1) The Special Purpose Audited Financial Statements of the target companies were presented as per Indian GAAP. These have been regrouped to conform the presentation to the Flemingo Travel Retail Limited restated financial information.

2) The audited financial statements of the target companies have been adjusted to comply with the Company group accounting policies in all material aspects (collectively referred to as “Group accounting policies”) (to be included elsewhere in the Offer document). These financial statements are prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards specified under Section 133 and other relevant provisions of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended by the Companies (Accounting Standards) Amendment Rules, 2016. No GAAP adjustments have been made to present the audited Proforma condensed consolidated financial statements in accordance with the group accounting policies.

3) Acquisition related adjustments:
   a) As explained above, for purposes of the Proforma Balance Sheet, the acquisition of the target companies was assumed to have taken place as at March 31, 2017. The goodwill has been calculated based on the balance sheet of the target companies as at March 31, 2017 after giving effect to the adjustments described in Note 1 above. The book value of the net assets of the target companies acquired as on March 31, 2017 amounted to Rs. 3,298.08 million. Accordingly, an amount of Rs. 18,927.35 million being the excess of the aggregate of the purchase consideration over its share of net assets acquired has been recognised as goodwill on consolidation under Fixed Assets, based on the principles of AS 21 – “Consolidated Financial Statements”.

   b) The financing of the entire transaction has been done through use of offer proceeds amounting to Rs. 22,225.43 million which shall be used to discharge the purchase consideration as per Definitive Share Purchase Agreements.

4. Use of proceeds

One of the key objects of the proposed offering is to pay for the acquisition related liability as per definitive share purchase agreement, since the Proforma Financial Statements has been prepared for purposes of illustrating the hypothetical impact of the acquisition, no adjustment has been made for the use of proceeds other than acquisition or any related/unrelated share issue expenses.

Other than as mentioned above, no additional adjustments have been made to the audited proforma consolidated balance sheet or the profit and loss statement to reflect any trading results or other transactions of the Company or target companies entered into subsequent to March 31, 2017.

As per our report of even date
For Uberoi Sood & Kapoor
Chartered Accountants
(Firm Registration No.: 001462N)

S.D. Sharma
Partner
Membership No. 80399

Place: Mumbai
Date: February 11, 2018

For and on behalf of the board of directors of
Flemingo Travel Retail Limited
(formerly known as DFS India Private Limited)

Atul Ahuja	**Ayyaswamy R. Choodamani**
(Director)	**(Director)**
DIN-00015713	DIN-00103472

Place: Mumbai
Date: February 10, 2018

Auditors' Report on Examination of Financial Information of

Flemingo International (UK) Limited

The Board of Directors,

Flemingo Travel Retail Limited ("FTRL")

Dear Sirs,

We have examined the special purpose restated consolidated financial statements of Flemingo International (UK) Limited ("**Flemingo UK**") for the financial years ended December 31, 2015 and December 31, 2016 ("**Special Purpose Restated Consolidated Financial Statements**"). The Special Purpose Restated Consolidated Financial Statements of Flemingo UK are based on the statutory financial statements prepared in accordance with local generally accepted accounting principles by Flemingo UK, which were audited by the statutory auditors of Flemingo UK have been restated and reclassified in order to align to Indian GAAP in Indian rupees in line with the policies of FTRL.

As required under Schedule VIII Part A (2) item no. (IX)(B)(5)(a) & (b) of Securities and Exchange Board of India, (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended ("**SEBI ICDR Regulations**"), we have examined the Special Purpose Restated Consolidated Financial Statements and basis those financial statements the relevant portions have been extracted (Summary Statement of Profit and Loss for the financial years ended December 31, 2015 and December 31, 2016 and Summary Statement of Assets and Liabilities as at December 31, 2016) which is contained in the Annexures attached to this report which are proposed to be incorporated in the draft red herring prospectus, red herring prospectus and prospectus ("**Offer Document(s)**") of FTRL in connection with its proposed initial public offering of equity shares ("**IPO**").

We understand that a part of the proceeds of the IPO are proposed to be utilized to acquire 100% equity interest in Flemingo UK and accordingly, extracts of the Special Purpose Restated Consolidated Financial Statements of Flemingo UK will be reproduced in the Offer Document of FTRL in accordance with Schedule VIII Part A (2) item no. (IX)(B)(5)(a) & (b) of the SEBI ICDR Regulations.

Based on our examination of the Special Purpose Restated Consolidated Financial Statements of Flemingo UK provided to us, we certify that:

a. the information provided in the Annexure IA and IB of this report have been extracted from the Special Purpose Restated Consolidated Financial Statements of Flemingo UK and we have made no adjustments to the Special Purpose Restated Consolidated Financial Statements of Flemingo UK while preparing this information in Annexure IA and IB of this report; and

b. the information provided in the Annexure IA and IB of this report have been presented in accordance with the disclosure requirements laid out in Schedule VIII Part A (2) item no. (IX)(B)(5)(a) & (b) of SEBI ICDR Regulations.

If Flemingo UK had been a subsidiary of the Company:

a. the consolidated net loss of the Company would have increased by Rs. 199.90 million and reduced by Rs.122.62 million, for the financial years ended March 31, 2016, and March 31, 2017 respectively;

b. the consolidated assets of the Company would have increased by Rs. 5,167.46 million as at March 31, 2017; and

c. an additional minority interest of NIL would have been recorded as at March 31, 2017 in the consolidated financial statements of the Company.

For UBEROI SOOD & KAPOOR
CHARTERED ACCOUNTANTS
ICAI FIRM REGN. NO.: 001462N

S.D. SHARMA
PARTNER
MEMBERSHIP NO.: 080399

PLACE: Mumbai
DATED: February 7, 2018

Summary Statement of Assets and Liabilities **Annexure-IA**

(Amount in Rs. millions)

Particulars	As at December 31, 2016
Equity and liabilities	
Shareholders' funds	
Share capital	0.00
Reserves and surplus	(898.27)
Non-current liabilities	
Other long-term liabilities	2,466.09
Current liabilities	
Short term borrowings	805.03
Borrowings, current portion	744.79
Trade payables	
Total outstanding dues of micro and small enterprises	
Total outstanding dues of creditors other than micro and small enterprises	1,528.91
Other current liabilities	520.91
TOTAL LIABILITIES	**5,167.46**
Assets	
Non-current assets	
Fixed assets	
Tangible assets	254.39
Goodwill on Consolidation	663.47
Deferred tax assets (net)	29.07
Other non-current assets	405.73
Current assets	
Inventories	2,699.53
Trade receivables	804.74
Cash and bank balances	188.78
Place:	121.75
TOTAL	**5,167.46**

As per our report of even date

For Uberoi Sood & Kapoor
Chartered Accountants
(Firm Registration No.: 001462N)

S.D. Sharma
Partner
Membership No. 80399

Place: Mumbai
Date: February 7, 2018

For and on behalf of Board of Directors of
Flemingo International (UK) Limited

Carlo Bernasconi
Director

Place: London
Date: February 5, 2018

Summary Statement of Profit and Losses **Annexure-IB**

(Amount in Rs. millions)

	For the year ended	
	December 31, 2016	**December 31, 2015**
Income		
Revenue from operations	12,542.87	9,702.39
Other operating income	464.43	512.54
Total Turnover	13,007.30	10,214.93
Other income	1.78	0.13
Total Revenue	13,009.08	10,215.06
Expenditure		
Cost of goods sold	5,294.93	4,085.31
Employee benefits expense	1,386.38	1,292.35
Occupancy costs	5,459.99	4,018.31
Linearisation	-	-
Other expenses	585.05	838.45
Depreciation, amortization and impairment expense	121.37	122.99
Finance costs	68.26	59.65
Share of profit from joint venture	-	-
Profit / (Loss) before Exceptional Items and tax	93.10	(202.00)
Exceptional Items	-	-
Profit / (Loss) before tax	93.10	(202.00)
Income tax expense		
Current tax	1.60	3.48
Deferred tax	(31.12)	(5.58)
Total tax expense	(29.52)	(2.10)
Profit / (Loss) for the year	122.62	(199.90)

As per our report of even date
For Uberoi Sood & Kapoor
Chartered Accountants
(Firm Registration No.: 001462N)

S.D. Sharma
Partner
Membership No. 80399

Place: Mumbai
Date: February 7, 2018

For and on behalf of Board of Directors of
Flemingo International (UK) Limited

Carlo Bernasconi
Director

Place: London
Date: February 5, 2018

Auditors' Report on Examination of Financial Information of

Flemingo Dutyfree Shop Private Limited

The Board of Directors,

Flemingo Travel Retail Limited ("FTRL")

Dear Sirs,

We have examined the Special Purpose Consolidated Financial statements of Flemingo Dutyfree Shop Private Limited ("Flemingo Dutyfree India") for the financial years ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and Consolidated Financial statements for the financial year ended March 31, 2017 (referred to as "financial statements"). These financial statements of Flemingo Dutyfree India have been audited by us and have been prepared under the accounting principles generally accepted in India (IGAAP).

As required under Schedule VIII Part A (2) item no. (IX)(B)(5)(a) & (b) of Securities and Exchange Board of India, (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended ("**SEBI ICDR Regulations**"), we have examined the Special Purpose Consolidated Financial statements of Flemingo Dutyfree Shop Private Limited ("Flemingo Dutyfree India") for the financial years ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016, March 31, 2017 and Consolidated Financial statements for the financial year ended March 31, 2017 and basis those financial statements the relevant portions have been extracted (Summary Statement of Profit and Loss for the financial years ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016, March 31, 2017 and Summary Statement of Assets and Liabilities as at March 31, 2017) which is contained in the Annexures attached to this report which are proposed to be incorporated in the draft red herring prospectus, red herring prospectus and prospectus ("**Offer Document(s)**") of FTRL in connection with its proposed initial public offering of equity shares ("**IPO**").

We understand that a part of the proceeds of the IPO are proposed to be utilized to acquire 100% equity interest in Flemingo Dutyfree India and accordingly, extracts of the Special Purpose Consolidated Financial Statements for the financial years ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and Consolidated Financial statements for the financial year ended March 31, 2017 of Flemingo Dutyfree India will be reproduced in the Offer Document of FTRL in accordance with Schedule VIII Part A (2) item no. (IX)(B)(5)(a) & (b) of the SEBI ICDR Regulations.

Based on our examination of the Special Purpose Consolidated Financial Statements of Flemingo Dutyfree India provided to us, we certify that:

a. the information provided in the Annexure IA and IB of this report have been extracted from the Special Purpose Consolidated Financial Statements for the financial years ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and Consolidated Financial statements for the financial year ended March 31, 2017 of Flemingo Dutyfree India and we have made no adjustments to the Special Purpose Consolidated Financial Statements for the financial years ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and Consolidated Financial statements for the financial year ended March 31, 2017 of Flemingo Dutyfree India while preparing this information in Annexure IA and IB of this report; and

b. the information provided in the Annexure IA and IB of this report have been presented in accordance with the disclosure requirements laid out in Schedule VIII Part A (2) item no. (IX)(B)(5)(a) & (b) of SEBI ICDR Regulations.

If Flemingo Dutyfree India had been a subsidiary of the Company:

a. the consolidated net profit of the Company calculated in accordance with the company's accounting policies under Indian GAAP would have increased by Rs. 209.42 million, Rs. 377.08 million for the financial years ended March 31, 2013, March 31, 2014 respectively and the consolidated net loss of the Company calculated in accordance with the company's accounting policies under Indian GAAP would have reduced by, Rs 472.72 million, Rs. 616.40 million and Rs. 368.18 million, March 31, 2015, March 31, 2016, and March 31, 2017 respectively;

b. the consolidated assets of the Company would have increased by Rs. 12,583.05 million as at March 31, 2017; and

c. an additional minority interest of Rs. 43.50 million would have been recorded as at March 31, 2017 in the consolidated financial statements of the Company.

For UBEROI SOOD & KAPOOR
CHARTERED ACCOUNTANTS
ICAI FIRM REGN. NO.: 001462N

S.D. SHARMA
PARTNER
MEMBERSHIP NO.: 080399

PLACE: Mumbai
DATED: February 11, 2018

Summary Statement of Assets and Liabilities **Annexure IA**

(Amount in Rs. millions)

Particulars	As at March 31, 2017
ASSETS	
Non-Current Assets	
Property, Plant and Equipment	919.33
Capital work-in-progress	285.08
Goodwill	608.91
Other Intangible asset	589.47
Investments in equity accounted investees	162.72
Financial Assets	
(a) Investments	0.05
(b) Loans	44.83
(c) Others Financial Assets	106.16
Deferred Tax Assets (Net)	100.40
Other Non-Current Assets	293.80
Total Non-Current Assets	**3,110.75**
Current Assets	
Inventories	2,800.57
Financial Assets	
(a) Loans	3,263.01
(b) Trade Receivables	1,389.41
(c) Cash and Cash Equivalents	670.47
(d) Other Bank Balances	806.52
(e) Other Financial Assets	39.32
Other Current Assets	489.83
Current Tax Assets (Net)	84.55
Total Current Assets	**9,543.68**
TOTAL ASSETS	**12,654.43**
EQUITY AND LIABILITIES	
EQUITY	
Equity Share Capital	0.51
Other Equity	3,593.31
Equity attributable to equity holders of the parent	**3,593.82**
Non-controlling interests	716.69
Total Equity	**4,310.51**
LIABILITIES	
Non-Current Liabilities	
Financial Liabilities	
(a) Borrowings	933.24
(b) Other Financial Liabilities	166.76
Provisions	147.10
Deferred Tax Liabilities (Net)	48.20
Total Non-Current Liabilities	**1,295.30**
Current Liabilities	
Financial Liabilities	
(a) Borrowings	2,756.13
(b) Trade Payables	3,003.68
(c) Other Financial Liabilities	737.29
Other Current Liabilities	289.90
Provisions	261.62
Total Current Liabilities	**7,048.62**
Total Liabilities	**8,343.92**
TOTAL EQUITY AND LIABILITIES	**12,654.43**

As per our report of even date

For Uberoi Sood & Kapoor
Chartered Accountants
(Firm Registration No.001462N)

S.D. Sharma
Partner
(M.No. 080399)
Place : Mumbai
Date : February 11, 2018

For and on behalf of the Board of Directors
Flemingo Dutyfree Shop Private Limited

Vivek Bhat
Director
DIN: 07140076
Place : Mumbai
Date : February 8, 2018

Summary Statement of Profit and Loss **Annexure IB**

(Amount in Rs. millions)

	For the year ended				
	March 31, 2013	**March 31, 2014**	**March 31, 2015**	**March 31, 2016**	**March 31, 2017**
Income					
Revenue from operations	14,010.69	16,554.80	19,886.75	20,724.28	20,595.44
Other operating income	324.84	73.15	158.12	175.43	274.95
Total Turnover	**14,335.53**	**16,627.95**	**20,044.87**	**20,899.71**	**20,870.39**
Other income	164.83	45.60	153.99	138.81	204.55
Total Revenue	**14,500.36**	**16,673.55**	**20,198.86**	**21,038.52**	**21,074.94**
Expenditure					
Cost of goods sold	8,372.22	9,572.78	12,450.04	12,841.42	12,682.73
Employee benefits expense	1,046.86	1,201.58	1,538.62	1,505.50	1,464.28
Occupancy costs	2,745.23	3,205.62	3,640.23	3,825.00	4,269.07
Linearisation/ Straight lining	-	-	-	16.47	15.33
Other expenses	1,340.15	1,379.38	1,538.92	1,402.32	1,570.27
Depreciation, amortization and impairment expense	439.88	472.90	538.61	473.04	575.16
Finance costs	330.79	182.09	217.19	267.71	249.19
Share of net (profit) of Equity accounted investee	(7.87)	(15.41)	(17.69)	(17.45)	(36.65)
Profit before Exceptional Items and tax	**233.10**	**674.61**	**292.94**	**724.51**	**285.56**
Exceptional Items	48.08	-	201.77	-	-
Profit before tax	**281.18**	**674.61**	**494.71**	**724.51**	**285.56**
Income tax expense					
Current tax	260.62	471.42	312.03	317.57	282.56
Deferred tax	(33.77)	6.69	(16.64)	(1.27)	(40.99)
Total tax expense	**226.85**	**478.11**	**295.39**	**316.30**	**241.57**
Profit / (Loss) for the year as per Ind AS	**54.33**	**196.50**	**199.32**	**408.21**	**43.99**

As per our report of even date
For Uberoi Sood & Kapoor
Chartered Accountants
(Firm Registration No. 001462N)

S.D. Sharma
Partner
Membership No. 80399

Place : Mumbai
Date : February 11, 2018

For and on behalf of the Board of Directors
Flemingo Dutyfree Shop Private Limited

Vivek Bhat
Director
DIN: 07140076

Place: Mumbai
Date : February 8, 2018

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of

Flemingo International (UK) Limited ('Flemingo UK')

Report on the Special purpose restated consolidated financial statements

We have audited the accompanying Special purpose restated consolidated financial statements of **Flemingo International (UK) Limited** in relation to conversion into Indian rupees and restatement in accordance with generally accepted accounting principles in India (Indian GAAP) including reclassifications, on the basis of statutory audited financials audited by statutory auditor of Flemingo UK. This audit of **Flemingo International (UK) Limited** (herein after referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising the Special purpose restated consolidated Balance Sheet as at 31 December, 2015, the Special purpose restated consolidated Statement of Profit and Loss for the period 17 September, 2014 to 31 December, 2015, and other explanatory information has been done in accordance with the terms of our engagement letter dated 8 December, 2017.

Management's Responsibility for the Special purpose restated consolidated financial statements

The management is responsible for the preparation of these Special purpose restated consolidated financial statements that give a true and fair view of the consolidated financial position and consolidated financial performance of the Group in accordance with the accounting principles generally accepted in India. This responsibility also includes design, implementation and maintenance of adequate internal controls relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these Special purpose restated consolidated financial statements based on our audit done on the procedures in accordance with the terms of our engagement letter dated 8 December, 2017 (hereinafter referred to as 'audit').

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India (ICAI). Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Special purpose restated consolidated financial statements.

The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Special purpose restated consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Holding Company's preparation of the Special purpose restated consolidated financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group internal control. An audit also includes evaluating the appropriateness of the accounting policies used, as well as evaluating the overall presentation of the Special purpose restated consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by statutory auditor in terms of their report referred to in Other Matter paragraph below, is sufficient and appropriate to provide a basis for our opinion on the Special purpose restated consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the report of the statutory auditor on consolidated financial statements of the group, the aforesaid Special purpose restated consolidated financial statements give true and fair view of the consolidated state of affairs (financial position) of the Group as at 31 December 2015, and its consolidated loss (financial performance), for the period then ended, in accordance with the accounting principles generally accepted in India.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 2 of the Special purpose restated consolidated financial statements, which describe the basis of accounting.

The Special purpose restated consolidated financial statements are to assist the Board of Directors of Flemingo Travel Retail Limited to meet the requirements of filing of Draft Red Herring Prospectus with Securities and Exchange Board of India in connection with the offer and sale of equity shares of ₹10 each in a public offer in India under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended and the Companies Act, 2013 and to use the proceeds of such offer, to the extent attributable, for the acquisition of the Group. As a result, the Special purpose restated consolidated financial statements may not be suitable for another purpose.

Other Matter

The Group is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in its country and which have been audited by statutory auditor under generally accepted auditing standards applicable in its country. The Company's management has converted to align the consolidated financial statements of the Group from accounting principles generally accepted in its country to accounting principles generally accepted in India. We have audited these conversion, restatements and reclassifications made by the Company's management. Our opinion in so far as it relates to the balances and affairs of the Group is based on the report of the statutory auditor and the conversion, restatements and reclassifications prepared by the Management of the company and procedures audited by us.

Our opinion above on the Special purpose restated consolidated financial statements is not modified in respect of the above matter with respect to our reliance on the work done and the report of the statutory auditor.

For UBEROI SOOD & KAPOOR
CHARTERED ACCOUNTANTS
(Firm Registration No. 001462N)

S.D. SHARMA
PARTNER
(M. No.80399)

Place: Mumbai
Date: February 7, 2018

Flemingo International (UK) Limited
Special Purpose Restated Consolidated Balance Sheet as at 31st December 2015

	Notes	31-Dec-15 ₹ in lakhs
Equity and liabilities		
Shareholders' funds		
Share capital	3	0.00
Reserves and surplus	4	(3,481.43)
		(3,481.43)
Non-current liabilities		
Long term borrowings	5	3,331.33
Other long-term liabilities	6	21,117.04
		24,448.37
Current liabilities		
Short term borrowings	7	5,611.93
Trade payables	8	
Total outstanding dues of micro and small enterprises		-
Total outstanding dues of creditors other than micro and small enterprises		14,143.66
Other current liabilities	9	9,988.63
		29,744.22
TOTAL		**50,711.16**
Assets		
Non-current assets		
Tangible Assets		
Fixed assets		
Property, Plant & Equipment	10	2,809.22
Goodwill on consolidation		7,821.83
Deferred tax Asset (net)	11	6.87
Other non-current assets	12	3,986.52
		14,624.44
Current assets		
Inventories	13	27,929.90
Trade receivables	14	6,582.35
Cash and bank balances	15	1,144.89
Loans and advances	16	429.58
		36,086.72
TOTAL		**50,711.16**

The accompanying notes (1-24) are an integral part of the Special Purpose Consolidated Financial Statements.

As per our report of even date
For Uberoi Sood & Kapoor
Chartered Accountants
(Firm Registration No.: 001462N)

S.D. Sharma
Partner
Membership No. 80399

Place: Mumbai
Date: February 7, 2018

For and on behalf of Board of Directors of
Flemingo International (UK) Limited

Carlo Bernasconi
Director

Place: London
Date: February 5, 2018

Flemingo International (UK) Limited

Special Purpose Restated Consolidated Statement of profit and loss for the period 17 September 2014 to 31 December 2015

	Notes	17 Sep 14 - 31 Dec 15 ₹ in lakhs
Income		
Revenue from operations	17	102,149.34
Other income	18	1.29
Total revenue		**102,150.63**
Expenses		
Cost of goods sold	19	40,853.05
Employee benefits expense	20	12,923.49
Occupancy costs		40,183.10
Other expenses	21	8,384.65
Total		**102,344.29**
Earnings before interest, tax, depreciation and amortization (EBITDA) and before exceptional items		**(193.64)**
Depreciation and amortization expense	10	1,229.89
Finance costs	22	596.51
Profit/(Loss) before tax		**(2,020.04)**
Tax expenses		
Current tax		34.79
Deferred tax	11	(55.84)
Total tax expense		**(21.05)**
Profit/(Loss) after tax		**(1,998.99)**

The accompanying notes (1-24) are an integral part of the Special Purpose Consolidated Financial Statements.

As per our report of even date
For Uberoi Sood & Kapoor
Chartered Accountants
(Firm Registration No.: 001462N)

S.D. Sharma
Partner
Membership No. 80399

Place: Mumbai
Date: February 7, 2018

For and on behalf of Board of Directors of
Flemingo International (UK) Limited

Carlo Bernasconi
Director

Place: London
Date: February 5, 2018

1. Corporate information

Flemingo International (UK) Limited ("the Company") is incorporated under the laws of United Kingdom, having its registered office at Avonmouth Way, Avonmouth, Bristol BS11 8DD and is engaged in the operation of duty free shops at cruise ships.

2 Significant accounting policies

(a) Basis of preparation

The special purpose restated consolidated financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). These financials have been converted into Indian rupees(INR) and restated in accordance with Indian GAAP and reclassification performed, basis statutory audited financials in Great British Pound(GBP).

The special purpose restated consolidated balance sheet has been converted from GBP into INR on the basis of closing rates and special purpose restated consolidated statement of profit and loss has been converted on the basis of annual average rates.

3 Share capital

	31-Dec-15 ₹ in lakhs
Issued, subscribed and fully paid-up shares	
1 ordinary share of GBP 1	0.00
	0.00

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Ordinary shares

	31-Dec-15	
	No. of shares	₹ in lakhs
At the beginning of the year	1	0.00
Outstanding at the end of the year	**1**	**0.00**

b. Shares held by holding company and its subsidiaries

Particulars	31-Dec-15	
	No. of shares	% holding in the class
Ordinary Shares of GBP 1 fully paid up		
Flemingo International (BVI) Limited	1	100%

4 Reserves and surplus

	31-Dec-15 ₹ in lakhs
Deficit in the statement of profit and loss	
Profit/(loss) for the period	(1,998.99)
Net deficit in the statement of profit and loss	(1,998.99)
Foreign currency translation reserve	(1,482.44)
Total reserves and surplus	**(3,481.43)**

5 Long term borrowings (Secured)

	31-Dec-15 ₹ in lakhs
Term loans	
Loan from banks (secured)*	3,331.33
	3,331.33

*The bank loan is provided with interest rate equal to 3 month LIBOR plus a margin, where margin is 4% in year one, 3.5% in year two, 2.5% thereafter.It has a repayment schedule of 18 equal quarterly installments starting from November 2015.

The bank loan is secured by a second charge over the assets of Harding Brothers Retail Limited, a corporate guarantee from the parent, and a first charge over the share capital of Harding Brothers Retail Limited

6 Other long-term liabilities

	31-Dec-15 ₹ in lakhs
Other liabilities	224.04
Dues to related party	20,893.00
	21,117.04

7 Short term borrowings

	31-Dec-15 ₹ in lakhs
Loan repayable on demand:	
Bank revolving credit*	4,425.67
Bank overdraft*	1,186.26
	5,611.93

*The bank revolving credit facility is repaid and drawn down monthly, with an interest rate dependent on LIBOR and the gearing ratio of Harding Brothers Holding Limited. It is a committed facility renewed in May 2016 for a term of three years

The bank overdraft and revolving credit is secured by a first charge over the assets of Harding Brothers Holdings Limited group and a second charge over the share capital of Harding Brothers Retail Limited.

8 Trade Payables

	31-Dec-15 ₹ in lakhs
Trade Payables	
Total outstanding dues of micro enterprises and small enterpr	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	14,143.66
	14,143.66

9 Other current liabilities

Current maturities of long term debt (Refer note 5)	6,238.17
Other Creditors	1,641.59
Accrued expenses	1,773.86
Statutory dues payable	335.01
	9,988.63

Flemingo International (UK) Limited

Notes to special purpose restated consolidated financial statements for the year ended 31 December 2015

10 Property, Plant and Equipment

(₹ in lakhs)

Property, Plant & Equipment	Computers & Office Equipment	Furniture & Fittings	Improvements to Property	Plant and Machinery	Shop fixtures & fittings	Total
Cost or valuation						
At 17 September 2014		-	-	-	-	
Additions / Adjustments	153.07	20.22	-	19.47	2,461.77	2,654.53
Acquisition of subsidiary	532.70	29.06	9.97	32.58	789.07	1,393.38
	685.77	**49.28**	**9.97**	**52.05**	**3,250.84**	**4,047.91**
Disposals / Adjustments	(1.86)	(0.02)	-	(2.82)	(8.31)	(13.01)
At 31 December 2015	**683.91**	**49.26**	**9.97**	**49.23**	**3,242.53**	**4,034.90**
Depreciation/Ammortisation						
At 17 September 2014	-	-	-	-	-	-
Charge for the period	487.31	17.45	2.29	24.32	698.52	1,229.89
Eliminatted on disposal	(0.10)	-	-	(0.18)	(5.09)	(5.37)
	487.21	**17.45**	**2.29**	**24.14**	**693.43**	**1,224.52**
Foreign currency translation reserve	(0.38)	0.03	0.01	(0.05)	1.55	1.16
At 31 December 2015	**486.83**	**17.48**	**2.30**	**24.09**	**694.98**	**1,225.68**
Net Block						
At 31 December 2015	**197.08**	**31.78**	**7.67**	**25.14**	**2,547.55**	**2,809.22**

11 Deferred tax asset (net)

	31-Dec-15
	₹ in lakhs
Deferred tax liability on acquisition of subsidiary	49.09
Less: Deferred tax asset during the period	(55.84)
Less: Foreign currency translation reserve	(0.12)
Closing deferred tax (asset)/liability	(6.87)

12 Other non-current assets

	31-Dec-15
	₹ in lakhs
Margin money deposit	
Bank Deposit with maturity more than 12 Months (Deposits as margin money with maturity period less than 12 Months on which banks have marked a lien for facilities and are liable to be encashed	3,986.52
	3,986.52

13 Inventories

	31-Dec-15
	₹ in lakhs
Traded goods*	27,929.90
	27,929.90

*The total stock is pledged as security for the bank overdraft, revolving credit and the bank loan.

14 Trade receivables

	31-Dec-15
	₹ in lakhs
Trade receivables	
Unsecured, considered good	6,582.35
	6,582.35

15 Cash and bank balances

	31-Dec-15
	₹ in lakhs
Cash and cash equivalents	
Balance with banks:	
On current accounts	1,133.68
Cash Balance on hand	11.21
	1,144.89

16 Loans and advances

	31-Dec-15
	₹ in lakhs
Prepaid expenses	429.58
	429.58

17 Revenue from operations

	17 Sep 14 - 31 Dec 15 ₹ in lakhs
Revenue from operations	
Sale of products	
Traded goods	97,023.91
Contract services	5,125.43
	102,149.34

18 Other income

	17 Sep 14 - 31 Dec 15 ₹ in lakhs
Interest income (gross)	1.29
	1.29

19 Cost of goods sold

	17 Sep 14 - 31 Dec 15 ₹ in lakhs
Inventory acquired on acquisition of subsidiary	23,670.16
Add: Purchases during the period	45,112.79
	68,782.95
Less: Inventory at the end of the year	27,929.90
Cost of goods sold	**40,853.05**

20 Employee benefits expense

	17 Sep 14 - 31 Dec 15 ₹ in lakhs
Salaries, wages and bonus	11,895.63
Contribution to provident and other fund	1,027.86
	12,923.49

21 Other expenses

	17 Sep 14 - 31 Dec 15 ₹ in lakhs
Electricity charges	30.17
Repairs and maintenance:	
Buildings	
Others	444.44
Advertising and sales promotion	50.23
Payment to auditor	53.97
Bank charges including credit card commission	143.98
Communication costs	115.04
Exchange Loss, net	1,663.91
Insurance	510.54
Legal and professional fees	730.18
Recruitment fees	263.79
Travelling and conveyance	1,502.47
Miscellaneous expenses	76.11
Shop design & marketing	979.85
Victualling costs	1,006.65
Rent	420.77
Rates and water	60.31
Loss on sale of tangible fixed assets	3.16
Bad debts	10.81
Post & Stationery	149.16
Medical expenses	128.34
Clothing	40.77
Cleaning and refuse collection	-
	8,384.65

Payment to auditor	**17 Sep 14 - 31 Dec 15** ₹ in lakhs
As auditor (including service tax):	
Audit fee	49.55
Tax audit fee	4.42
	53.97

22 Finance costs

	17 Sep 14 - 31 Dec 15 ₹ in lakhs
Bank Interest	596.51
	596.51

23 Acquisition of Subsidiary

On November 17, 2014, the company acquired Harding Brothers Newco Limited, the analysis of which is as follows:

Particulars	**₹in lakhs**
Cash and cash equivalents	1,189.18
Working Capital (excluding inventory)	(10,512.97)
Inventory	23,339.48
Net Fixed Assets	1,371.09
Net assets taken over	**15,386.78**
Purchase consideration	23,082.10
Goodwill on consolidation	**7,695.32**

Purchase consideration	
Cash	15,383.87
Put options	6,972.53
Deferred consideration	725.70
Purchase consideration	**23,082.10**

24 This is the first year of operations of the company and hence, previous years' figures are not applicable.

As per our report of even date
For Uberoi Sood & Kapoor
Chartered Accountants
(Firm Registration No.: 001462N)

S.D. Sharma
Partner
Membership No. 80399

Place: Mumbai
Date: February 7, 2018

For and on behalf of Board of Directors of
Flemingo International (UK) Limited

Carlo Bernasconi
Director

Place: London
Date: February 5, 2018

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of

Flemingo International (UK) Limited ('Flemingo UK')

Report on the Special purpose restated consolidated financial statements

We have audited the accompanying Special purpose restated consolidated financial statements of **Flemingo International (UK) Limited** in relation to conversion into Indian rupees and restatement in accordance with generally accepted accounting principles in India (Indian GAAP) including reclassifications, on the basis of statutory audited financials audited by statutory auditor of Flemingo UK. This audit of **Flemingo International (UK) Limited** (herein after referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising the Special purpose restated consolidated Balance Sheet as at 31 December, 2016, the Special purpose restated consolidated Statement of Profit and Loss for the year then ended, and other explanatory information has been done in accordance with the terms of our engagement letter dated 8 December, 2017.

Management's Responsibility for the Special purpose restated consolidated financial statements

The management is responsible for the preparation of these Special purpose restated consolidated financial statements that give a true and fair view of the consolidated financial position and consolidated financial performance of the Group in accordance with the accounting principles generally accepted in India. This responsibility also includes design, implementation and maintenance of adequate internal controls relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these Special purpose restated consolidated financial statements based on our audit done on the procedures in accordance with the terms of our engagement letter dated 8 December, 2017(hereinafter referred to as 'audit').

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India (ICAI). Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Special purpose restated consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Special purpose restated consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Holding Company's preparation of the Special purpose restated consolidated financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group internal control.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the management of the company, as well as evaluating the overall presentation of the Special purpose restated consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by statutory auditor in terms of their report referred to in Other Matter paragraph below, is sufficient and appropriate to provide a basis for our opinion on the Special purpose restated consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the report of the statutory auditor on consolidated financial statements of the group, the aforesaid Special purpose restated consolidated financial statements give true and fair view of the consolidated state of affairs (financial position) of the Group as at 31 December 2016, and its consolidated profit (financial performance), for the year then ended, and other explanatory information has been done in accordance with the terms of our engagement letter dated 8 December, 2017.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 2 of the Special purpose restated consolidated financial statements, which describe the basis of accounting.

The Special purpose restated consolidated financial statements are to assist the Board of Directors of Flemingo Travel Retail Limited to meet the requirements of filing of Draft Red Herring Prospectus with Securities and Exchange Board of India in connection with the offer and sale of equity shares of ₹10 each in a public offer in India under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended and the Companies Act, 2013 and to use the proceeds of such offer, to the extent attributable, for the acquisition of the Group. As a result, the Special purpose restated consolidated financial statements may not be suitable for another purpose.

Other Matter

The Group is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in its country and which have been audited by statutory auditor under generally accepted auditing standards applicable in its country. The Company's management has converted to align the consolidated financial statements of the Group from accounting principles generally accepted in its country to accounting principles generally accepted in India. We have audited these conversion, restatements and reclassifications made by the Company's management. Our opinion in so far as it relates to the balances and affairs of the Group is based on the report of the statutory auditor and the conversion, restatements and reclassifications prepared by the Management of the company and procedures audited by us.

Our opinion above on the Special purpose restated consolidated financial statements is not modified in respect of the above matter with respect to our reliance on the work done and the report of the statutory auditor.

For UBEROI SOOD & KAPOOR
CHARTERED ACCOUNTANTS
(Firm Registration No. 001462N)

S.D. SHARMA
PARTNER
(M. No.080399)

Place: Mumbai
Date: February 7, 2018

Flemingo International (UK) Limited
Special Purpose Restated Consolidated Balance Sheet as at 31st December 2016

	Notes	31 December 2016 ₹in lakhs	31 December 2015 ₹in lakhs
Equity and liabilities			
Shareholders' funds			
Share capital	3	0.00	0.00
Reserves and surplus	4	(8,982.66)	(3,481.43)
		(8,982.66)	**(3,481.43)**
Non-current liabilities			
Long term borrowings	5	-	3,331.33
Other long-term liabilities	6	24,660.90	21,117.04
		24,660.90	**24,448.37**
Current liabilities			
Short term borrowings	7	8,050.23	5,611.93
Trade payables	8		
Total outstanding dues of micro and small enterprises		-	-
Total outstanding dues of creditors other than micro and small enterprises		15,289.15	14,143.66
Other current liabilities	9	12,656.93	9,988.64
		35,996.30	**29,744.23**
TOTAL		**51,674.55**	**50,711.16**
Assets			
Non-current assets			
Tangible assets			
Fixed assets			
Property, Plant & Equipment	10	2,543.91	2,809.22
Goodwill on consolidation		6,634.66	7,821.83
Deferred tax Asset (net)		290.66	6.87
Other non-current assets	11	4,057.35	3,986.52
		13,526.58	**14,624.44**
Current assets			
Inventories	12	26,995.33	27,929.90
Trade receivables	13	8,047.37	6,582.35
Cash and bank balances	14	1,887.79	1,144.89
Loans and advances	15	1,217.49	429.58
		38,147.97	**36,086.72**
TOTAL		**51,674.55**	**50,711.16**

The accompanying notes (1-22) are an integral part of the Special Purpose Consolidated Financial Statements.

As per our report of even date
For Uberoi Sood & Kapoor
Chartered Accountants
(Firm Registration No.: 001462N)

S.D. Sharma
Partner
Membership No. 80399

Place: Mumbai
Date: February 7, 2018

-

For and on behalf of Board of Directors of
Flemingo International (UK) Limited

Carlo Bernasconi
Director

Place: London
Date: February 5, 2018

Flemingo International (UK) Limited

Special Purpose Restated Consolidated Statement of profit and loss for the year ended 31 December 2016

	Notes	31 December 2016 ₹in lakhs	31 December 2015 ₹in lakhs
Income			
Revenue from operations	16	130,073.05	102,149.34
Other income	17	17.80	1.29
Total revenue		**130,090.85**	**102,150.63**
Expenses			
Cost of goods sold	18	52,949.31	40,853.05
Employee benefits expense	19	13,863.83	12,923.49
Occupancy costs		54,599.88	40,183.10
Other expenses	20	5,850.55	8,384.65
Total		**127,263.57**	**102,344.29**
Earnings before interest, tax, depreciation and amortization (EBITDA) and before exceptional items		**2,827.28**	**(193.64)**
Depreciation and amortization expense	10	1,213.74	1,229.89
Finance costs	21	682.55	596.51
Profit/(loss) before tax		**930.99**	**(2,020.04)**
Tax expenses			
Current tax		15.93	34.79
Deferred tax		(311.16)	(55.84)
Total tax expense		**(295.23)**	**(21.05)**
Profit/(loss) after tax		**1,226.22**	**(1,998.99)**

The accompanying notes (1-22) are an integral part of the Special Purpose Consolidated Financial Statements.

As per our report of even date
For Uberoi Sood & Kapoor
Chartered Accountants
(Firm Registration No.: 001462N)

S.D. Sharma
Partner
Membership No. 80399

Place: Mumbai
Date: February 7, 2018

For and on behalf of Board of Directors of
Flemingo International (UK) Limited

Carlo Bernasconi -
Director

Place: London
Date: February 5, 2018

1. Corporate information

Flemingo International (UK) Limited ("the Company") is incorporated under the laws of United Kingdom, having its registered office at Avonmouth Way, Avonmouth, Bristol BS11 8DD and is engaged in the operation of duty free shops at cruise ships.

2 Significant accounting policies

(a) Basis of preparation

The special purpose restated consolidated financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). These financials have been converted into Indian rupees(INR) and restated in accordance with Indian GAAP and reclassification performed, basis statutory audited financials in Great British Pound(GBP).

The special purpose restated consolidated balance sheet has been converted from GBP into INR on the basis of closing rates and special purpose restated consolidated statement of profit and loss has been converted on the basis of annual average rates.

3 Share capital

	31 December 2016 ₹in lakhs	31 December 2015 ₹in lakhs
Issued, subscribed and fully paid-up shares		
1 ordinary share of GBP 1	0.00	0.00
	0.00	**0.00**

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Ordinary shares

	31 December 2016		31 December 2015	
	No. of shares	₹in lakhs	No. of shares	₹in lakhs
At the beginning of the year	1	0	1	0
Outstanding at the end of the year	**1**	**0**	**1**	**0**

b. Shares held by holding company

Particulars	31-Dec-16		31-Dec-15	
	No. of shares	% holding in the class	No. of shares	% holding in the class
Ordinary Share of GBP 1 fully paid up Flemingo International (BVI) Limited	1	100%	1	100%

4	**Reserves and surplus**	**31 December 2016 ₹in lakhs**	**31 December 2015 ₹in lakhs**
	Deficit in the statement of profit and loss		
	Balance at the beginning of the year	(3,481.43)	-
	Add:Profit/(loss) for the year	1,226.22	(1,998.99)
	Foreign currency translation reserve for the year	625.83	(1,482.44)
	Foreign currency translation reserve adjusted in UK GAAP	(7,353.28)	-
	Net deficit in the statement of profit and loss	(8,982.66)	(3,481.43)

5	**Long term borrowings (Secured)**	**31 December 2016 ₹in lakhs**	**31 December 2015 ₹in lakhs**
	Term loans		
	Loan from banks (secured)*	-	3,331.33
		-	**3,331.33**

*The bank loan is provided with interest rate equal to 3 month LIBOR plus a margin, where margin is 4% in year one, 3.5% in year two, 2.5% thereafter.It has a repayment schedule of 18 equal quarterly installments starting from November 2015.

The bank loan is secured by a second charge over the assets of Harding Brothers Retail Limited, a corporate guarantee from the parent, and a first charge over the share capital of Harding Brothers Retail Limited.

6	**Other long-term liabilities**	**31 December 2016 ₹in lakhs**	**31 December 2015 ₹in lakhs**
	Accrual and other liabilities	314.42	224.04
	Dues to related parties	24,346.48	20,893.00
		24,660.90	**21,117.04**

7 Short term borrowings

	31 December 2016 ₹in lakhs	31 December 2015 ₹in lakhs
Loan repayable on demand:		
Bank revolving credit**	7,925.01	4,425.67
Bank overdraft***	125.22	1,186.26
	8,050.23	**5,611.93**

**The revolving credit facility is repaid and drawn down monthly, with an interest rate dependent on LIBOR and the gearing ratio of Harding Brothers Holding Limited. It is a committed facility renewed in May 2016 for a term of three years.
During the year covenant terms have not been met for the bank revolving credit facility when the rolling 12 month EBITDA total dropped below the contractual minimum in proportion to the total borrowings. The rolling 12 month EBITDA also fell below the required multiplier to cover interest due. The terms of the loan have been renegotiated to make available the full amount over a longer period.
***The bank overdraft is secured by a first charge over the assets of Harding Brothers Holdings Limited group and a second charge over the assets of Harding Brothers Retail Limited, a corporate guarantee from the parent, and a first charge over the share capital of Harding Brothers Retail Limited.

8 Trade Payables

	31 December 2016 ₹in lakhs	31 December 2015 ₹in lakhs
Trade Payables		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	15,289.15	14,143.66
	15,289.15	**14,143.66**

9 Other current liabilities

	31 December 2016 ₹in lakhs	31 December 2015 ₹in lakhs
Current maturities of long-term borrowings (Note 7)	7,447.87	6,238.17
Other payables	3,758.78	1,641.59
Accruals	971.51	1,773.86
Accrued Income Tax	8.54	-
Statutory dues payable	470.23	335.01
	12,656.93	**9,988.63**

10 Property, Plant and Equipment and Intangible assets

₹in lakhs

Property, Plant & Equipment

	Computers & Office Equipment	Furniture & Fittings	Improvements to Property	Plant and Machinery	Shop fixtures & fittings	Total
Cost or valuation						
At 1 January 2016	683.91	49.26	9.97	49.23	3,242.53	4,034.90
Additions / Adjustments	102.09	23.02	3.66	3.19	1,139.69	1,271.65
	786.00	**72.28**	**13.63**	**52.42**	**4,382.22**	**5,306.55**
Exchange difference	(101.68)	(5.88)	(1.51)	(7.33)	(492.14)	(608.54)
Disposals / Adjustments	(11.95)	-	-	-	(6.50)	(18.45)
Reclassification/transfer	171.23	-	-	5.01	-	176.24
At 31 December 2016	**843.60**	**66.40**	**12.12**	**50.10**	**3,883.58**	**4,855.80**
Depreciation/Ammortisation						
At 1 January 2016	486.83	17.48	2.30	24.09	694.98	1,225.68
Charge for the year	135.07	14.44	2.57	6.93	1,054.72	1,213.73
Eliminatted on disposal	(11.74)	-	-	-	(6.50)	(18.24)
	610.16	**31.92**	**4.87**	**31.02**	**1,743.20**	**2,421.17**
Reclassification/transfer	171.23	-	-	5.01	-	176.24
Exchange differences	(82.81)	(3.52)	(0.45)	(4.04)	(194.70)	(285.52)
At 31 December 2016	**698.58**	**28.40**	**4.42**	**31.99**	**1,548.50**	**2,311.89**
Net Block						
At 31 December 2016	**145.02**	**38.00**	**7.70**	**18.11**	**2,335.08**	**2,543.91**
At 31 December 2015	**197.08**	**31.78**	**7.67**	**25.14**	**2,547.55**	**2,809.22**

11	Other non-current assets	31 December 2016 ₹in lakhs	31 December 2015 ₹in lakhs
	Margin money deposits		
	Bank Deposit with maturity more than 12 Months	4,057.35	3,986.52
	(Deposits as margin money with maturity period less than 12 Months on which banks have marked a lien for facilities and are liable to be encashed on demand)		
		4,057.35	**3,986.52**

12	Inventories	31 December 2016 ₹in lakhs	31 December 2015 ₹in lakhs
	Traded goods*	26,995.33	27,929.90
		26,995.33	**27,929.90**

* The total stock value is pledged as security for the bank overdraft, revolving credit and the bank loan.

13	Trade receivables	31 December 2016 ₹in lakhs	31 December 2015 ₹in lakhs
	Trade receivables		
	Unsecured, considered good	8,047.37	6,582.35
		8,047.37	**6,582.35**

14	Cash and bank balances	31 December 2016 ₹in lakhs	31 December 2015 ₹in lakhs
	Cash and cash equivalents		
	Balance with banks:		
	On current accounts	1,877.24	1,133.68
	Cash Balance on hand	10.55	11.21
		1,887.79	**1,144.89**

15	Loans and advances	31 December 2016 ₹in lakhs	31 December 2015 ₹in lakhs
	Unsecured, considered good		
	Other receivables	620.56	-
	Advance income-tax	-	-
	Prepaid expenses	596.93	429.58
		1,217.49	**429.58**

16	Revenue from operations	31 December 2016 ₹in lakhs	17 Sep 14 - 31 Dec 15 ₹in lakhs
	Revenue from operations		
	Sale of products/Services		
	Traded Goods	125,428.74	97,023.91
	Contract services	4,644.31	5,125.43
		130,073.05	102,149.34

17	Other income	31 December 2016 ₹in lakhs	17 Sep 14 - 31 Dec 15 ₹in lakhs
	Interest income(gross) on:		
	Security deposit	14.75	-
	Other non-operating income	3.05	1.29
		17.80	**1.29**

18	Cost of goods sold	31 December 2016 ₹in lakhs	17 Sep 14 - 31 Dec 15 ₹in lakhs
	Inventory at the beginning of the year	27,929.90	-
	Add: Purchases	52,014.74	68,782.95
		79,944.64	68,782.95
	Less: Inventory at the end of the year	26,995.33	27,929.90
	Cost of goods sold	**52,949.31**	**40,853.05**

19	Employee benefits expense	31 December 2016 ₹in lakhs	17 Sep 14 - 31 Dec 15 ₹in lakhs
	Salaries, wages and bonus	13,146.58	11,895.63
	Contribution to provident and other fund	717.25	1,027.86
		13,863.83	**12,923.49**

20 Other expenses	31 December 2016 ₹in lakhs	17 Sep 14 - 31 Dec 15 ₹in lakhs
Electricity charges	28.20	30.17
Repairs and maintenance:		
Others	1,359.56	444.44
Advertising and sales promotion	59.89	50.23
Payment to auditor	69.88	53.97
Bank charges including credit card commission	123.18	143.98
Communication costs	126.01	115.04
Exchange (gain)/Loss, net	(2,402.58)	1,663.91
Insurance	492.31	510.54
Legal and professional fees	248.84	730.18
Rent/Leases	349.79	420.77
Clothing	89.71	40.77
Rates and water	51.06	60.31
Medical services	246.10	128.34
Bad Debts and Sundry balances Written Off	47.00	10.81
Postage and stationery	174.83	149.16
Recruitment fees	325.24	263.79
Travelling and conveyance	1,806.25	1,502.47
Miscellaneous expenses	128.69	76.11
Shop design and marketing	1,008.78	979.85
Motor expenses	8.09	-
Victualling costs	1,509.50	1,006.65
Profit/loss on sale of tangible fixed assets	0.22	3.16
	5,850.55	**8,384.65**

Payment to auditor	**31 December 2016** ₹in lakhs	**17 Sep 14 - 31 Dec 15** ₹in lakhs
As auditor (including service tax):		
Audit fee	60.13	49.55
Tax audit fee	7.02	4.42
In other capacity:	-	-
Certification fee & Other services	2.73	-
	69.88	**53.97**

21	**Finance costs**	**31 December 2016** ₹in lakhs	**17 Sep 14 - 31 Dec 15** ₹in lakhs
	Bank Interest	682.55	596.51
		682.55	**596.51**

22 Acquisition of Subsidiary

On November 17, 2014, the company acquired Harding Brothers Newco Limited, the analysis of which is as follows:

Particulars	**₹in lakhs**
Cash and cash equivalents	1,189.18
Working Capital (excluding inventory)	(10,512.97)
Inventory	23,339.48
Net Fixed Assets	1,371.09
Net assets taken over	**15,386.78**
Purchase consideration	23,082.10
Goodwill/(bargain gain) on consolidation	**7,695.32**

Purchase consideration	
Cash	15,383.87
Put options	6,972.53
Deferred consideration	725.70
Purchase consideration	**23,082.10**

As per our report of even date
For Uberoi Sood & Kapoor
Chartered Accountants
(Firm Registration No.: 001462N)

S.D. Sharma
Partner
Membership No. 80399

Place: Mumbai
Date: February 7, 2018

For and on behalf of Board of Directors of
Flemingo International (UK) Limited

Carlo Bernasconi
Director

Place: London
Date: February 5, 2018

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Flemingo Dutyfree Shop Private Limited

Report on the Special purpose restated consolidated financial statements

We have audited the accompanying Special purpose restated consolidated financial statements of **Flemingo Dutyfree Shop Private Limited** (herein after referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate, comprising the Special purpose restated consolidated Balance Sheet as at 31 March, 2015, the Special purpose restated consolidated Statement of Profit and Loss and other explanatory information (herein referred to as "Special purpose restated consolidated financial statements") in accordance with the terms of our engagement letter dated 8 December, 2017.

Management's Responsibility for the Special purpose restated consolidated financial statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these Special purpose restated consolidated financial statements based on our audit.

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

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

We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their report and/or certified by the management referred to in Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Special purpose restated consolidated financial statements.

Opinion

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

Other Matter

We did not audit the financial statements / financial information of 43 subsidiaries and associate. These financial statements / financial information have been audited by other auditors and/or certified by the management and our opinion on the Special purpose restated consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, is based solely on the reports of the other auditors and/or certified by the management.

Some of these subsidiaries and associate are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries and associate located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries and associate located outside India is based on the report of other auditors and the conversion adjustments prepared by the Management of the company and audited by us.

Our opinion above on the Special purpose restated consolidated financial statements, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors and the financial statements/financial information certified by the management.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 2 to the Special purpose restated consolidated financial statements, which describes the basis of accounting.

The Special purpose restated consolidated financial statements are to assist the Board of Directors of Flemingo Travel Retail Limited to meet the requirements of filing of Draft Red Herring Prospectus with Securities and Exchange Board of India in connection with the offer and sale of equity shares of ₹10 each in a public offer in India under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended and the Companies Act, 2013 and to use the proceeds of such offer, to the extent attributable, for the acquisition of the Group. As a result, the Special purpose restated consolidated financial statements may not be suitable for another purpose.

For UBEROI SOOD & KAPOOR
CHARTERED ACCOUNTANTS
(Firm Registration No. 001462N)

S.D. SHARMA
PARTNER
(M. No.080399)

Place: Mumbai
Date: February 11, 2018

FLEMINGO DUTYFREE SHOP PRIVATE LIMITED
SPECIAL PURPOSE RESTATED CONSOLIDATED BALANCE SHEET AS AT 31 March 2015

		₹ In Millions
	NOTE	**31-Mar-15**
EQUITY AND LIABILITIES		
Shareholders' Funds		
Share Capital	3	0.51
Reserves & Surplus	4	2,773.37
Minority Interest		108.30
		2,882.18
Non-current liabilities		
Long Term Borrowings	5	419.20
Deferred Tax Liabilities (Net)	6	226.25
Other Long Term Liabilities	7	119.06
Long Term Provisions	8	98.62
		863.13
Current liabilities		
Short-Term Borrowings	9	2,564.52
Trade Payables	10	997.85
Other Current Liabilities	11	1,416.89
Short-Term Provisions	12	167.52
Current liabilities from discontinued operations		1,417.10
		6,563.88
Total Equity and Liabilities		**10,309.19**
ASSETS		
Non-Current Assets		
Fixed Assets		
Property, Plant & Equipment	26	1,109.79
Intangible Assets	26	128.38
Capital Work-in-Progress		66.95
Goodwill on Consolidation		1,060.12
Non Current Investments	13	124.31
Deferred Tax Assets (Net)	6	83.11
Long-Term Loans and Advances	14	155.33
Other Non Current Assets	15	63.39
		2,791.38
Current Assets		
Inventories	16	2,859.67
Trade Receivables	17	1,262.45
Cash and Bank Balances	18	1,010.83
Short-Term Loans and Advances	19	1,746.52
Current assets from discontinued operations		638.34
		7,517.81
Total Assets		**10,309.19**
Summary of Significant Accounting Policies	2	

The accompanying notes (1-29) are an integral part of the Special Purpose Restated Consolidated Financial Statements

As per our report of even date
For Uberoi Sood & Kapoor
Chartered Accountants
(Firm Registration No. 001462N)

For and on behalf of the Board of Directors

S.D. Sharma
Partner
Membership No. 80399

Place : Mumbai
Date : February 11, 2018

Vivek Bhat
Chairman
DIN: 07140076

Place : Mumbai
Date : February 8, 2018

FLEMINGO DUTYFREE SHOP PRIVATE LIMITED

SPECIAL PURPOSE RESTATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 March 2015

		₹ In Millions
	NOTE	**31-Mar-15**
INCOME		
Revenue from Operations	20	20,044.87
Other Income	21	153.99
TOTAL REVENUE		**20,198.86**
EXPENSES		
Purchases Of Traded Goods	22	12,399.05
Changes In Inventories Of Traded Goods	22	50.99
Employee Benefits Expense	23	1,538.62
Occupancy costs		3,640.23
Other Expenses	25	1,538.93
Depreciation and Amortisation	26	265.19
Finance Costs	24	217.19
TOTAL EXPENSES		**19,650.20**
Exceptional Item		201.77
Profit Before Tax		**750.43**
Share of Net Profit of Associate		17.69
Tax Expense		
Current Tax		312.03
Deferred Tax		(16.64)
Profit After Tax before Minority Interest from continuing operations		**472.73**
Minority Interest		**(38.01)**
Profit for the year		**510.74**
Earning Per Equity Share		
Basic		10,070.88
Diluted		10,070.88
Summary of Significant Accounting Policies	2	

The accompanying notes (1-29) are an integral part of the Special Purpose Restated Consolidated Financial Statements

As per our report of even date
For Uberoi Sood & Kapoor
Chartered Accountants
(Firm Registration No. 001462N)

For and on behalf of the Board of Directors

S.D. Sharma
Partner
Membership No. 80399

Place : Mumbai
Date : February 11, 2018

Vivek Bhat
Chairman
DIN: 07140076

Place : Mumbai
Date : February 8, 2018

FLEMINGO DUTYFREE SHOP PRIVATE LIMITED
SPECIAL PURPOSE RESTATED NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2015

1. Corporate information

Flemingo Dutyfree Shop Private Limited (the 'Company') is a company domiciled in India, with its registered office at D-73/1, TTC Industrial Area, MIDC, Turbhe, Navi Mumbai - 400705. The special purpose restated consolidated financial statements of the Company consist of the Company and its subsidiaries (together referred as the "Group" and individually as "Group entities") and the Group's interest in associate.The group essentially operates in India, Dubai, Poland, Sri Lanka, Mauritius, Turkey and countries in the African continent. The Group has principal activity of setting up and operating duty free retail stores in various airports, sea ports, international borders, inflight dutyfree, downtown diplomatic shops, UN Commissary shops etc at the locations mentioned.

2. Significant accounting policies

Basis of preparation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these special purpose restated consolidated financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, to the extent applicable read together with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The financial statements have been prepared on an accrual basis and under the historical cost convention.

FLEMINGO DUTYFREE SHOP PRIVATE LIMITED
SPECIAL PURPOSE RESTATED NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2015

	₹ In Millions
	31-Mar-15
3. SHARE CAPITAL	
Authorised	
1,00,00,000 Equity Shares of ₹ 10/- each	100.00
40,00,000 2% Fully Convertible Preference Shares of ₹ 100/- each	400.00
	500.00
Issued, Subscribed and Paid-Up	
50,715 Equity Shares of ₹ 10 each fully paid	0.51
	0.51

Details of shareholders holding more than 5% Shares in the Company
Equity Shares

S.No.	Shareholder's Name	No. of Equity Shares Held	% of Holding
a)	Mr. Viren V. Ahuja	5,000	9.86
b)	Flemingo International (BVI) Limited	40,565	79.99

Equity Shares held by Holding Company
40,565 Equity Shares of ₹ 10 each fully paid by holding company Flemingo International

4.	**RESERVES AND SURPLUS**		
a)	**Securities Premium Account**		
	Balance at the beginning of the year		1,161.50
	Balance at the end of the year	(a)	**1,161.50**
b)	**Surplus in Statement of Profit and Loss**		
	Balance at the beginning of the year		(302.62)
	Add: Profit for the year from continuing operations		510.74
	Add: Loss for the year from discontinuing operations		(288.06)
	Balance at the end of the year	(b)	**(79.94)**
c)	**Capital Redemption Reserve**		
	Balance at the beginning of the year		0.08
	Balance at the end of the year	(c)	**0.08**
d)	**Forgien Currency Translation Reserve**	(d)	**1,691.73**
	TOTAL (a) + (b) + (c) + (d)		**2,773.37**

FLEMINGO DUTYFREE SHOP PRIVATE LIMITED
SPECIAL PURPOSE RESTATED NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2015

		₹ In Millions
		31-Mar-15
5. LONG TERM BORROWINGS		
Secured Loans		
Term Loan		8.04
	(a)	**8.04**
Unsecured Loans		
Loan from Related Parties		362.55
Loan from Others		19.15
Vehicle Loans from Banks		29.46
	(b)	**411.16**
TOTAL (a) + (b)		**419.20**
6 DEFERRED TAX LIABILITIES (NET)		226.25
DEFERRED TAX ASSETS (NET)		83.11
		143.14
7 OTHER LONG TERM LIABILITIES		
Deferred Rent		100.93
Other Payable for Expenses		18.13
		119.06
8 LONG TERM PROVISIONS		
Provision for Leave Encashment		15.31
Provision for Gratuity		83.31
		98.62
9. SHORT-TERM BORROWINGS		
Working Capital, Cash Credit & Buyers Credit from Banks		2,125.55
Short Term Borrowings from Others		438.97
		2,564.52
10. TRADE PAYABLES		
Trade Payables		997.85
		997.85
11. OTHER CURRENT LIABILITIES		
Current Maturities of Long-Term Borrowings		358.13
Purchase price adjustment payable		116.77
Payable to employees		26.53
Expense payables		243.24
Payable to Related parties		118.88
Deferred income		4.92
Statutory Dues		97.75
Advance received from customers		174.84
Payable to tax authorities		132.62
Other Liabilities		143.21
		1,416.89

		₹ In Millions
		31-Mar-15
12.	**SHORT-TERM PROVISIONS**	
	Provision for Leave Encashment	61.49
	Provision for Gratuity	5.99
	Other Provisions	100.04
		167.52
13	**NON-CURRENT INVESTMENTS**	
	Investment in FI DF(Mauritius)Ltd-FDI	3.61
	Investment in FI DF(Mauritius) Ltd-GDOI	3.61
	Investment in FI Dutyfree (Mauritius) Ltd	92.38
	Investment in FDI - Pref. Shares	16.02
	Investment in GDOI - Pref. Shares	8.64
	4,500 Shares of ₹10/- each fully paid of Flemingo Travel Retail Ltd (Formerly known as DFS India Pvt. Ltd)	0.05
		124.31
14	**LONG-TERM LOANS AND ADVANCES**	
	(Unsecured & Considered Good)	
	Long-Term Loans and Advances	0.23
	Capital Advances	13.16
	Utility and Other deposits	141.94
		155.33
15	**OTHER NON CURRENT ASSETS**	
	Bank Deposit with maturity more than 12 months (Deposits as margin money with maturity period of more than 12 months on which banks have marked a lien for facilities and are liable to be encashed on demand)	37.18
	Interest Accrued on Bank Deposits	26.21
		63.39
16	**INVENTORIES**	
	Traded Goods	2,859.67
		2,859.67
17	**TRADE RECEIVABLES**	
	(Unsecured & Considered goods)	
	Trade Receivables	1,262.45
		1,262.45
18	**CASH AND BANK BALANCES**	
a)	**Cash and Cash Equivalents**	
	Balances with Banks	
	In Current Accounts	70.20
	In EEFC Accounts	22.59
	Cash Balance on Hand	40.88
	Foreign Currency on Hand	12.26
	(a)	**145.93**
b)	**Other Bank Balances**	
	Bank Deposit with maturity less than 12 Months (Deposits as margin money with maturity period of less than 12 months on which banks have marked a lien for facilities and are liable to be encashed on demand)	864.90
	(b)	**864.90**
	(a) + (b)	**1,010.83**

FLEMINGO DUTYFREE SHOP PRIVATE LIMITED
SPECIAL PURPOSE RESTATED NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2015

			₹ In Millions
			31-Mar-15
19	**SHORT-TERM LOANS AND ADVANCES**		
	Loan to employees		16.35
	Loans and Advances to Related Parties		538.81
	Other advances and claims		796.94
	Other Advances		9.28
	Prepaid expenses		88.74
	Deposits with tax authorities		56.61
	Service Tax Refund Receivable		1.80
	Advances to suppliers		225.01
	Current Tax		12.98
			1,746.52
20	**REVENUE FROM OPERATIONS**		
	Sale of Products (Gross)		
	Traded Goods		20,344.23
	Less : Discounts		(457.48)
	Sale of Products (Net)	(a)	**19,886.75**
	Other Operating Revenues	(b)	158.12
	Revenue from Operations	(a) + (b)	**20,044.87**
21	**OTHER INCOME**		
	Interest income (gross)		95.93
	Insurance compensation income		23.19
	Minimum guaranteed return from equity accounted invested		2.54
	Rent		18.85
	Profit from sale of investment held for trading		13.48
			153.99
22	**PURCHASES OF TRADED GOODS**		12,399.05
			12,399.05
22	**CHANGES IN INVENTORIES OF TRADED GOODS**		
	Opening Stock		2,910.66
	Less: Closing Stock		(2,859.67)
			50.99
23	**EMPLOYEE BENEFITS EXPENSE**		
	Salary, Wages and Other Benefits		1,327.20
	Contribution to Provident and Other Funds		200.77
	Staff Welfare Expenses		10.65
			1,538.62
24	**FINANCE COSTS**		
	Financial Charges		49.30
	Interest		167.89
			217.19

FLEMINGO DUTYFREE SHOP PRIVATE LIMITED
SPECIAL PURPOSE RESTATED NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2015

		₹ In Millions
		31-Mar-15
25	**OTHER EXPENSES**	
	Advertisement and Sales Promotion	185.01
	Postage and Telephone	53.80
	Travelling and Conveyance	129.18
	General Expenses	476.52
	Legal and Professional Fee	214.41
	Rent, rates & taxes	237.23
	Insurance	8.31
	Repairs and Maintenance	12.93
	Electricity Charges & Water Charges	7.30
	Customs Charges	3.30
	Clearing, Forwarding, Documentation and Fees	53.30
	Printing and Stationery	2.63
	Guest House Expenses	6.42
	Fluctuation in Foreign Exchange	142.66
	Commission on Sales	5.93
		1,538.93

FLEMINGO DUTYFREE SHOP PRIVATE LIMITED
SPECIAL PURPOSE RESTATED NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2015

26 Property, Plant & Equipment

₹ In Millions

Assets	Gross Block					Accumulated Depreciation					Net Block
Tangible Assets	At 31 March 2014	Additions during the year	Deduction during the year	Translation Adjustment	At 31 March 2015	At 31 March 2014	Charge for the year	On deduction during the year	Translation Adjustment	At 31 March 2015	At 31 March 2015
Land and building	403.32	112.36	-	-	515.69	109.57	58.27	-	-	167.84	347.85
Plant and Machinery	91.84	5.36	-	(11.31)	85.88	20.51	16.61	-	(7.94)	29.18	56.70
Furniture, Fittings and Equipments	680.40	57.16	(110.53)	(61.40)	565.63	300.42	62.82	(0.14)	(38.35)	324.75	240.88
Vehicles	178.55	29.46	-	(9.36)	198.65	64.10	25.56	(5.01)	(6.14)	78.50	120.15
Lease hold Improvements	560.29	58.07	-	(50.20)	568.17	172.06	76.18	-	(24.29)	223.95	344.22
Total	**1,914.40**	**262.41**	**(110.53)**	**(132.27)**	**1,934.01**	**666.67**	**239.43**	**(5.15)**	**(76.72)**	**824.22**	**1,109.79**
Intangible Assets		-	-	-		-	-	-	-		
Software	112.97	57.35	(1.66)	(6.35)	162.30	12.09	25.77	-	(3.93)	33.92	128.38
Total	**112.97**	**57.35**	**(1.66)**	**(6.35)**	**162.30**	**12.09**	**25.77**	**-**	**(3.93)**	**33.92**	**128.38**
Grand Total	**2,027.37**	**319.76**	**(112.19)**	**(138.63)**	**2,096.32**	**678.76**	**265.19**	**(5.15)**	**(80.65)**	**858.15**	**1,238.17**

27 Discontinued operation

In the board meeting held on November 17, 2015, the management based on assessment of the performance of the regions and long term strategy of the Group, decided to exit its operations in LATAM regions – Costa Rica and discontinued the convenience and diplomatic business entirely across geographies. The management has decided not to pursue operations in these business or region in near future. Pursuant to such decision, management had closed down its operation in Costa Rica, Indonesia, Kenya, part business in South Africa and other African region. As the discontinuance of the above business is on account of management's strategic decision to align overall business with their long term strategy, these business met the criteria to be reported as discontinued operations.

Financial information for discontinued operations :

Particulars	**Amount in ₹ Million 31-Mar-15**
Revenue	1,041.90
Total	**1,041.90**
Cost of Goods Sold	915.69
Royalty and License Fees	81.51
Employee Costs	189.34
Admin Costs	120.98
Depreciation and amortization Expenses	64.90
Finance Cost	54.82
Other Income	(42.43)
Loss from Discontinued Operations Before Taxes	(342.91)
Current Taxes	-
Loss from Discontinued Operations after Taxes	**(342.91)**
Share of :	
Minority Interest	**(54.85)**
Owners Profit	**(288.06)**

Profit shown in income statement of March 2015 is from Continued Operations only. Below given summary of profit/ loss of company for March 2015 after considering Discontinued Operations :

Details	**Amount**
Profit After Tax before Minority Interest from continuing operations	472.73
Losses from Discontinued Operations	-342.91
Profit/ Loss for the year ended March 2015	**129.82**

28 Information About Geographical Segment

₹ In Millions

Particulars	**South Asia**	**Rest of the World(ROW)**	**Europe**	**Total**
Revenue from Operations	6,746.28	4,058.93	9,081.54	19,886.75
Other Operating income	100.25	35.83	22.04	158.12
Turnover	**6,846.53**	**4,094.76**	**9,103.58**	**20,044.87**
Cost of Material Consumed	3,849.68	3,325.24	5,275.12	12,450.04
Occupancy Cost	1,571.11	116.95	1,952.17	3,640.23
Employee Benefit Expenses	286.06	381.50	871.06	1,538.62
Other Expenses including Adminstration Expenses	354.88	231.82	809.56	1,396.26
Other Income	(10.62)	(6.43)	(41.01)	(58.06)
Depreciation and Amortization Expenses	45.21	76.62	143.36	265.19
Impairment on Intangible Assets	-	-	-	-
Total	**6,096.32**	**4,125.70**	**9,010.26**	**19,232.28**
Results from operating activities	750.21	(30.94)	93.32	812.59
Expectional Item	-	201.77	-	201.77
Interest income	89.20	4.79	1.93	95.92
Finance Cost	83.23	88.13	45.83	217.19
Exchange gain/ (loss)	(16.22)	(50.29)	(76.15)	(142.66)
Net finance costs	(10.25)	(133.64)	(120.05)	(263.94)
Profit Before Tax	**739.96**	**37.20**	**(26.73)**	**750.43**
Tax Expenses				
- Current Tax	241.56	55.18	15.29	312.03
- Deferred Tax	(12.94)	4.89	(8.59)	(16.64)
Share of net profit of Equity accounted Investee	-	17.69	-	17.69
Profit After Tax before Minority Interest from continuing operations	**511.34**	**(5.18)**	**(33.43)**	**472.73**

29 Segment Wise and Category wise Revenue

₹ In Millions

Particulars	2015 South Asia	Rest of the World(ROW)	Europe	Total
Alcohol Beverages	4,969.36	3,278.57	1,550.26	**9,798.19**
Confectionary & Food Products	664.70	52.62	752.51	**1,469.83**
Cosmetics & Toiletries	204.12	272.24	1,277.00	**1,753.36**
Tobacco Products	479.93	356.50	4,510.27	**5,346.70**
Apparels (and Accessories)	-	-	116.86	**116.86**
Watches & Jewellery	-	1.74	154.16	**155.90**
Others	428.17	97.26	720.48	**1,245.91**
Total Sales	6,746.28	4,058.93	9,081.54	**19,886.75**

As per our report of even date
For Uberoi Sood & Kapoor
Chartered Accountants
(Firm Registration No. 001462N)

S.D. Sharma
Partner
Membership No. 80399

Place : Mumbai
Date : February 11, 2018

For and on behalf of the Board of Directors

Vivek Bhat
Chairman
DIN: 07140076

Place : Mumbai
Date : February 8, 2018

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Flemingo Dutyfree Shop Private Limited

Report on the Special purpose restated consolidated financial statements

We have audited the accompanying Special purpose restated consolidated financial statements of **Flemingo Dutyfree Shop Private Limited** (herein after referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate, comprising the Special purpose restated consolidated Balance Sheet as at 31 March, 2016, the Special purpose restated consolidated Statement of Profit and Loss and other explanatory information (herein referred to as "Special purpose restated consolidated financial statements") in accordance with the terms of our engagement letter dated 8 December, 2017.

Management's Responsibility for the Special purpose restated consolidated financial statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these Special purpose restated consolidated financial statements based on our audit.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Special purpose restated consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Special purpose restated consolidated financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the Special purpose restated consolidated financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group internal financial control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the Special purpose restated consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their report and/or certified by management referred to in Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Special purpose restated consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors and/or certified by the management, on financial statements and on other financial information of the subsidiaries and associate noted below, the aforesaid Special purpose restated consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs (financial position) of the Group as at 31 March 2016, and its consolidated profit (financial performance) for the year ended on that date.

Other Matter

We did not audit the financial statements / financial information of 41 subsidiaries and associate. These financial statements / financial information have been audited by other auditors and/or certified by the management and our opinion on the Special purpose restated consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, is based solely on the reports of the other auditors and/or certified by the management.

Some of these subsidiaries and associate are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries and associate located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries and associate located outside India is based on the report of other auditors and the conversion adjustments prepared by the Management of the company and audited by us.

Our opinion above on the Special purpose restated consolidated financial statements, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/financial information certified by the management.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 2 to the Special purpose restated consolidated financial statements, which describes the basis of accounting. The Special purpose restated consolidated financial statements are to assist the Board of Directors of Flemingo Travel Retail Limited to meet the requirements of filing of Draft Red Herring Prospectus with Securities and Exchange Board of India in connection with the offer and sale of equity shares of ₹10 each in a public offer in India under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended and the Companies Act, 2013 and to use the proceeds of such offer, to the extent attributable, for the acquisition of the Group. As a result, the Special purpose restated consolidated financial statements may not be suitable for another purpose.

For UBEROI SOOD & KAPOOR
CHARTERED ACCOUNTANTS
(Firm Registration No. 001462N)

S.D. SHARMA
PARTNER
(M. No.080399)

Place: Mumbai
Date: February 11, 2018

FLEMINGO DUTYFREE SHOP PRIVATE LIMITED
SPECIAL PURPOSE RESTATED CONSOLIDATED BALANCE SHEET AS AT 31 March 2016

		₹ In Millions
	NOTE	**31-Mar-16**
EQUITY AND LIABILITIES		
Shareholders' Funds		
Share Capital	3	0.51
Reserves & Surplus	4	3,773.74
Minority Interest		445.89
		4,220.14
Non-current liabilities		
Long Term Borrowings	5	426.54
Deferred Tax Liabilities (Net)	6	6.67
Other Long Term Liabilities	7	90.64
Long Term Provisions	8	116.84
		640.69
Current liabilities		
Short-Term Borrowings	9	3,106.17
Trade Payables	10	958.90
Other Current Liabilities	11	546.13
Short-Term Provisions	12	344.43
Current liabilities from discontinued operations		1,435.41
		6,391.04
Total Equity and Liabilities		**11,251.87**
ASSETS		
Non-Current Assets		
Fixed Assets		
Property, Plant & Equipment	26	953.68
Intangible Assets	26	52.54
Capital Work-in-Progress		180.03
Goodwill on Consolidation		1,116.33
Non Current Investments	13	128.69
Deferred Tax Assets (Net)	6	72.97
Long-Term Loans and Advances	14	628.36
Other Non Current Assets	15	50.02
		3,182.62
Current Assets		
Inventories	16	2,645.93
Trade Receivables	17	1,658.61
Cash and Bank Balances	18	1,671.52
Short-Term Loans and Advances	19	1,898.81
Current assets from discontinued operations		194.38
		8,069.25
Total Assets		**11,251.87**
Summary of Significant Accounting Policies	2	

The accompanying notes (1-28) are an integral part of the Special Purpose Restated Consolidated Financial Statements

As per our report of even date
For Uberoi Sood & Kapoor
Chartered Accountants
(Firm Registration No. 001462N)

S.D. Sharma
Partner
Membership No. 80399

Place : Mumbai
Date : February 11, 2018

For and on behalf of the Board of Directors

Vivek Bhat
Chairman
DIN: 07140076

Place : Mumbai
Date : February 8, 2018

FLEMINGO DUTYFREE SHOP PRIVATE LIMITED
SPECIAL PURPOSE RESTATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 March 2016

		₹ In Millions
	NOTE	**31-Mar-16**
INCOME		
Revenue from Operations	20	20,788.36
Other Income	21	137.71
TOTAL REVENUE		**20,926.07**
EXPENSES		
Purchases Of Traded Goods	22	12,624.92
Changes In Inventories Of Traded Goods	22	213.74
Employee Benefits Expense	23	1,494.23
Occupancy costs		3,744.86
Other Expenses	25	1,385.80
Linearisation / Straight lining		16.47
Depreciation and Amortisation	26	265.52
Finance Costs	24	265.28
TOTAL EXPENSES		**20,010.82**
Profit Before Tax		**915.25**
Share of Net Profit of Associate		17.45
Tax Expense		
Current Tax		317.57
Deferred Tax		(1.27)
Profit After Tax before Minority Interest		**616.40**
Minority Interest		**106.10**
Profit for the year		**510.30**
Earning Per Equity Share		
Basic		10,062.27
Diluted		10,062.27
Summary of Significant Accounting Policies	2	

The accompanying notes (1-28) are an integral part of the Special Purpose Restated Consolidated Financial Statements

As per our report of even date
For Uberoi Sood & Kapoor
Chartered Accountants
(Firm Registration No. 001462N)

For and on behalf of the Board of Directors

S.D. Sharma
Partner
Membership No. 80399

Place : Mumbai
Date : February 11, 2018

Vivek Bhat
Chairman
DIN: 07140076

Place : Mumbai
Date : February 8, 2018

1. Corporate information

Flemingo Dutyfree Shop Private Limited (the 'Company') is a company domiciled in India, with its registered office at D-73/1, TTC Industrial Area, MIDC, Turbhe, Navi Mumbai - 400705. The special purpose restated consolidated financial statements of the Company consist of the Company and its subsidiaries (together referred as the "Group" and individually as "Group entities") and the Group's interest in associate.The group essentially operates in India, Dubai, Poland, Sri Lanka, Mauritius, Turkey and countries in the African continent. The Group has principal activity of setting up and operating duty free retail stores in various airports, sea ports, international borders, inflight dutyfree, downtown diplomatic shops, UN Commissary shops etc at the locations mentioned.

2. Significant accounting policies

Basis of preparation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these special purpose restated consolidated financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, to the extent applicable read together with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The financial statements have been prepared on an accrual basis and under the historical cost convention.

		₹ In Millions
		31-Mar-16
3.	**SHARE CAPITAL**	
	Authorised	
	1,00,00,000 Equity Shares of ₹ 10/- each	100.00
	40,00,000 2% Fully Convertible Preference Shares of ₹ 100/- each	400.00
		500.00
	Issued, Subscribed and Paid-Up	
	50,715 Equity Shares of ₹ 10 each fully paid	0.51
		0.51

Details of shareholders holding more than 5% Shares in the Company
Equity Shares

S.No.	Shareholder's Name	No. of Equity Shares Held	% of Holding
a)	Mr. Viren V. Ahuja	5,000	9.86
b)	Flemingo International (BVI) Limited	40,565	79.99

Equity Shares held by Holding Company
40,565 Equity Shares of ₹ 10 each fully paid by holding company Flemingo International (BVI) Limited.

4.	**RESERVES AND SURPLUS**		
a)	**Securities Premium Account**		
	Balance at the beginning of the year		1,161.50
	Balance at the end of the year	(a)	**1,161.50**
b)	**Surplus in Statement of Profit and Loss**		
	Balance at the beginning of the year		(79.95)
	Add: Profit for the year		510.30
	Balance at the end of the year	(b)	**430.35**
c)	**Capital Redemption Reserve**		
	Balance at the beginning of the year		0.08
	Balance at the end of the year	(c)	**0.08**
d)	**Forgien Currency Translation Reserve**	(d)	**2,181.81**
	TOTAL (a) + (b) + (c) + (d)		**3,773.74**

FLEMINGO DUTYFREE SHOP PRIVATE LIMITED
SPECIAL PURPOSE RESTATED NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2016

		₹ In Millions
		31-Mar-16
5. LONG TERM BORROWINGS		
Secured Loans		
Term Loan		417.04
	(a)	**417.04**
Unsecured Loans		
Loan from Others		4.91
Vehicle Loans from Banks		4.59
	(b)	**9.50**
TOTAL (a) + (b)		**426.54**
6 DEFERRED TAX LIABILITIES (NET)		6.67
DEFERRED TAX ASSETS (NET)		72.97
		(66.30)
7 OTHER LONG TERM LIABILITIES		
Other Payable for Expenses		90.64
		90.64
8. LONG TERM PROVISIONS		
Provision for Leave Encashment		27.12
Provision for Gratuity		89.72
		116.84
9. SHORT-TERM BORROWINGS		
Working Capital, Cash Credit & Buyers Credit from Banks		2,606.80
Short Term Borrowings from Others		499.37
		3,106.17
10. TRADE PAYABLES		
Trade Payables		958.90
		958.90
11. OTHER CURRENT LIABILITIES		
Current Maturities of Long-Term Borrowings		90.96
Payable to employees		35.05
Expense payables		179.96
Deferred income		12.55
Statutory Dues		102.00
Advance received from customers		50.84
Other Liabilities		74.77
		546.13
12. SHORT-TERM PROVISIONS		
Provision for Leave Encashment		39.83
Provision for Gratuity		3.88
Other Provisions		300.72
		344.43

FLEMINGO DUTYFREE SHOP PRIVATE LIMITED
SPECIAL PURPOSE RESTATED NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2016

		₹ In Millions
		31-Mar-16
13	**NON-CURRENT INVESTMENTS**	
	Investment in FI DF(Mauritius)Ltd-FDI	3.61
	Investment in FI DF(Mauritius) Ltd-GDOI	3.61
	Investment in FI Dutyfree (Mauritius) Ltd	115.55
	Investment in FDI - Pref. Shares	4.55
	Investment in GDOI - Pref. Shares	1.32
	4,500 Shares of ₹10/- each fully paid of Flemingo Travel Retail Ltd (Formerly known as DFS India Pvt. Ltd)	0.05
		128.69
14	**LONG-TERM LOANS AND ADVANCES**	
	(Unsecured & Considered Good)	
	Long-Term Loans and Advances	88.14
	Capital Advances	168.35
	Utility and Other deposits	371.87
		628.36
15	**OTHER NON CURRENT ASSETS**	
	Bank Deposit with maturity more than 12 months (Deposits as margin money with maturity period of more than 12 months on which banks have marked a lien for facilities and are liable to be encashed on demand)	26.41
	Interest Accrued on Bank Deposits	23.61
		50.02
16	**INVENTORIES**	
	Traded Goods	2,645.93
		2,645.93
17	**TRADE RECEIVABLES**	
	(Unsecured & Considered goods)	
	Trade Receivables	1,658.61
		1,658.61
18	**CASH AND BANK BALANCES**	
a)	**Cash and Cash Equivalents**	
	Balances with Banks	
	In Current Accounts	434.25
	In EEFC Accounts	155.32
	Cash Balance on Hand	20.07
	Foreign Currency on Hand	31.56
	(a)	**641.20**
b)	**Other Bank Balances**	-
	Bank Deposit with maturity less than 12 Months (Deposits as margin money with maturity period of less than 12 months on which banks have marked a lien for facilities and are liable to be encashed on demand)	1,030.32
	(b)	**1,030.32**
	(a) + (b)	**1,671.52**

FLEMINGO DUTYFREE SHOP PRIVATE LIMITED
SPECIAL PURPOSE RESTATED NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2016

			₹ In Millions
			31-Mar-16
19	**SHORT-TERM LOANS AND ADVANCES**		
	Loan to employees		33.69
	Loans and Advances to Related Parties		630.31
	Other advances and claims		434.66
	Other Advances		4.39
	Prepaid expenses		618.05
	Deposits with tax authorities		0.72
	Service Tax Refund Receivable		53.32
	Advances to suppliers		118.14
	Current Tax		5.53
			1,898.81
20	**REVENUE FROM OPERATIONS**		
	Sale of Products (Gross)		
	Traded Goods		21,353.32
	Less : Discounts		(731.89)
	Sale of Products (Net)	(a)	**20,621.43**
	Other Operating Revenues	(b)	166.93
	Revenue from Operations	(a) + (b)	**20,788.36**
21	**OTHER INCOME**		
	Interest income (gross)		113.67
	Other Miscellaneous Income		24.04
			137.71
22	**PURCHASES OF TRADED GOODS**		12,624.92
			12,624.92
22	**CHANGES IN INVENTORIES OF TRADED GOODS**		
	Opening Stock		2,859.67
	Less: Closing Stock		(2,645.93)
			213.74
23	**EMPLOYEE BENEFITS EXPENSE**		
	Salary, Wages and Other Benefits		1,231.05
	Contribution to Provident and Other Funds		142.48
	Staff Welfare Expenses		120.70
			1,494.23
24	**FINANCE COSTS**		
	Financial Charges		87.11
	Interest		178.17
			265.28

FLEMINGO DUTYFREE SHOP PRIVATE LIMITED
SPECIAL PURPOSE RESTATED NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2016

	₹ In Millions
	31-Mar-16
25 OTHER EXPENSES	
Advertisement and Sales Promotion	241.41
Postage and Telephone	35.42
Travelling and Conveyance	90.40
General Expenses	280.89
Loss on sale of Subsidiary	-
Legal and Professional Fee	157.37
Rent, rates & taxes	253.23
Insurance	34.25
Repairs and Maintenance	40.44
Electricity Charges & Water Charges	50.60
Customs Charges	6.03
Clearing, Forwarding, Documentation and Fees	42.03
Printing and Stationery	43.32
Guest House Expenses	8.77
Fluctuation in Foreign Exchange	101.51
Commission on Sales	0.13
	1,385.80

FLEMINGO DUTYFREE SHOP PRIVATE LIMITED
SPECIAL PURPOSE RESTATED NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2016

26. Property, Plant & Equipment

₹ In Millions

Assets	Gross Block					Accumulated Depreciation					Net Block
Tangible Assets	At 31 March 2015	Additions during the year	Deduction during the year	Translation Adjustment	At 31 March 2016	At 31 March 2015	Charge for the year	On deduction during the year	Translation Adjustment	At 31 March 2016	At 31 March 2016
Land and building	515.69	7.24	(28.80)	(22.14)	471.99	167.84	72.32	(28.99)	(3.73)	207.44	264.55
Plant and Machinery	85.88	36.38	(3.30)	(4.69)	114.27	29.18	50.02	(4.04)	(0.79)	74.37	39.90
Furniture, Fittings and Equipments	565.63	27.10	(127.02)	(27.14)	438.57	324.75	6.93	(86.16)	(4.58)	240.95	197.62
Vehicles	198.64	25.49	(11.13)	(6.32)	206.68	78.50	19.37	(9.44)	(1.07)	87.36	119.32
Lease hold Improvements	568.17	26.45	-	(22.05)	572.57	223.95	21.26	(1.21)	(3.72)	240.28	332.29
Total	**1,934.01**	**122.66**	**(170.25)**	**(82.34)**	**1,804.08**	**824.22**	**169.90**	**(129.83)**	**(13.89)**	**850.40**	**953.68**
Intangible Assets	-	-	-	-		-	-	-	-		
Software	162.30	13.23	(0.14)	5.22	180.61	33.92	95.63	-	(1.48)	128.07	52.54
Total	**162.30**	**13.23**	**(0.14)**	**5.22**	**180.61**	**33.92**	**95.63**	**-**	**(1.48)**	**128.07**	**52.54**
Grand Total	**2,096.31**	**135.89**	**(170.39)**	**(77.12)**	**1,984.69**	**858.14**	**265.52**	**(129.83)**	**(15.37)**	**978.47**	**1,006.22**

27 Information About Geographical Segment

₹ In Millions

Particulars	South Asia	Rest of the World(ROW)	Europe	Total
Revenue from Operations	6,871.57	4,332.76	9,417.10	20,621.43
Other Operating income	110.04	18.79	38.10	166.93
Turnover	6,981.61	4,351.55	9,455.20	20,788.36
Cost of Material Consumed	3,652.80	3,459.83	5,726.03	12,838.66
Occupancy Cost	1,812.57	116.38	1,815.91	3,744.86
Employee Benefit Expenses	351.22	267.84	875.17	1,494.23
Other Expenses including Adminstration Expenses	367.47	143.35	773.47	1,284.29
Other Income		(20.48)	(3.56)	(24.04)
Linearisation / Straight lining	16.47	-	-	16.47
Depreciation and Amortization Expenses	49.92	58.06	157.54	265.52
Impairment on Intangible Assets	-	-	-	-
Total	6,250.45	4,024.98	9,344.56	19,619.99
Results from operating activities	731.16	326.57	110.64	1,168.37
Interest income	109.55	2.45	1.67	113.67
Finance Cost	90.96	131.99	42.33	265.28
Exchange gain/ (loss)	34.08	(100.35)	(35.24)	(101.51)
Net finance costs	52.67	(229.89)	(75.90)	(253.12)
Profit Before Tax	783.83	96.68	34.74	915.25
Tax Expenses				
- Current Tax	291.04	9.03	17.50	317.57
- Deferred Tax	(1.44)	5.96	(5.79)	(1.27)
Share of net profit of Equity accounted Investee	-	17.45	-	17.45
Profit After Tax before Minority Interest	494.23	99.14	23.03	616.40

FLEMINGO DUTYFREE SHOP PRIVATE LIMITED
SPECIAL PURPOSE RESTATED NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2016

28 Segment Wise and Category wise Revenue

₹ In Millions

	2016			
Particulars	**South Asia**	**Rest of the World(ROW)**	**Europe**	**Total**
Alcohol Beverages	5,104.39	3,229.20	1,522.11	**9,855.70**
Confectionary & Food Products	759.04	187.37	1,045.73	**1,992.14**
Cosmetics & Toiletries	249.67	422.11	1,240.13	**1,911.91**
Tobacco Products	587.87	177.14	4,808.86	**5,573.87**
Apparels (and Accessories)	-	-	121.31	**121.31**
Watches & Jewellery	-	3.16	149.86	**153.02**
Others	170.60	313.78	529.10	**1,013.48**
Total Sales	6,871.57	4,332.76	9,417.10	**20,621.43**

For and on behalf of the Board of Directors

As per our report of even date
For Uberoi Sood & Kapoor
Chartered Accountants

S.D. Sharma

Partner

Place : Mumbai
Date : February 11, 2018

Vivek Bhat
Chairman
DIN: 07140076

Place : Mumbai
Date : February 8, 2018

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Flemingo Dutyfree Shop Private Limited

Report on the Special purpose restated consolidated financial Statements

We have audited the accompanying Special purpose restated consolidated financial statements of **Flemingo Dutyfree Shop Private Limited** (herein after referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate, comprising the Special purpose restated consolidated Balance Sheet as at 31 March, 2017, the Special purpose restated consolidated Statement of Profit and Loss and other explanatory information (herein referred to as "Special purpose restated consolidated financial statements") in accordance with the terms of our engagement letter dated 8 December, 2017.

Management's Responsibility for the Special purpose restated consolidated financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these Special purpose restated consolidated financial statements based on our audit.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Special purpose restated consolidated financial statements.

The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Special purpose restated consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the Special purpose restated consolidated financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group internal financial control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the Special purpose restated consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their report and/or certified by management referred to in Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Special purpose restated consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors and/or certified by the management, on financial statements and on other financial information of the subsidiaries and associate noted below, the aforesaid Special purpose restated consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs (financial position) of the Group as at 31 March 2017, and its consolidated profit (financial performance) for the year ended on that date.

Other Matter

We did not audit the financial statements / financial information of 39 subsidiaries and associate. These financial statements / financial information have been audited by other auditors and/or certified by the management and our opinion on the Special purpose restated consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, is based solely on the reports of the other auditors and/or certified by the management.

Some of these subsidiaries and associate are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries and associate located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries and associate located outside India is based on the report of other auditors and the conversion adjustments prepared by the Management of the company and audited by us.

Our opinion above on the Special purpose restated consolidated financial statements, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/financial information certified by the management.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 2 to the Special purpose restated consolidated financial statements, which describes the basis of accounting. The Special purpose restated consolidated financial statements are to assist the Board of Directors of Flemingo Travel Retail Limited to meet the requirements of filing of Draft Red Herring Prospectus with Securities and Exchange Board of India in connection with the offer and sale of equity shares of ₹10 each in a public offer in India under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended and the Companies Act, 2013 and to use the proceeds of such offer, to the extent attributable, for the acquisition of the Group. As a result, the Special purpose restated consolidated financial statements may not be suitable for another purpose.

For UBEROI SOOD & KAPOOR
CHARTERED ACCOUNTANTS
(Firm Registration No. 001462N)

S.D. SHARMA
PARTNER
(M. No.080399)

Place: Mumbai
Date: February 11, 2018

FLEMINGO DUTYFREE SHOP PRIVATE LIMITED
SPECIAL PURPOSE RESTATED CONSOLIDATED BALANCE SHEET AS AT 31 March 2017

₹ In Millions

	NOTE	Mar-17
EQUITY AND LIABILITIES		
Shareholders' Funds		
Share Capital	3	0.51
Reserves & Surplus	4	3,562.94
Minority Interest		675.72
		4,239.17
Non-current liabilities		
Long Term Borrowings	5	933.23
Deferred Tax Liabilities (Net)	6	48.20
Other Long Term Liabilities	7	166.76
Long Term Provisions	8	147.10
		1,295.29
Current liabilities		
Short-Term Borrowings	9	2,756.13
Trade Payables	10	3,003.68
Other Current Liabilities	11	1,027.19
Short-Term Provisions	12	261.62
		7,048.62
Total Equity and Liabilities		**12,583.08**
ASSETS		
Non-Current Assets		
Fixed Assets		
Property, Plant & Equipment	26	919.34
Intangible Assets	26	33.10
Capital Work-in-Progress		285.08
Goodwill on Consolidation		1,088.37
Non Current Investments	13	162.76
Deferred Tax Assets (Net)	6	100.40
Long-Term Loans and Advances	14	466.93
Other Non Current Assets	15	115.78
		3,171.76
Current Assets		
Inventories	16	2,800.57
Trade Receivables	17	1,389.41
Cash and Bank Balances	18	1,361.21
Short-Term Loans and Advances	19	3,860.13
		9,411.32
Total Assets		**12,583.08**
Summary of Significant Accounting Policies	2	

The accompanying notes (1-28) are an integral part of the Special Purpose Restated Consolidated Financial Statements

As per our report of even date

For Uberoi Sood & Kapoor	**For and on behalf of the Board of Directors**
Chartered Accountants	
(Firm Registration No. 001462N)	
S.D. Sharma	Vivek Bhat
Partner	Chairman
Membership No. 80399	DIN: 07140076
Place : Mumbai	Place : Mumbai
Date : February 11, 2018	Date : February 8, 2018

FLEMINGO DUTYFREE SHOP PRIVATE LIMITED

SPECIAL PURPOSE RESTATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 March 2017

₹ In Millions

	NOTE	Mar-17
INCOME		
Revenue from Operations	20	20,612.79
Other Income	21	172.66
TOTAL REVENUE		**20,785.45**
EXPENSES		
Purchases Of Traded Goods	22	12,595.39
Changes In Inventories Of Traded Goods	22	(154.64)
Employee Benefits Expense	23	1,446.67
Occupancy costs		4,259.81
Other Expenses	25	1,528.80
Linearisation / Straight lining		30.97
Depreciation and Amortisation	26	246.83
Finance Costs	24	221.62
TOTAL EXPENSES		**20,175.45**
Profit Before Tax		**610.00**
Share of Net Profit of Associate		36.65
Tax Expense		
Current Tax		319.46
Deferred Tax		(40.99)
Profit After Tax before Minority Interest		**368.18**
Minority Interest		73.59
Profit for the year		**294.59**
Earning Per Equity Share		
Basic		5,808.99
Diluted		5,808.99
Summary of Significant Accounting Policies	2	

The accompanying notes (1-28) are an integral part of the Special Purpose Restated Consolidated Financial Statements

As per our report of even date
For Uberoi Sood & Kapoor
Chartered Accountants
(Firm Registration No. 001462N)

S.D. Sharma
Partner
Membership No. 80399

Place : Mumbai
Date : February 11, 2018

For and on behalf of the Board of Directors

Vivek Bhat
Chairman
DIN: 07140076

Place : Mumbai
Date : February 8, 2018

FLEMINGO DUTYFREE SHOP PRIVATE LIMITED
SPECIAL PURPOSE RESTATED NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT
FOR THE YEAR ENDED 31 March 2017

1. Corporate information

Flemingo Dutyfree Shop Private Limited (the 'Company') is a company domiciled in India, with its registered office at D-73/1, TTC Industrial Area, MIDC, Turbhe, Navi Mumbai - 400705. The special purpose restated consolidated financial statements of the Company consist of the Company and its subsidiaries (together referred as the "Group" and individually as "Group entities") and the Group's interest in associate.The group essentially operates in India, Dubai, Poland, Sri Lanka, Mauritius, Turkey and countries in the African continent. The Group has principal activity of setting up and operating duty free retail stores in various airports, sea ports, international borders, inflight dutyfree, downtown diplomatic shops, UN Commissary shops etc at the locations mentioned.

2. Significant accounting policies

Basis of preparation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these special purpose restated consolidated financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, to the extent applicable read together with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The financial statements have been prepared on an accrual basis and under the historical cost convention.

FLEMINGO DUTYFREE SHOP PRIVATE LIMITED
(all figures in ₹ millions, unless otherwise stated)
FOR THE YEAR ENDED 31 March 2017

	₹ In Millions
	Mar-17
3. SHARE CAPITAL	
Authorised	
1,00,00,000 Equity Shares of ₹ 10/- each	100.00
40,00,000 2% Fully Convertible Preference Shares of ₹ 100/- each	400.00
	500.00
Issued, Subscribed and Paid-Up	
50,715 Equity Shares of ₹ 10 each fully paid	0.51
	0.51

Details of shareholders holding more than 5% Shares in the Company
Equity Shares

S.No.	Shareholder's Name	No. of Equity Shares Held	% of Holding
a)	Mr. Viren V. Ahuja	5,000	9.86
b)	Flemingo International (BVI) Limited	40,565	79.99

Equity Shares held by Holding Company
40,565 Equity Shares of ₹ 10 each fully paid by holding company Flemingo International (BVI) Limited.

			Mar-17
4.	**RESERVES AND SURPLUS**		
a)	**Securities Premium Account**		
	Balance at the beginning of the year		1,161.50
	Balance at the end of the year	**(a)**	**1,161.50**
b)	**Surplus in Statement of Profit and Loss**		
	Balance at the beginning of the year		430.34
	Add: Profit for the year		294.59
	Balance at the end of the year	**(b)**	**724.93**
c)	**Capital Redemption Reserve**		
	Balance at the beginning of the year		0.08
	Balance at the end of the year	**(c)**	**0.08**
d)	**Forgien Currency Translation Reserve**	**(d)**	**1,676.43**
	TOTAL (a) + (b) + (c) + (d)		**3,562.94**

FLEMINGO DUTYFREE SHOP PRIVATE LIMITED
(all figures in ₹ millions, unless otherwise stated)
FOR THE YEAR ENDED 31 March 2017

		₹ In Millions
		Mar-17
5. LONG TERM BORROWINGS		
a. Secured Loans		
Term Loan		596.88
	(a)	**596.88**
b. Unsecured Loans		
Loan from Related Parties		286.01
Loan from Others		43.72
Vehicle Loans from Banks		6.62
	(b)	**336.35**
TOTAL (a) + (b)		**933.23**
6 DEFERRED TAX LIABILITIES (NET)		48.20
DEFERRED TAX ASSETS (NET)		100.40
		(52.20)
7 OTHER LONG TERM LIABILITIES		
Deferred Rent		47.43
Other Payable for Expenses		119.33
		166.76
8. LONG TERM PROVISIONS		
Provision for Leave Encashment		24.16
Provision for Gratuity		122.94
		147.10
9. SHORT-TERM BORROWINGS		
Working Capital, Cash Credit & Buyers Credit from Banks		2,555.86
Short Term Borrowings from Others		200.27
		2,756.13
10. TRADE PAYABLES		
Trade Payables		3,003.68
		3,003.68
11. OTHER CURRENT LIABILITIES		
Current Maturities of Long-Term Borrowings		146.84
Payable to employees		62.15
Expense payables		528.29
Deferred income		12.94
Statutory Dues		148.32
Advance received from customers		65.63
Other Liabilities		63.01
		1,027.19
12. SHORT-TERM PROVISIONS		
Provision for Leave Encashment		46.42
Provision for Gratuity		4.11
Provision for Corporate Social Responsibility		27.38
Other Provisions		183.71
		261.62

FLEMINGO DUTYFREE SHOP PRIVATE LIMITED
(all figures in ₹ millions, unless otherwise stated)
FOR THE YEAR ENDED 31 March 2017

		₹ In Millions
		Mar-17
13	**NON-CURRENT INVESTMENTS**	
	Investment in FI DF(Mauritius)Ltd-FDI	3.61
	Investment in FI DF(Mauritius) Ltd-GDOI	3.61
	Investment in FI Dutyfree (Mauritius) Ltd	151.83
	Investment in FDI - Pref. Shares	2.34
	Investment in GDOI - Pref. Shares	1.32
	4,500 Shares of ₹10/- each fully paid of Flemingo Travel Retail Ltd (Formerly known as DFS India Pvt.Ltd)	0.05
		162.76
14	**LONG-TERM LOANS AND ADVANCES**	
	(Unsecured & Considered Good)	
	Long-Term Loans and Advances	44.83
	Capital Advances	35.68
	Utility and Other deposits	386.42
		466.93
15	**OTHER NON CURRENT ASSETS**	
	Bank Deposit with maturity more than 12 months (Deposits as margin money with maturity period of more than 12 months on which banks have marked a lien for facilities and are liable to be encashed on demand)	92.44
	Interest Accrued on Bank Deposits	23.34
		115.78
16	**INVENTORIES**	
	Traded Goods	2,800.57
		2,800.57
17	**TRADE RECEIVABLES**	
	(Unsecured & Considered goods)	
	Trade Receivables	1,389.41
		1,389.41
18	**CASH AND BANK BALANCES**	
a)	**Cash and Cash Equivalents**	
	Balances with Banks	
	In Current Accounts	280.40
	In EEFC Accounts	330.09
	Cash Balance on Hand	37.28
	Foreign Currency on Hand	22.70
	(a)	**670.47**
b)	**Other Bank Balances**	
	Bank Deposit with maturity less than 12 Months (Deposits as margin money with maturity period of less than 12 months on which banks have marked a lien for facilities and are liable to be encashed on demand)	690.74
	(b)	**690.74**
	(a) + (b)	**1,361.21**

FLEMINGO DUTYFREE SHOP PRIVATE LIMITED
(all figures in ₹ millions, unless otherwise stated)
FOR THE YEAR ENDED 31 March 2017

			₹ In Millions
			Mar-17
19	SHORT-TERM LOANS AND ADVANCES		
	Loan to employees		20.91
	Loans and Advances to Related Parties		2,611.54
	Other advances and claims		630.56
	Other Advances		39.32
	Security Deposits		7.09
	Prepaid expenses		370.50
	Deposits with tax authorities		0.72
	Service Tax Refund Receivable		93.31
	Advances to suppliers		86.09
	Current Tax		0.09
			3,860.13
20	REVENUE FROM OPERATIONS		
	Sale of Products (Gross)		
	Traded Goods		20,927.43
	Less : Discounts		(507.38)
	Sale of Products (Net)	**(a)**	**20,420.05**
	Other Operating Revenues	**(b)**	192.74
	Revenue from Operations	**(a) + (b)**	**20,612.79**
21	OTHER INCOME		
	Interest income (gross)		142.68
	Rent		13.62
	Profit on sale of Property, Plant and Equipment		10.25
	Miscellaneous income		6.11
			172.66
22	PURCHASES OF TRADED GOODS		12,595.39
			12,595.39
22	CHANGES IN INVENTORIES OF TRADED GOODS		
	Opening Stock		2,645.93
	Less: Closing Stock		(2,800.57)
			(154.64)
23	EMPLOYEE BENEFITS EXPENSE		
	Salary, Wages and Other Benefits		1,206.34
	Contribution to Provident and Other Funds		190.27
	Staff Welfare Expenses		50.06
			1,446.67
24	FINANCE COSTS		
	Financial Charges		39.50
	Interest		182.12
			221.62

FLEMINGO DUTYFREE SHOP PRIVATE LIMITED
(all figures in ₹ millions, unless otherwise stated)
FOR THE YEAR ENDED 31 March 2017

	₹ In Millions
	Mar-17
25 OTHER EXPENSES	
Advertisement and Sales Promotion	218.47
Postage and Telephone	36.43
Travelling and Conveyance	117.89
General Expenses	442.46
Loss on sale of Subsidiary	1.85
Legal and Professional Fee	211.18
Rent, rates & taxes	215.63
Insurance	31.73
Repairs and Maintenance	49.04
Electricity Charges & Water Charges	61.00
Customs Charges	14.26
Clearing, Forwarding, Documentation and Fees	4.38
Printing and Stationery	57.42
Guest House Expenses	5.54
Fluctuation in Foreign Exchange	56.22
Commission on Sales	5.30
	1,528.80

FLEMINGO DUTYFREE SHOP PRIVATE LIMITED
SPECIAL PURPOSE RESTATED NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT
FOR THE YEAR ENDED 31 March 2017

26. Property, Plant & Equipment

₹ In Millions

Assets	Gross Block					Accumulated Depreciation					Net Block
Tangible Assets	At 31 March 2016	Additions during the year	Deduction during the year	Translation Adjustment	At 31 March 2017	At 31 March 2016	Charge for the year	On deduction during the year	Translation Adjustment	At 31 March 2017	At 31 March 2017
Land and building	450.36	0.31	-	-	450.67	204.46	32.65	-	2.65	239.76	210.91
Plant and Machinery	95.30	14.23	(4.71)	(3.84)	100.98	75.46	11.21	(6.91)	(4.79)	74.97	26.01
Furniture, Fittings and Equipments	552.13	306.89	(42.97)	2.40	818.45	331.42	85.82	(1.60)	(13.13)	402.51	415.94
Vehicles	128.59	23.95	(11.42)	(2.60)	138.52	80.45	24.29	(10.84)	(0.86)	93.04	45.48
Lease hold Improvements	448.60	82.35	(10.43)	(17.30)	503.22	231.17	74.94	(15.71)	(8.18)	282.22	221.00
Total	**1,674.98**	**427.73**	**(69.53)**	**(21.34)**	**2,011.84**	**922.96**	**228.91**	**(35.06)**	**(24.31)**	**1,092.50**	**919.34**
Intangible Assets											
Software	178.19	4.21	-	(0.63)	181.77	126.53	17.92	-	4.22	148.67	33.10
Total	178.19	4.21	-	(0.63)	181.77	126.53	17.92	-	4.22	148.67	33.10
Grand Total	**1,853.19**	**431.94**	**(69.53)**	**(21.97)**	**2,193.61**	**1,049.48**	**246.83**	**(35.06)**	**(20.09)**	**1,241.17**	**952.44**

27 Information About Geographical Segment

₹ In Millions

Particulars	South Asia	Rest of the World (ROW)	Europe	Total
Revenue from Operations	8,053.70	3,801.96	8,564.39	20,420.05
Other Operating income	108.66	51.01	33.07	192.74
Turnover	**8,162.36**	**3,852.97**	**8,597.46**	**20,612.79**
Cost of Material Consumed	4,103.26	3,252.20	5,085.29	12,440.75
Occupancy Cost	2,431.95	63.62	1,764.24	4,259.81
Employee Benefit Expenses	370.78	267.32	808.57	1,446.67
Other Expenses including Adminstration Expenses	506.43	226.64	739.51	1,472.58
Other Income	(6.16)	(16.27)	(7.55)	(29.98)
Linearisation / straight lining	30.97	-	-	30.97
Depreciation and Amortization Expenses	57.98	60.24	128.61	246.83
Results from operating activities	**667.16**	**(0.78)**	**78.79**	**745.16**
Interest income	135.83	1.35	5.50	142.68
Finance Cost	85.53	91.90	44.19	221.62
Exchange gain/ (loss)	(11.30)	(5.72)	(39.20)	(56.22)
Net finance costs	**39.00**	**(96.27)**	**(77.89)**	**(135.16)**
Profit Before Tax	**706.16**	**(97.05)**	**0.90**	**610.00**
Tax Expenses				
- Current Tax	263.80	46.61	9.05	319.46
- Deferred Tax	(10.29)	6.73	(37.42)	(40.99)
Share of net profit of Equity accounted Investee	-	36.65	-	36.65
Profit After Tax before Minority Interest	**452.65**	**(113.74)**	**29.27**	**368.18**

FLEMINGO DUTYFREE SHOP PRIVATE LIMITED
SPECIAL PURPOSE RESTATED NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT
FOR THE YEAR ENDED 31 March 2017

28 Segment Wise and Category wise Revenue

₹ In Millions

	2017			
Particulars	**South Asia**	**Rest of the World (ROW)**	**Europe**	**Total**
Alcohol Beverages	5,743.24	2,799.36	1,228.34	**9,770.94**
Confectionary & Food Products	927.39	18.10	1,147.04	**2,092.53**
Cosmetics & Toiletries	312.55	507.43	968.46	**1,788.44**
Tobacco Products	737.92	185.68	4,636.13	**5,559.73**
Apparels (and Accessories)	-	-	117.20	**117.20**
Watches & Jewellery	-	5.27	103.42	**108.69**
Others	332.60	286.12	363.80	**982.52**
Total Sales	8,053.70	3,801.96	8,564.39	**20,420.05**

As per our report of even date
For Uberoi Sood & Kapoor
Chartered Accountants
(Firm Registration No. 001462N)

S.D. Sharma
Partner
Membership No. 80399

Place : Mumbai
Date : February 11, 2018

For and on behalf of the Board of Directors

Vivek Bhat
Chairman
DIN: 07140076

Place : Mumbai
Date : February 8, 2018

SUMMARY OF SIGNIFICANT DIFFERENCES BETWEEN INDIAN GAAP AND IND AS

We have prepared and presented our financial statements in accordance with Indian GAAP, which differs in certain material respects from Ind AS. Our financial statements for Fiscal 2018 will be prepared under Ind AS.

Ind AS comprises of accounting standards notified under the Companies (Indian Accounting Standards) Rules, 2015 and the relevant requirements of the Companies Act, 2013, whereas Indian GAAP comprises of accounting standards notified under the Companies (Accounting Standards) Rules, 2006 as amended and the relevant requirements of the Companies Act, 2013.

Many differences exist between Indian GAAP and Ind-AS that might be material to our financial information. The matters described below summarises certain key differences between Indian GAAP and Ind AS. No numerical reconciliation of the financial position and results of operations under Indian GAAP and under Ind AS have been included in this Draft Red Herring Prospectus. Therefore, we are not in a position to state as to how our financial position and the results of operations would be impacted when computed under Ind AS. In making an investment decision, investors must rely upon their own examination of our Company, the terms of the offering and the financial information. Potential investors should consult their own professional advisors for an understanding of the differences between Indian GAAP and Ind AS, and how those differences might affect the financial information included in this Draft Red Herring Prospectus.

Please note that this is not an exhaustive list of differences between Ind AS and Indian GAAP; rather, it indicates only those key differences which are considered to be more relevant to the financial position and results of operations of our Company and does not cover all differences regarding presentation, classification and disclosure requirements applicable under Ind AS and Indian GAAP.

No.	Ind AS	Particulars	Treatment as per Indian GAAP	Treatment as per Ind AS
	Ind AS 1	Presentation of Financial Statements	Other Comprehensive Income and Statement of Changes in Equity: There is no concept of 'Other Comprehensive Income' and 'Statement of changes in equity' under Indian GAAP.	Other Comprehensive Income: Ind AS 1 introduces the concept of Other Comprehensive Income ("OCI"). Items of income and expenses that are not recognized in Statement of profit and loss as required or permitted by other Ind ASs are presented under OCI. Statement of Changes in Equity: Ind AS 1 requires presentation of all transactions with equity holders in their capacity as equity holders in Statement of Changes in Equity ("SOCIE") SOCIE normally includes the following items: Total comprehensive income for the period, showing separately the total amounts attributable to owners of the parent and to non- controlling interest. For each component of equity, a reconciliation between the carrying amount at the beginning and the end of the period, separately disclosing changes resulting from: Profit or Loss, Each item of Other comprehensive Income, Transactions with owners in their capacity as owners, showing separately contributions by and

No.	Ind AS	Particulars	Treatment as per Indian GAAP	Treatment as per Ind AS
				distributions to owners and changes in ownership interests in subsidiaries that do not result in a loss of control, Any item recognized directly in equity such as bargain purchase gain recognized directly in capital reserve in accordance with Ind AS 103 Business Combinations.
			Other disclosures: There are no specific disclosure requirements under Indian GAAP for: Critical judgments made by the management in applying accounting policies; Key sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and Information that enables users of its financial statements to evaluate the entity's objectives, policies and processes for managing capital.	Other disclosures: Ind AS-1 requires disclosure of: Critical judgments made by the management in applying accounting policies; Key sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and Information that enables users of its financial statements to evaluate the entity's objectives, policies and processes for managing capital.
			Extraordinary items: Under Indian GAAP, Company discloses extraordinary items separately in the statement of profit and loss and are included in the determination of net profit or loss for the period. Items of income or expense to be disclosed as extraordinary should be distinct from the ordinary activities and are determined by the nature of the event or transaction in relation to the business ordinarily carried out by an entity.	Extraordinary items: Under Ind AS, presentation of any items of income or expense as extraordinary is prohibited.
			Presentation of profit or loss attributable to non- controlling interests (minority interests): Profit or loss attributable to minority interests is disclosed as deduction from the profit or loss for the period as an item of income or expense	Presentation of profit or loss attributable to non- controlling interests (minority interests): Profit or loss attributable to non-controlling interests and equity holders of the parent are disclosed in the Statement of Profit or Loss and Other Comprehensive Income as allocations of profit or loss and total comprehensive income for the period.
			Reclassifications: Under Indian GAAP, a disclosure is made in the financial statements that comparative amounts have been reclassified to conform to the presentation in the current period without additional disclosures for	Reclassifications: Ind AS requires, when comparative amounts or the transition date opening balance sheet are reclassified, the nature, amount and reason for reclassification to be disclosed.

No.	Ind AS	Particulars	Treatment as per Indian GAAP	Treatment as per Ind AS
			the nature, amount and reason for classification	
	Ind AS 8	Accounting Policy, Changes in Accounting Estimates and Errors	Change in Accounting Policies: Under Indian GAAP, changes in accounting policies should be made only if required by statute, for compliance with an Accounting Standard or for a more appropriate presentation of the financial statement. The standard requires a disclosure of changes in accounting policies by presenting in the financial statements on a prospective basis (unless transitional provisions, if any, of an accounting standard require otherwise) together with a disclosure of the impact of the same, if material. If a change in the accounting policy has no material effect on the financial statements for the current period, but is expected to have a material effect in the later periods, the same is appropriately disclosed.	Change in Accounting Policies: Ind AS requires retrospective application of changes in accounting policies by adjusting the opening balance of each affected component of equity for the earliest prior period presented and the other comparative amounts for each period presented as if the new accounting policy had always been applied, unless transitional provisions of an accounting standard require otherwise.
			Errors: Prior period items are included in determination of net profit or loss of the period in which the error pertaining to a prior period is discovered and are separately disclosed in the statement of profit and loss in a manner that the impact on current profit or loss can be perceived.	Errors: Material prior period errors are corrected retrospectively by restating the comparative amounts for prior periods presented in which the error occurred or if the error occurred before the earliest period presented, by restating the opening statement of financial position.
	Ind AS 12	Income Taxes	Under Indian GAAP, the Company account for Deferred Tax resulting from "timing differences" between taxable and accounting income using the tax rates and laws that have been substantially enacted as of the balance sheet date i.e income approach.	As per Ind AS 12 Income Taxes, deferred tax is determined with reference to the balance sheet approach i.e. based on the temporary differences between carrying value of the assets/ liabilities and their respective tax base. Using the balance sheet approach, there could be additional deferred tax charge/income on account of: All Ind AS opening balance sheet adjustments. Actuarial gain and losses accounted in Other Comprehensive Income. Fair valuation adjustments
			Recognition of deferred tax assets for unused tax losses etc.: Deferred tax asset for unused tax losses and unabsorbed depreciation is recognised only to the extent that there is virtual certainty supported by convincing evidence that	Recognition of deferred tax assets for unused tax losses etc.: Deferred tax asset is recognised for carry forward unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against

No.	Ind AS	Particulars	Treatment as per Indian GAAP	Treatment as per Ind AS
			sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax asset for all other unused credits/timing differences is recognised only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.	which the deferred tax asset can be utilised. Where an entity has a history of tax losses, the entity recognises a deferred tax asset only to the extent that the entity has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available.
			Deferred tax on unrealised intra-group profits: Deferred tax is not recognised. Deferred tax expense is an aggregation from separate financial statements of each group entity and no adjustment is made on consolidation.	Deferred tax on unrealised intra-group profits: Deferred tax on unrealised intragroup profits is recognised at the buyer's rate.
	Ind AS 16	Property, plant and equipment	Estimated costs of dismantling, removing or restoring items of property, plant and equipment: No such specific requirement.	Estimated costs of dismantling, removing or restoring items of property, plant and equipment: The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is required to be included in the cost of the respective item of property plant and equipment.
	Ind AS 17	Leases	Operating Lease Rentals: Under Indian GAAP, lease payments under an operating lease are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term, unless another systematic basis is more representative of the time pattern of the users benefit.	Operating Lease Rentals: Under Ind AS 17, lease payments under an operating lease are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term unless either of the below: another systematic basis is more representative of the time pattern of the user's benefit, or the payments to the lessor are structured to increase in line with expected general inflation for cost increases.
			Fair valuation of rent deposits: There is no specific accounting treatment specified under Indian GAAP for the accounting of deposits provided by the lessee under a lease. Deposits are generally accounted as assets at historical cost.	Fair valuation of rent deposits: Under Ind AS, in case of an operating lease, the difference between the nominal value and the fair value of the deposit under the lease is considered as additional rent payable. This is expensed on a straight line basis over the term of the lease. The lessee also recognizes interest income using internal rate of return through its profit and loss over the life of the deposit.
			Determining whether an arrangement contains a lease:	Determining whether an arrangement contains a lease: An arrangement that does not take the legal form of a lease but

No.	Ind AS	Particulars	Treatment as per Indian GAAP	Treatment as per Ind AS
			There is no such requirement if it does not take the legal form of a lease.	fulfilment of which is dependent on the use of specific assets and which conveys the right to use the assets is accounted for as a lease in accordance with Ind AS 17.
	Ind AS 18	Revenue	Revenue is recognized at the nominal amount of consideration receivable. Any sales incentive, discounts or rebates in any form, given to customers will be considered as selling price reductions and accounted as reduction from revenue	Revenue is recognized at fair value of the consideration receivable. Fair value of revenue from sale of goods and services when the inflow of cash and cash equivalents is deferred is determined by discounting all future receipts using an imputed rate of interest. The difference between the fair value and the nominal amount of consideration is recognized as interest revenue using the effective interest method. Any sales incentive, discounts or rebates in any form, including cash discounts given to customers will be considered as selling price reductions and accounted as reduction from revenue.
	Ind AS 19	Employee Benefits	Under Indian GAAP, all actuarial gains and losses are recognised immediately in the statement of profit and loss.	Under Ind AS 19, the change in liability is split into changes arising out of service, interest cost and re-measurements and the change in asset is split between interest income and re- measurements. Changes due to service cost and net interest cost/income need to be recognized in the income statement and the changes arising out of re-measurements are to be recognized directly in Other Comprehensive Income.
	Ind AS 21	The effects of changes in foreign exchange rates	Functional and presentation currency: Foreign currency is a currency other than the reporting currency which is the currency in which financial statements are presented. There is no concept of functional currency. Translation of financial statements of a foreign operation to the reporting currency of the parent depends on the classification of that operation as integral or non-integral	Functional and presentation currency: Functional currency is the currency of the primary economic environment in which the entity operates. Foreign currency is a currency other than the functional currency. Presentation currency is the currency in which the financial statements are presented.
			Change in functional currency: No concept of functional currency	Change in functional currency: Change in functional currency is applied prospectively. The fact of change in functional currency and the reason for the change in functional currency should be disclosed. The date of change in

No.	Ind AS	Particulars	Treatment as per Indian GAAP	Treatment as per Ind AS
				functional currency is also required to be disclosed.
	Ind AS 23	Borrowing costs	Components of borrowing costs: No reference to effective interest rate (EIR), i.e., the interest agreed on the borrowing taken for the qualifying asset would be capitalized	Components of borrowing costs: Description of specific components are linked to effective interest rate (EIR), i.e., interest to be capitalized in the cost of the qualifying asset would be calculated using the EIR method (Ind AS 23 read with Ind AS 109)
	Ind AS 24	Related Party Disclosures	Definition of related party: Parties are considered to be related if at any time during the reporting period one party has the ability to control the other party or exercise significant influence over the other party in making financial and/or operating decisions.	Definition of related party: Definition and scope of related party is much broader under Ind AS. It includes the persons specified within the meaning of "relative" under the Companies Act 2013 and that person's domestic partner, children of that person's domestic partner and dependent of that person's domestic partner. It also covers key management personnel (KMP) of the parent company as well. Two entities are related to each other in both their financial statements, if they are either co-ventures or one is a venture and the other is an associate.
	Ind AS 37	Provisions, contingent liabilities and contingent assets	Discounting: Discounting of liabilities is not permitted and provisions are carried at their full values except decommissioning liability.	Discounting: When the effect of time value of money is material, the amount of provision is the present value of the expenditure expected to be required to settle the obligation. The discount rate is a pre-tax rate that reflects the current market assessment of the time value of money and risks specific to the liability.
	Ind AS 101	Ind AS 101 First-time Adoption of Indian Accounting Standards	There is no specific standard. Full retrospective application would be required.	Ind AS 101 gives guidance on preparation of first Ind AS financial statement. Ind AS grants limited mandatory and voluntary exemptions from full retrospective application.
	Ind AS 103	Business combinations	Under Indian GAAP, AS 14 deals only with amalgamation and the scope is limited and covers amalgamation in the nature of purchase or merger (pooling of interest method). Amalgamations in the nature of purchase are accounted for by recording the identifiable assets and liabilities of the acquiree either by incorporating the assets and liabilities at their existing carrying amounts or by allocating the	Ind AS 103 defined business combination as a transaction or event where an acquirer obtains control of one or more business. Ind AS 103 has a wider scope. Under Ind AS 103, the goodwill is not amortized but tested for impairment on annual basis in accordance with Ind AS 36. Purchase gain arising on business combination is recognized in other comprehensive income and is

No.	Ind AS	Particulars	Treatment as per Indian GAAP	Treatment as per Ind AS
			consideration to individual identifiable assets and liabilities of the transferor company on the basis of their fair values at the date of amalgamation. The existing AS 14 requires that goodwill arising on amalgamation in the nature of purchase is amortized over a period not exceeding five years. Amalgamations in the nature of merger are accounted under the pooling of interests method. Under the pooling of interests method, the assets, liabilities and reserves of the transferor company are recorded by the transferee company at their existing carrying amounts (after making the adjustments required for conflicting accounting policies). Under Indian GAAP, there is no concept of common control.	accumulated in equity as capital reserve. Common control transactions are included in the scope; and additional guidance is provided. The additional guidance provides that business combination transactions between entities under common control should be accounted for using the 'pooling of interests' method.
	Ind AS 107	Financial instruments – Disclosures	Compound financial instruments like Compulsory Convertible Preference Shares is classified as "Equity" and Compulsory Convertible Debentures are classified as "Debt".	Compound financial instruments like compulsory convertible debentures are split into equity and liability components and shall be classified and presented under relevant heads in "Equity" and "Liabilities".
	Ind AS 108	Operating Segments	Under Indian GAAP, AS 17 requires an enterprise to identify two sets of segments (business and geographical), using a risks and rewards approach, with the enterprise's system of internal financial reporting to key management personnel serving only as the starting point for the identification of such segments.	Ind AS 108 requires segment disclosure based on the components of the entity that management monitors in making decisions about operating matters (the 'management approach'). Such components (operating segments) are identified on the basis of internal reports that the entity's Chief Operating Decision Maker (CODM) regularly reviews in allocating resources to segments and in assessing their performance.
	Ind AS 109	Financial Instruments	Currently under Indian GAAP, assets and liabilities are classified as short term or long term. Financial assets and liabilities are not defined and no specific guidance is provided. All assets and liabilities are recorded at their transaction value. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments. Current investments	Ind AS 109 requires identification of financial assets and liabilities separately from non- financial assets and liabilities. All financial assets and liabilities are initially recognised at fair value. Subsequently financial assets are either classified or measured at fair value or at amortised cost. Where assets are measured at fair value, gains and losses are either recognized entirely in profit or loss, i.e. they are carried at fair value through profit and loss (FVTPL), or recognized in other comprehensive

No.	Ind AS	Particulars	Treatment as per Indian GAAP	Treatment as per Ind AS
			are carried at lower of cost and fair value. Other Financial assets and liabilities are carried at their transaction values.	income by measuring them fair value through other comprehensive income (FVTOCI). There are two measurement categories for financial liabilities subsequently– FVTPL and amortized cost using the effective interest rate. All equity investments are measured at fair value with value changes recognised in the Statement of Profit and Loss except for those equity investments for which the entity has irrevocably elected to present value changes in OCI. Derivatives are measured at fair value. All fair value gains and losses are recognised in the Statement of Profit and Loss except where the derivatives qualify as hedging instruments in cash flow hedges or net investment hedges.
			Provision for doubtful debts: Under Indian GAAP, provisions are made for specific receivables based on circumstances such as credit default of customer or disputes with customers. An enterprise assesses the provision of doubtful debts at each period end which, in practice, is based on relevant information such as past experience, actual financial position and cash flows of the debtors. Different methods are used for making provisions for bad debts, including ageing analysis and individual assessment of recoverability.	Provision for doubtful debts: In addition to the specific provisions under Indian GAAP, under Ind AS, at each reporting date, an entity shall assess whether the credit risk on trade receivables has increased significantly since initial recognition. When making the assessment, an entity shall use the Expected Credit Loss (ECL) model to provide for a loss allowance for doubtful debts in the profit and loss statement. An entity shall measure expected credit losses to reflect the following: an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes; the time value of money; and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts
			Financial guarantee contract: Under Indian GAAP, the financial guarantee contracts (i.e guarantees given on behalf of subsidiaries) are disclosed by way of contingent liabilities in the standalone financial statement of the parent company.	Financial guarantee contract: Ind AS 109 requires all financial guarantee contracts to be recognised at fair value at inception. The fair value of the contract will be equal to the premium receivable (or net present value of the premium if the same is paid over the period)

No.	Ind AS	Particulars	Treatment as per Indian GAAP	Treatment as per Ind AS
			No accounting or disclosure is required to be given in the books of the subsidiary,	determined on the basis of an arms -length basis.
	Ind AS 110	Consolidated financial statements	Uniform accounting policies: If not practicable to use uniform accounting policies in the preparation of consolidated financial statements, that fact should be disclosed together with the proportions of the items in the consolidated financial statements to which different accounting policies have been applied.	Uniform accounting policies: Consolidated financial statements should be prepared using uniform accounting policies.
			Allocation of losses to non-controlling interests: Excess of loss applicable to minority over the minority interest in the equity of the subsidiary and any further losses applicable to minority are adjusted against majority interest except to the extent that the minority has a binding obligation to, and is able to, make good the losses.	Allocation of losses to non-controlling interests: Profit or loss and each component of other comprehensive income should be attributable to the owners of the parent and to the non-controlling interests. The total comprehensive income should be attributable to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.
	Ind AS 113	Fair Valu e Measurement	Under Indian GAAP, there is no framework for measuring fair value for financial reporting.	Under Ind AS, Company requires the following to be considered in fair value measurement : The particular asset or liability that is subject of the measurement, The principal market for the asset or liability, The market participant; and The price. In addition, there are specific consideration for the fair value measurement of: Non-financial assets, Liabilities, Equity, and Financial instruments.
	Ind AS 102	Share-based Payment	Employees Stock Option Plans can be accounted either on intrinsic value basis or fair value basis. In the case of graded vesting options, the entity has an option to account all the tranches as one single option (plans with only service condition) or to consider each tranche as a separate option and account for the same separately.	Under Ind AS, share based payments shall be accounted for only on fair value basis either by determining the fair value if the services or the fair value of equity instruments granted. Each tranche in graded vesting option shall be treated as a separate option and accounted for separately.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

In this section, unless the context otherwise requires, a reference to the "Company" or "our Company" is a reference to Flemingo Travel Retail Limited (previously DFS India Private Limited) prior to February 28, 2017, and Flemingo Travel Retail Limited and its Subsidiaries on and after February 28, 2017, as the context requires. Until February 28, 2017, the Company did not have any subsidiaries. Any reference to "we", "us", "our" or "our Group" is a reference to our Company and its Subsidiaries, the Target Companies and the Target Companies' respective direct and indirect subsidiaries.

You should read the following discussion of our Company's financial condition and results of operations together with our Company's Restated Summary Statements which are included in this Draft Red Herring Prospectus. The following discussion and analysis of our Company's financial condition and results of operations is based on our Company's Restated Summary Statements. In this section, unless otherwise stated, the financial information of our Company for the Fiscals 2015, 2016 and 2017 is on an unconsolidated basis and for the six months ended September 30, 2017 is on a consolidated basis. Indian GAAP differs in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Company's Restated Summary Statements have been derived from our Company's audited financial statements for the relevant periods which have been prepared under Indian GAAP and have been restated in accordance with the SEBI ICDR Regulations. Accordingly, the degree to which our Restated Summary Statements will provide meaningful information to a prospective investor in countries other than India is dependent on the reader's level of familiarity with Indian GAAP.

In connection with the Offer, our Group is in the process of undertaking an internal restructuring under which our Company will acquire the Target Companies subject to, among other things, the completion of the Offer. You should read the following discussion of the Target Companies' financial condition and results of operations together with the Special Purpose Financial Statements of the Target Companies which are included in this Draft Red Herring Prospectus. For further details, see "Financial Statements" on page 213. Flemingo UK acquired Harding Brothers Group on November 17, 2014. The special purpose restated consolidated financial statements of Flemingo UK and its subsidiaries for the year ended December 31, 2015 cover the period from the acquisition date to December 31, 2015. Our Company's, its Subsidiaries' and the Indian Target Companies' financial years end on March 31 of each year, while the Non-Indian Target Companies' financial years end on December 31 of each year. Our Company's Restated Summary Statements and the Special Purpose Financial Statements of the Target Companies in this Draft Red Herring Prospectus reflects such different year ends for the Indian and non-Indian entities.

The following discussion and analysis contains certain forward-looking statements that reflect our current views with respect to future events and financial performance that involve risks and uncertainties. These statements are based on assumptions and analyses made by us in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors we believe appropriate under the circumstances. Please see the sections entitled "Forward-looking Statements" and "Risk Factors" in this Draft Red Herring Prospectus for a discussion of the risks, uncertainties and assumptions associated with these statements.

Overview

We are a global travel retailer with a leading position in the high growth India and Sri Lanka travel retail markets in terms of the number of locations where we operated core duty-free stores and the aggregate retail area of core duty-free stores we had as of September 30, 2017 and in terms of access to the number of passengers in Fiscal 2017, according to the Avalon Report.

As of September 30, 2017, we had operations in 119 locations in 26 countries spread across the Indian Subcontinent (our India, Sri Lanka and Maldives operations), the US/Caribbean, Europe, the Mediterranean and Australia (our cruise line travel retail operations), Europe (our Baltona, Chacalli and Turkey operations) and the Rest of the World (our Middle East, Africa and St. Marteen operations). We started travel retail operations in India in 2003 and have expanded our operations successively into other emerging markets and, to diversify our revenue streams, into duty-free sales on cruise ships. According to the Avalon Report, along with our leading market position in the core duty-free segment in India and Sri Lanka, we are also one of the key players in the global cruise line travel retail market.

We derive our revenues from multiple sales channels, including airports, cruise lines, in-flight sales and other channels (including stores at seaport, border-crossing and downtown diplomatic/military duty free locations). As of September 30, 2017, we operated 308 stores with an aggregate retail area of 39,625 square meters, including 99 stores located in 39 airports, 186 stores on-board 60 cruise ships, and 23 stores at seaport, border-crossing and downtown diplomatic/military duty-free locations, and in-flight duty-free retail operations for seven airlines. In addition, we have recently forayed into a new sales channel, duty-free retail on ferries, which started operations out of Świnoujście, Poland in November 2017.

Our operations consist of different types of store formats, including: (i) core duty-free/duty-paid stores, (ii) duty-free/duty-paid speciality stores focusing on fashion, souvenirs, technology, watches and jewellery, (iii) duty-paid F&B outlets, (iv) diplomatic/military duty-free/duty-paid stores specially operated for retail sales to diplomats and envoys, and (v) duty-free/duty-paid convenience stores. We sell a large range of products in the following main product categories: liquor, tobacco products, watches and jewellery, cosmetics and toiletries, food and candies, apparel and accessories and other products.

As we have grown, we have diversified our business geographically. However, emerging markets (such as India, Sri Lanka, Poland, Turkey, Ukraine and the African countries in which we operate) continue to be our focus. Emerging markets have experienced significant growth in recent years and there remains significant room for continued growth. For Fiscals 2015, 2016 and 2017, our revenue generated from emerging markets was ₹18,819.14 million, ₹20,204.41 million and ₹21,494.84 million, respectively, which represented 78.19%, 56.57% and 55.19% of our total revenue for the corresponding periods, on a proforma consolidated basis. Within emerging economies, India is one of our fastest growing markets and according to the Avalon Report, we were the market leader in the Indian travel retail market, in terms of the number of locations where we operated core duty-free stores and the aggregate retail area of core duty free stores we had as of September 30, 2017 and in terms of access to the number of passengers in Fiscal 2017. We were also the second largest duty-free operator in India in terms of the revenue generated in India in Fiscal 2016, according to the Avalon Report. As of September 30, 2017, we operated 28 core duty-free stores in 11 of the top 20 international airports in India (in terms of international passenger traffic in Fiscal 2017), according to the Avalon Report. In addition, as of September 30, 2017 we had a total of 16 speciality stores in Mumbai and Delhi airports with an aggregate retail area of 1,678 square meters and eight core duty free stores at eight seaports in India with an aggregate retail area of 1,345 square meters. We also operate two core duty-free stores in BIA, Colombo (Sri Lanka's only international airport with duty-free retail) alongside the other duty-free operator on a split concession model with a retail area of 715 square meters out of a total retail area of approximately 1,247 square meters. For Fiscals 2015, 2016 and 2017, our India and Sri Lanka operations generated revenue of ₹10,781.80 million, ₹12,114.41 million and ₹13,895.78 million, respectively, which represented 44.80%, 33.92% and 35.68% of our total revenue for the corresponding periods, on a proforma consolidated basis.

As we have grown and diversified our sales channels, we have become one of the key players in the cruise line duty-free market. We acquired Harding Retail through Flemingo UK in November 2014 and entered into the cruise line travel retail market. As of September 30, 2017, Harding Retail had 186 stores on-board 60 cruise ships in partnership with 17 cruise line operators. For the years ended December 31, 2015 and 2016, our United Kingdom segment had revenue of ₹ 9,702.39 million and ₹ 12,542.87 million, respectively, which represented 27.17% and 32.20% of our total revenue for Fiscals 2016 and 2017, respectively, on a proforma consolidated basis.

We have developed expertise in building strong relationships with our concession landlords (including airport authorities and operators as well as some of the world's major cruise liners) as evidenced by a high renewal rate of our concessions. We believe that the location of many of our operations, including in India and other emerging markets, gives us a competitive advantage in helping us lower our operating costs.

For Fiscals 2015, 2016 and 2017, on a proforma consolidated basis, our total revenue was ₹24,069.08 million, ₹35,713.83 million and ₹38,950.10 million, respectively. Our EBITDA was ₹1,346.02 million, ₹2,115.78 million and ₹1,622.04 million, respectively. For Fiscals 2015, 2016 and 2017, our Company generated total revenue of ₹4,253.71 million, ₹5,474.61 million and ₹6,063.79 million, respectively, and had an EBITDA of ₹308.89 million, ₹441.41 million and ₹550.24 million, respectively.

Management's Discussion and Analysis of Financial Condition and Results of Operations of our Company

Significant Factors Affecting our Company's Results of Operations

Our Company's results of operations have been, and will be, affected by many factors, some of which are beyond our control. The following is a discussion of certain factors that have had, and will continue to have, a significant effect on our Company's financial condition and results of operations:

Passenger traffic and revenue productivity

Our Company's revenue is primarily generated from sale of products in the duty free airport stores in Mumbai and New Delhi. Increase in passenger traffic coupled with higher conversion ratio has resulted in our Company's revenue growth over the periods under review, in particular at our core duty free stores in the Mumbai airport.

Passenger traffic: Passenger traffic is a significant factor influencing our Company's sales. The number of air international passengers in Indian airports has been constantly growing in the last ten years, and it is expected to continue to grow at an annualised rate of 8.6% during Fiscals 2017-2020 and to reach approximately 76 million by Fiscal 2020, according to the Avalon Report. In addition to volume of passengers, factors such as the passengers' disposable income, nationality and destination may affect the sale of products.

Revenue productivity: Productivity may be improved through enhancement of both conversion ratio (the number of passengers who actually buy products from our stores compared to total passengers at the location) and average SPP. Our Company has taken steps to influence both measures to improve sales, such as: improving the store layout and accessibility; adjusting selling prices and product variety; increasing marketing activities; and promoting better customer services. For example, our Company has a marketing campaign running with a major international bank where a customer spends US$100 with specific credit cards issued by that bank gets a 15% cashback. Further, in departures, our Company offers a 5-10% discount to those who pre-order with our Company where the customers pay us in advance while departing and collect their purchases on their return. Such promotions encourage passengers to spend more.

Occupancy costs

As of September 30, 2017, our Company had 17 stores at the Chhatrapati Shivaji International Airport, Mumbai including four core duty-free stores, one Indian gourmet store and 12 speciality stores with an aggregate retail area of 6,627 square meters, and three stores at the New Delhi airport with an aggregate retail area of approximately 291 square meters. In May 2014, our Company secured a new concession agreement with the Mumbai airport authority for the flagship store (including four core duty-free stores) at the Mumbai airport up to December 31, 2024. Subsequently, in 2016, our Company also secured an option to extend the concession for another three years until December 31, 2027. The retail area is 5,374 square metres under the new concession agreement compared to 2,786 square metres under the old concession agreement. As of September 30, 2017, our Company also had three stores in Burundi with an aggregate retail area of 1,170 square meters and one store in Rwanda with a retail area of 90 square meters.

Occupancy costs principally reflect concession fees for our Company's duty free stores. In return for granting our Company the right to operate concessions, the concession landlords typically receive a fixed or variable concession fee or both. Currently the concession fee model of our Company is in the nature of a revenue share (depending on the product category), subject to a monthly/annual minimum guaranteed amount. The monthly/annual guarantee requires our Company to pay the fee to the concession landlords irrespective of the revenues actually generated from the stores.

Cost of goods sold

An important component of our Company's expenses is cost of goods sold. Cost of goods sold primarily comprises costs of goods sold in our Company's duty-free stores and other direct costs incurred in bringing the goods to their location and condition. In recent years, the cost of goods sold has increased due to various factors, including expansion of our Company's retail area and inflation. Cost of goods sold accounted for 35.33%, 37.57%, 34.46% and 31.58% of our Company's total expenses for the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015, respectively. Our Company's performance in the future will continue to depend on our Company's ability to pass increases in prices to our end consumers and our Company's ability to leverage increasingly deep and important relationships with brand owners and concession landlords.

Changes in the mix of products our Company sells can also impact our Company's sales and operating profit as the gross profit margins may vary across different products and product categories. Although liquor is our Company's highest selling product category, its sales share as a percentage of our Company's revenue from operations has declined as our Company has added more product categories such as food and candies, cosmetics and toys. Revenue from sales of liquor represented 58.30%, 61.01%, 61.99% and 63.90% of our Company's revenue from operations for the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015, respectively. Our Company's gross profit margin will be affected by the adjustments that our Company makes to the product mix. Generally, Liquor and candies are the highest gross margin category, cosmetics and toiletries are second highest and tobacco products are the lowest gross margin category for our Company.

Seasonality

Our Company's sales are affected by seasonal factors. Our Company's duty-free airport operations generally achieves the highest revenue and net profit during the first quarter of its fiscal year (April to June), as this quarter coincides with the summer holiday season in India, and during the third quarter of its fiscal year (October to December), as this quarter coincides with Christmas and the festival season in India as well as the Indian winter holiday season. In addition, certain seasonal events affecting revenue and net profit, such as Easter and Ramadan, fall on different dates each year. Our Company increases its working capital prior to these peak sales periods, so as to carry higher levels of stock and add temporary personnel to the sales team to meet the expected higher demands. Its result of operations would be adversely affected by any significant reduction in sales during the traditional peak sales periods.

Significant Accounting Policies of our Company

The significant accounting policies are those that the management of our Company believe are the most important to the portrayal of our Company's financial condition and results of operations and that require the management's most difficult, subjective or complex judgements. In many cases, the accounting treatment of a particular transaction is specifically dictated by applicable accounting policies with no need for the application of judgement. In certain circumstances, however, the preparation of financial statements in conformity with applicable accounting policies requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent assets and liabilities at the end of the reporting period. Actual results could differ from those estimates. Our Company bases its estimates on historical experience and on various other assumptions that our management believes are reasonable under the circumstances. However, significant accounting estimates are reflective of significant judgements and uncertainties and are sufficiently sensitive to result in materially different results under different assumptions and conditions. Our Company's significant accounting policies are those described below.

Basis of preparation

The restated consolidated summary statement of assets and liabilities as at March 31, 2017 and as at September 30, 2017 and the restated consolidated summary statement of profits and losses and restated consolidated summary statement of cash flows for the Financial Year ended March 31, 2017 and for the six month period ended September 30, 2017, of our Company, read along with all the schedules and notes thereto and included in "*Financial Statements*" on page 213 (herein collectively referred to as "**Restated Consolidated Summary Statements**") were derived from the then audited consolidated financial statements of the Company for the respective corresponding year/period. The restated unconsolidated summary statement of assets and liabilities as at March 31, 2017, 2016, 2015, 2014 and 2013 and as at six month period ended September 30, 2017 and the restated unconsolidated summary statement of profits and losses and restated unconsolidated summary statement of cash flows for each of the Financial Years ended March 31, 2017, 2016, 2015, 2014 and 2013 and for the six month period ended September 30, 2017, of our Company, read along with all the schedules and notes thereto and included in "*Financial Statements*" on page 213 (herein collectively referred to as "**Restated Unconsolidated Summary Statements**", together with the Restated Consolidated Summary Statements, the "**Restated Summary Statements**") have been derived from the then audited unconsolidated financial statements of the Company for the respective corresponding year/period.

The audited financial statements of the Company were prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). Our Company has prepared the Restated Summary Statements to comply in all material aspects with the accounting standards notified and under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The Restated Summary Statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies have been consistently applied by our Company and are consistent with those used for the purpose of preparation of Restated Summary Statements as at and for all the periods ended.

Until February 28, 2017, our Company did not have any subsidiaries. The consolidated financial statements as at and for the six months ended September 30, 2017 and the fiscal year ended March 31, 2017 comprise the financial statements of our Company and its two Subsidiaries, Flemingo Burundi which is 99.00% owned by our Company and Flemingo Rwanda which is 99.98% owned by our Company. Both Subsidiaries were acquired by our Company on February 28, 2017. The financial statements of the two Subsidiaries have been consolidated since the acquisition date being February 28, 2017.

Basis of consolidation

The Consolidated Restated Summary Statements of the Company have been consolidated on a line-by-line basis by adding together the book values of its Subsidiaries including items of assets, liabilities, income and expenses, after eliminating intra-group balances and the unrealised profits/losses on intra-group transactions as per AS 21 “Consolidated Financial Statements” The results of the Subsidiaries are included from the date of the acquisition of a controlling interest by the Company. The excess/shortfall of cost to the Company of its investments in the Subsidiaries is recognised in the financial statements as goodwill/capital reserves, as the case may be.

The minority interest in net asset of the consolidated financial statements of the Subsidiaries consists of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the Company in the Subsidiaries and further movement in their share in equity, subsequent to the dates of investment.

The translation of the financial statements of the foreign Subsidiaries for incorporation in the consolidated financial statements has been done by using the following exchange rates:

- Assets and liabilities items have been translated by using the rates prevailing on the reporting date;
- Income and expense items have been translated by using the monthly average rate of exchange; and
- Exchange difference arising on translation of financial statements as specified above is recognised into account of foreign currency translation reserve.

Depreciation on property, plant and equipment

Depreciation is accounted for using the straight-line method based on the estimated useful lives of the assets estimated by the management of our Company. Our Company has used the following rates to provide depreciation on its property, plant and equipment:

	Useful life estimated by management (years)
Computer and Office Equipment	3
Furniture and fittings	5
Vehicles	5
Leasehold improvements	Over lease period
POS machine	5

The management has estimated the above useful life and the same is supported by technical experts. Further, if the asset life as per management's estimation is more than the balance period of lease pursuant to the relevant occupancy agreement, the assets are depreciated over the balance period of lease.
The management has estimated, supported by their experience, the useful lives of the following classes of assets.

- POS machines are depreciated over the estimated useful lives of five years, which is higher than those indicated in schedule II of the Companies Act, 2013.
- Furniture and fixtures and vehicles are depreciated over the estimated useful lives of 5 years, which is lower than those indicated in schedule II of the Companies Act, 2013.

Asset restoration obligations

Our Company recognises ARO when there is an obligation to restore the leased premises, and when a reliable estimate of that liability can be made. Where an obligation exists for a leased premise, this liability is recognised when the agreement for the concession becomes effective. An obligation for restoration may also crystallise during the period of operation of the concession through a change in legislation. The amount recognised is the estimated future expenditure determined in accordance with local conditions and requirements. A corresponding item of property, plant and equipment of an amount equivalent to the provision is also recognised. This is subsequently depreciated as a part of the main asset i.e. leasehold improvements made pursuant to the concession agreement.

These costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted at pre-tax rate that reflects current market assessment of time value of money and the risks specific to the liability. The unwinding of the discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost. The estimated future costs of asset restoration are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

Intangible assets

Intangible assets comprising of software which is acquired separately are measured on initial recognition at cost. The cost comprises acquisition cost and directly attributable cost of bringing the asset to its working condition for the intended use. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised. Software is amortised over a period of five years.

Impairment of property, plant and equipment and intangible assets

Our Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, our Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In determining net selling price, our Company takes into consideration recent market transactions, if available. If no such transactions can be identified, an appropriate valuation model is used.

Our Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of our Company's cash-generating units to which the individual assets are allocated.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, our Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.

Inventories

Traded goods are valued at lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Derivative instruments and hedge accounting

The Company uses derivative financial instruments, such as, cross currency principal-only-swaps to hedge interest rate risk arising from variable rate loans in compliance with Guidance note on Accounting for Derivative

Contracts, keeping in view the principle of prudence as enunciated in AS 1 Disclosure of Accounting Policies, the entity provides for losses in respect of all outstanding derivative contracts at the balance sheet date by marking them to market.

Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

The difference between the contractual occupancy costs and the straight lined occupancy costs is accounted for as linearisation impact.

Borrowing costs

Borrowing cost includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

Ancillary cost incurred in arranging the term loans are amortised over the period.

Foreign currency translation

Initial recognition: Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion: Foreign currency monetary items are reported using the closing rate. Non-monetary items are carried at the historical cost denominated in the foreign currency and are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange differences: Exchange differences arising on the settlement of monetary items, or on reporting such monetary items of our Company at rates different from those at which they were initially recorded during the year, are recognised as income or as expenses in the year in which they arise.

Retirement and other employee benefits

Retirement benefits in the form of the provident fund are a defined contribution scheme and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.

Gratuity liabilities are defined benefit obligations and are provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

Actuarial gains and losses for both defined benefit plans are recognised in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where the Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

Actuarial gains and losses are immediately taken to the statement of profit and loss and are not deferred.

Provisions

Provisions are recognised when our Company has a present obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Revenue recognition

Our Company recognises revenue to the extent that it is probable that the economic benefits will flow to our Company and the revenue can be reliably measured.

Sale of goods: Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually upon delivery of the goods.

Interest income: Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Interest income is included in "Other Income" in the statement of profit and loss.

Marketing Support: Income from marketing support is recognised over the period of the agreement with the brand owners. It is included in "other income" in the statement of profit and loss.

Income taxes

Tax expenses generally comprise current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date, the Company reassesses unrecognised deferred tax assets. It recognises the unrecognised deferred tax assets to the extent that it has become reasonably certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

MAT paid in a year is charged to the statement of profit and loss as current tax. The Company recognises MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognises MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of MAT under the Income Tax Act, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of our Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. Our Company does not recognise a contingent liability but discloses its existence in the notes to financial statements.

Principal Components of our Company's Income Statement

Income

Our Company's income comprises revenue from operations and other income.

Revenue from operations

Revenue from operations primarily comprises revenue from sales of products after discounts and rebates made at duty-free stores at Mumbai and New Delhi international airports. As at September 30, 2017, our Company operated 17 stores at Mumbai airport with an aggregate retail area of 6,627 square meters including four core duty-free stores of 5,240 square meters, fashion, luxury and electronic stores of 1,253 square meters and an Indian gourmet store of 134 square meters, and three speciality stores at New Delhi airport with an aggregate retail area of 291 square meters. As of September 30, 2017, our Company also had three stores in Burundi with an aggregate retail area of 1,170 square metres and one store in Rwanda with a retail area of over 90 square metres.

Our Company offers a wide range of products including liquor, fashion accessories, food and candies, tobacco and others. Liquor is the highest selling category due to favourable pricing of duty-free liquor products compared to those in the traditional retail channels in India, which represented 58.30%, 61.01%, 61.99% and 63.90% of revenue from operations for the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015. The following table sets forth a breakdown of the revenue from operations by product category for the periods indicated:

	Six months ended September 30,		**Year ended March 31,**					
	2017		**2017**		**2016**		**2015**	
	(Consolidated)		**(Unconsolidated)**		**(Unconsolidated)**		**(Unconsolidated)**	
	(in ₹ million)	**(%)**	**(in ₹ million)**	**(%)**	**(in ₹ million)**	**(%)**	**(in₹ million)**	**(%)**
Liquor	1,895.56	58.30	3,652.59	61.01	3,341.17	61.99	2,672.35	63.90
Fashion accessories	578.70	17.80	993.98	16.60	875.03	16.23	630.23	15.07
Food and candies	511.37	15.73	917.36	15.32	791.46	14.68	561.45	13.42
Tobacco and others	266.01	8.18	422.90	7.06	382.35	7.09	318.30	7.61
Total	**3,251.64**	**100.00**	**5,986.93**	**100.00**	**5,390.01**	**100.00**	**4,182.33**	**100.00**

Other income

Other income primarily consists of interest income on security deposits with airport authorities, interest income on bank deposits, interest income on income tax refunds, exchange gain, (net) write back of provisions and miscellaneous income.

Expenditure

Our Company's expenditure comprises: (i) cost of goods sold, (ii) employee benefit expenses, (iii) occupancy costs, (iv) depreciation and amortisation expenses, (v) finance costs and (vi) other expenses.

Cost of goods sold

Cost of goods sold primarily comprises costs of goods and other direct costs incurred in bringing the inventories to their location and condition.

Employee benefits expense

Employee benefits expense comprises: (i) salaries, wages and bonus; (ii) contribution to provident and other funds; (iii) gratuity expense, and (iv) staff welfare expenses.

Occupancy costs

Our Company's occupancy costs reflect concession fees for stores at Mumbai and New Delhi airports. In the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015, our Company's occupancy costs was ₹1,834.24 million, ₹3,456.84 million, ₹3,427.11 million and ₹3,200.75 million, respectively, which accounted for 56.41%, 57.74%, 63.58% and 76.53% of our Company's revenue from operations, respectively.

Our Company's occupancy costs included linearisation impact of ₹466.21 million, ₹1,026.52 million, ₹1,366.60 million and ₹1,588.01 million for the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015, respectively. Excluding linearisation impact, our Company's occupancy costs expense in the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015 was ₹1,368.03 million, ₹2,430.32 million, ₹2,060.51 million and ₹1,612.74 million, respectively, which accounted for 42.07%, 40.59%, 38.23% and 38.56% of our Company's revenue from operations, respectively. For more details of linearisation impact, see "- *Significant Accounting Policies of our Company - Leases*" above.

Other expenses

Other expenses primarily comprise: (i) advertisement and sales promotion; (ii) bank charges including credit card commission; (iii) exchange loss (net); (iv) legal and professional services fees; (v) other contract services including IT related services and manpower services for loading/ unloading of goods and housekeeping services at airports; (vi) electricity charges and water charges; (vii) travelling and conveyance; (viii) taxes and licences and (ix) other miscellaneous expenses.

EBITDA

EBITDA is restated profit or loss before tax expense, exceptional items, finance costs, depreciation and amortisation expenses and linearisation impact. EBITDA margin is equal to EBITDA divided by revenue from operations. The following table sets forth our Company's EBITDA for the periods indicated.

(in ₹ million, except for %)

	Six months ended September 30,	Year ended March 31,		
	2017	**2017**	**2016**	**2015**
	(Consolidated)	**(Unconsolidated)**	**(Unconsolidated)**	**(Unconsolidated)**
Restated loss for the period / year	(457.30)	(1,140.09)	(1,295.45)	(1,633.68)
Add:				
Tax expense	0.47	-	-	-
Exceptional items	-	244.83	-	-
Finance costs	148.24	250.04	183.91	241.97
Depreciation and amortisation expenses	88.70	168.94	186.35	112.59
Linearisation impact	466.21	1,026.52	1,366.60	1,588.01
EBITDA	**246.32**	**550.24**	**441.41**	**308.89**
EBITDA margin (%)	**7.58**	**9.19**	**8.19**	**7.39**

EBITDA is not a measurement of financial performance or liquidity under Indian GAAP or U.S. GAAP and should not be considered as an alternative to net income, operating income or any other performance measures derived in accordance with Indian GAAP or U.S. GAAP or as an alternative to cash flow from operating activities as a measure of liquidity. In addition, EBITDA is not a standardised term; hence, a direct comparison of EBITDA as reported by different companies may not be possible or meaningful. In particular, the EBITDA included has also eliminated the linearisation impact effect of our concession fees, i.e. only cash costs are included in the EBITDA. See *"Risk Factors – Internal Risk Factors - Non-GAAP measures included in this Draft Red Herring Prospectus have limitations as analytical tools"* on page 34.

Depreciation and amortisation expenses

Depreciation and amortisation expenses primarily pertain to depreciation on property, plant and equipment (being computers and office equipment, furniture and fittings, leasehold improvements and vehicles) and amortisation of intangible assets (being software).

Finance costs

Finance costs comprise interest on borrowings (term loan and working capital loan), other borrowing costs, amortisation of ancillary borrowing costs and others.

Our Company's Results of Operations

The following table sets forth our Company's restated consolidated/unconsolidated summary statement of profit and loss for the periods indicated. The Company had no subsidiaries prior to February 28, 2017. See *"- Significant Accounting Policies of our Company – basis of presentation*" on page 226.

(in ₹ million)

	Six months ended September 30,	Year ended March 31,		
	2017	**2017**	**2016**	**2015**
	(Consolidated)	**(Unconsolidated)**	**(Unconsolidated)**	**(Unconsolidated)**
Income				
Revenue from operations	3,251.64	5,986.83	5,390.01	4,182.33
Other income	54.52	76.96	84.60	71.38
Total revenue	**3,306.16**	**6,063.79**	**5,474.61**	**4,253.71**
Expenditure				
Cost of goods sold	1,329.45	2,614.31	2,332.76	1,859.52
Employee benefits expense	163.16	248.38	226.40	203.68
Occupancy costs(1)	1,834.24	3,456.84	3,427.11	3,200.75
Other expenses	199.20	220.54	413.53	268.88
Depreciation and amortisation expenses	88.70	168.94	186.35	112.59
Finance costs	148.24	250.04	183.91	241.97
Total expenses	**3,762.99**	**6,959.05**	**6,770.06**	**5,887.39**
Restated loss before tax and exceptional items	(456.83)	(895.26)	(1,295.45)	(1,633.68)
Exceptional items	-	244.83	-	-
Restated loss before tax and after exceptional items	(456.83)	(1,140.09)	(1,295.45)	(1,633.68)
Tax expense	0.47	-	-	-
Restated loss for the period/year	**(457.30)**	**(1,140.09)**	**(1,295.45)**	**(1,633.68)**

Note:

(1) Linearisation impact included in the occupancy costs was ₹466.21 million, ₹1,026.52 million, ₹1,366.60 million and ₹1,588.01 million for the six months ended September 30, 2017 and the Fiscals 2017, 2016 and 2015, respectively.

Six months ended September 30, 2017

Income

Revenue from operations

Our Company's revenue from operations was ₹3,251.64 million in the six months ended September 30, 2017, primarily comprising sales made in the Mumbai core duty free stores. Sales mix was dominated by liquor, which contributed to 58.30% of revenue from operations of the same period. Fashion accessories, food and candies, and tobacco and others contributed to 17.80%, 15.73% and 8.18% of our Company's revenue from operations in the six months ended September 30, 2017, respectively.

Other income

Our Company's other income was ₹54.52 million in the six months ended September 30, 2017, primarily comprising interest income on security deposits of ₹32.06 million and interest income on bank deposits of ₹12.36 million. Balance pertained to write back of provisions and miscellaneous income.

Expenditure

Our Company's total expenditure was ₹3,762.99 million in the six months ended September 30, 2017, primarily comprising cost of goods sold of ₹1,329.45 million, employee benefits expense of ₹163.16 million, occupancy costs of ₹1,834.24 million, other expenses of ₹199.20 million, depreciation and amortisation expenses of ₹88.70 million and finance costs of ₹148.24 million.

Cost of goods sold

Our Company's cost of goods sold was ₹1,329.45 million in the six months ended September 30, 2017, primarily comprising purchase of the goods sold in our duty-free stores and changes in inventories (primarily liquor and fashion accessories).

Employee benefit expenses

Our Company's employee benefit expenses were ₹163.16 million in the six months ended September 30, 2017, primarily comprising salaries, wages and bonus for employees of ₹148.23 million.

Occupancy costs

Our Company's occupancy costs were ₹1,834.24 million in the six months ended September 30, 2017. Concession fees as a percentage of revenue from operations was 56.41% in the six months ended September 30, 2017. However, excluding linearisation impact of ₹466.21 million, the occupancy costs expense our Company incurred was ₹1,368.03 million, which represented 42.07% of our Company's revenue from operations for the same period.

Other expenses

Our Company's other expenses were ₹199.20 million in the six months ended September 30, 2017, primarily comprising exchange loss (net) of ₹64.94 million, advertising and sales promotion of ₹31.92 million, other contract services of ₹26.47 million and bank charges including credit card commissions of ₹21.21 million.

EBITDA

Our Company's EBIDTA was ₹246.32 million in the six months ended September 30, 2017. Our Company's EBIDTA margin was 7.58% in the six months ended September 30, 2017.

Depreciation and amortisation expenses

Our Company's depreciation and amortisation expenses were ₹88.70 million in the six months ended September 30, 2017, primarily comprising depreciation on tangible assets.

Finance costs

Our Company's finance costs were ₹148.24 million in the six months ended September 30, 2017, primarily comprising interest on term loans of ₹95.27 million and amortisation of ancillary borrowing costs of ₹23.08 million.

Restated loss for the period

As a result of the foregoing, our Company's restated loss for the period was ₹457.30 million for the six months ended September 30, 2017.

Fiscal 2017 compared to Fiscal 2016

Income

Revenue from operations

Our Company's revenue from operations increased by 11.07% to ₹5,986.83 million in Fiscal 2017 from ₹5,390.01 million in the Fiscal 2016, primarily due to an increase in the sales in the Mumbai core duty free stores driven by an increase in passenger volumes and an improvement in conversion ratio, together with an increase in the assortment of various products. Liquor, fashion accessories, food and candies, and tobacco and others contributed to 61.01%, 16.60%, 15.32% and 7.06% of our Company's revenue from operations in Fiscal 2017, respectively.

Other income

Our Company's other income decreased by 9.03% to ₹76.96 million in Fiscal 2017 from ₹84.60 million in the Fiscal 2016, primarily due to a decrease in interest income on security deposits with airport authorities. There was a decrease in the balance of the security deposits on account of restatement of security deposits from US Dollars to Indian Rupees as a result of the change of control arising from acquisition of our Company by our Group.

Expenditure

Our Company's total expenditure increased by 2.79% to ₹6,959.05 million in Fiscal 2017 from ₹6,770.06 million in Fiscal 2016, primarily due to an increase in cost of goods sold.

Cost of goods sold

Our Company's cost of goods sold increased by 12.07% to ₹2,614.31 million in Fiscal 2017 from ₹2,332.76 million in Fiscal 2016, primarily as a result of the increase in the sales of duty-free products in the Mumbai core duty free stores.

Employee benefits expense

Our Company's employee benefits expense increased by 9.71% to ₹248.38 million in Fiscal 2017 from ₹226.40 million in Fiscal 2016, primarily due to an increase in gratuity expense and leave encashment as a result of increases in the number of employees and regular annual increments.

Occupancy costs

Our Company's occupancy costs remained relatively stable at ₹3,456.84 million and ₹3,427.11 million in Fiscals 2017 and 2016, respectively. Occupancy costs as a percentage of revenue from operations was 57.74% and 63.58% in Fiscals 2017 and 2016, respectively. However, excluding linearisation impact of ₹1,026.52 million and ₹1,366.60 million for the respective year, the occupancy costs expense our Company incurred in Fiscals 2017 and 2016 was ₹2,430.32 million and ₹2,060.51 million, respectively, which represented 40.59% and 38.23% of its revenue from operations for the respective year.

Other expenses

Our Company's other expenses decreased by 46.67% to ₹220.54 million in Fiscal 2017 from ₹413.53 million in Fiscal 2016, primarily due to decreases in exchange loss (net), other contract services such as IT related services, housekeeping services and manpower services for loading/unloading of goods, advertising and sales promotion and electricity charges. Our Company had exchange loss (net) of ₹145.98 million in Fiscal 2016 arising from depreciation of Indian Rupee against US dollar which resulted in translation loss of trade payables and deferred concession fees which are denominated in US dollars.

EBIDTA

Our Company's EBIDTA improved to ₹550.24 million in Fiscal 2017 from ₹441.41 million in Fiscal 2016. Our Company's EBIDTA margin improved to 9.19% in Fiscal 2017 from 8.19% in Fiscal 2016.

Depreciation and amortisation expenses

Our Company's depreciation and amortisation expenses decreased by 9.34% to ₹168.94 million in Fiscal 2017 from ₹186.35 million in Fiscal 2016. There were no major capital expenses during Fiscal 2017.

Finance costs

Our Company's finance costs increased by 35.96% to ₹250.04 million in Fiscal 2017 from ₹183.91 million in Fiscal 2016, primarily due to an increase in other borrowing costs of ₹40.61 million. Other borrowing costs primarily include prepayment charges due to an early repayment of a loan and amortisation of ancillary borrowing costs. This increase was also due to conversion of US Dollar loans to Indian Rupee loans which was caused by the change of control resulting from the acquisition of our Company by our Group.

Restated loss before tax and exceptional items

As a result of the foregoing, our Company's restated loss before tax and exceptional items was ₹895.26 million in Fiscal 2017 as compared to a loss of ₹1,295.45 million in Fiscal 2016.

Exceptional items

Our Company had an exceptional item of ₹244.83 million in Fiscal 2017 arising from swap cancellation charges paid to a bank. In Fiscal 2017, our Company negotiated the concession agreement with the Mumbai airport authority as a result of the change of control arising from the acquisition of our Company by our Group, which required our Company to convert its existing US Dollar denominated security deposits placed with the airport authorities into an India Rupee denominated security deposits leading to a foreign exchange loss of ₹189.21 million. On account of this event, our Company cancelled its swap facility on loans taken primarily to finance US Dollar deposit and paid ₹235.95 million as swap cancellation cost. Further, this cancellation of swap resulted in a foreign exchange gain of ₹180.33 million. Considering that the above events were related to a one time negotiation with the Mumbai airport authority, the cost associated with such negotiations was recognised as exceptional items in the income statement for Fiscal 2017.

Restated loss for the year (after tax and exceptional items)

Due to the factors discussed above, our Company's restated loss for the year (after tax and exceptional item) was ₹1,140.09 million in Fiscal 2017 as compared to a restated loss for the year of ₹1,295.45 million in Fiscal 2016.

Fiscal 2016 compared to Fiscal 2015

Income

Revenue from operations

Our Company's revenue from operations increased by 28.88% to ₹5,390.01 million in Fiscal 2016 from ₹4,182.33 million in the Fiscal 2015, primarily due to an increase in the sales in the Mumbai core duty free stores driven primarily by improved new airport infrastructure which resulted in larger retail area and higher passenger penetration at both arrival and departure stores. Our Company started the operations in Mumbai airport under a new concession agreement with larger retail area from May 2014. The new retail area is 5,374 square metres compared to 2,786 square metres under the old concession agreement. Liquor, fashion accessories, food and candies, and tobacco and others contributed to 61.99%, 16.23%, 14.68% and 7.09% of our Company's revenue from operations in Fiscal 2016, respectively, while in Fiscal 2015, liquor, fashion accessories, food and candies, and tobacco and others contributed to 63.90%, 15.07%, 13.42% and 7.61% of our Company's revenue from operations, respectively.

Other income

Our Company's other income increased by 18.52% to ₹84.60 million in Fiscal 2016 from ₹71.38 million in the Fiscal 2015, primarily due to an increase in interest on security deposits. The security deposits increased since May 2014 because of the new concession agreement entered into with Mumbai airport authority.

Expenditure

Our Company's total expenditure increased by 14.99% to ₹6,770.06 million in Fiscal 2016 from ₹5,887.39 million in Fiscal 2015, primarily due to increases in cost of goods sold, occupancy costs and other expenses. Fiscal 2016 was the full complete year under the new concession agreement with Mumbai airport authority with improved airport infrastructure and larger retail area.

Cost of goods sold

Our Company's cost of goods sold increased by 25.45% to ₹2,332.76 million in Fiscal 2016 from ₹1,859.52 million in Fiscal 2015, in line with the increase in the revenue from operations. The cost of goods sold as a percentage of revenue from operations has improved by 1.18% over Fiscal 2015.

Employee benefits expense

Our Company's employee benefits expense increased by 11.15% to ₹226.40 million in Fiscal 2016 from ₹203.68 million in Fiscal 2015, primarily due to increases in salaries, wages and bonus as a result of an increase in the number of employees.

Occupancy costs

Our Company's occupancy costs increased by 7.07% to ₹3,427.11 million in the Fiscal 2016 from ₹3,200.75 million in Fiscal 2015, primarily due to Fiscal 2015 being part of the year under the new concession agreement with monthly minimum guarantee starting from May 2014 and the increased revenue. Concession fees as a percentage of revenue from operations was 63.58% and 76.53% in Fiscals 2016 and 2015, respectively. However, excluding linearisation impact of ₹1,366.60 million and ₹1,588.01 million for the respective year, the occupancy costs expense our Company incurred in Fiscals 2016 and 2015 was ₹2,060.51 million and ₹1,612.74 million, respectively, which represented 38.23% and 38.56% of its revenue from operations for the respective year. This increase in the occupancy costs was primarily on account of Fiscal 2015 being only part of the year under the new concession agreement with Mumbai airport authority and the annual increase in monthly minimum guarantee.

Other expenses

Our Company's other expenses increased by 53.80% to ₹413.53 million in Fiscal 2016 from ₹268.88 million in Fiscal 2015, primarily due to an increase in exchange loss (net) to ₹145.98 million in Fiscal 2016 arising from depreciation of Indian Rupee against US dollar which resulted in translation loss of trade payables and deferred concession fees which are denominated in US dollars. Further, the expenses associated with the new concession agreement were for the full year during Fiscal 2016.

EBIDTA

Our Company's EBIDTA improved to ₹441.41 million in Fiscal 2016 from ₹308.89 million in Fiscal 2015. Our Company's EBIDTA margin improved to 8.19% in Fiscal 2016 from 7.39% in Fiscal 2015.

Depreciation and amortisation expenses

Our Company's depreciation and amortisation expenses increased by 65.51% to ₹186.35 million in Fiscal 2016 from ₹112.59 million in Fiscal 2015, primarily due to an increase in depreciation of tangible assets as a result of new additions and capitalisations associated with larger retail area in Mumbai airport.

Finance costs

Our Company's finance costs decreased by 23.99% to ₹ 183.91 million in Fiscal 2016 from ₹ 241.97 million in Fiscal 2015, primarily due to a decrease in the interest on debentures which were converted in the previous year partially offset by others of ₹ 30.17 million. Others primarily comprise interest charged by the Company's then majority shareholder.

Restated loss for the year

As a result of the foregoing, our Company's restated loss for the year was ₹1,295.45 million in Fiscal 2016 as compared to a restated loss for the year of ₹1,633.68 million in Fiscal 2015.

Certain Balance Sheet Items of our Company

Trade payables (Non-current and Current)

Trade payables mainly represent the balances due to suppliers to which our Company is generally granted credit terms ranging from 30 to 90 days. The following table sets forth our Company's trade payables as at the dates indicated.

(*in ₹ million*)

	As at September 30,	As at March 31,		
	2017	2017	2016	2015
	(Consolidated)	(Unconsolidated)	(Unconsolidated)	(Unconsolidated)
Trade payables	1,467.95	1,269.58	1,127.66	876.43

Our Company's turnover days for trade payables (calculated based on average trade payables (based on trade payables, on an unconsolidated basis, at the beginning and end of the period divided by two), divided by cost of goods sold over 360 days (or 180 days in the case of the six months period)) in the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015 was 144 days, 144 days, 155 days and 140 days, respectively. In each of the Fiscals 2017, 2016 and 2015, more than 75% of the trade payable was due to one of our Company's previous shareholders, DFS Venture Singapore. Our Company effectively enjoyed extended credit terms from the majority shareholder for which it was charged market interest rates for the overdue amount in excess of 60 days credit period.

The table below sets forth certain information of our Company's trade payables due to our Company's previous majority shareholder as of September 30, 2017:

Nature	Primary Currency	Amount	Rate of interest (p.a.)	Repayment / modification of terms	Security/principal terms and conditions
Trade Payables (Non-current with extended credit terms)	USD	₹226.22 million	4.77% or such higher rate as permitted by the applicable law on the amounts which become past due, i.e., not paid within 60 days.	Payments shall be made within 60 days from the date of invoice which is as per the 3 year supply arrangement entered on February 20, 2017 post which interest would be charged as agreed.	All such payables shall become current if the payment is not made within 30 days after the receipt of notice from DFS Venture Singapore or occurrence of a breach is not cured after any applicable notice and the applicable cure period has elapsed or the company cease to be under the direct or indirect control of Viren Ahuja and/or Atul Vini Ahuja or the company or any company having control over the company offers its securities to the public.
Trade Payables (Current with extended credit terms)	USD	₹175.75 million	4.77% or such higher rate as permitted by the applicable law on the amounts which become past due, i.e., not paid within 60 days.	Payments shall be made within 60 days from the date of invoice which is as per the 3 year supply arrangement entered on February 20, 2017 post which interest would be charged as agreed.	N.A.

Inventories

Our Company's inventories comprise traded goods. The following table sets forth our Company's inventories as at the dates indicated.

(*in ₹ million*)

As at September 30,	As at March 31,

	2017	2017	2016	2015
	(Consolidated)	**(Unconsolidated)**	**(Unconsolidated)**	**(Unconsolidated)**
Traded goods[(1)]	1,123.03	745.56	694.79	644.07

Note:

(1) Includes goods in transit.

Our Company's inventories was ₹1,123.03 million as at September 30, 2017, primarily due to (i) stocking of inventories for the upcoming peak sales season of October - December quarter, (ii) addition of inventories for the new fashion concessions at terminal 2 of the Mumbai airport, that was operational from May 1, 2017 and (iii) shifting from erstwhile sole supplier, DFS Venture Singapore, to the Company to direct sourcing from brands or their regional distributors at favourable terms.

Our Company's inventories increased by 7.31% to ₹745.56 million as at March 31, 2017 from ₹694.79 million as at March 31, 2016. The increase was in line with the revenue growth and also attributable to the addition of new categories of products.

Our Company's inventories increased by 7.87% to ₹694.79 million as at March 31, 2016 from ₹644.07 million as at March 31, 2015. The increase was primarily due to an increase in the liquor inventory, in line with revenue growth in the category.

Our Company's inventory turnover days (calculated based on average inventories (based on inventories, on an unconsolidated basis, at the beginning and end of the period divided by two), divided by cost of goods sold over 360 days (or 180 days in the case of the six months period)) in the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015 was 124 days, 99 days, 103 days and 83 days, respectively. The increase in turnover days from 99 days as of March 31, 2017 to 124 days as of September 30, 2017 was primarily due to (i) stocking of inventory for the upcoming peak season of October - December quarter, (ii) addition of inventories for the new fashion concessions at terminal 2 of the Mumbai airport which became operational from May 1, 2017 and (iii) shifting from erstwhile sole supplier, DFS Venture Singapore, to direct sourcing from brands or their regional distributors at favourable terms.

Loans and advances (Non-current and Current)

Loans and advances primarily include security deposits with airport landlords, advances recoverable in cash or kind and other loans and advances including advance income tax and balance with statutory/ government authorities mainly for refund of service tax. The following table sets forth our Company's loans and advances as at the dates indicated.

(*in ₹ million*)

	As at September 30,	**As at March 31,**		
	2017	**2017**	**2016**	**2015**
	(Consolidated)	**(Unconsolidated)**	**(Unconsolidated)**	**(Unconsolidated)**
Security deposit	2,224.71	2,220.75	2,398.92	2,261.14
Loans and advances to related parties	10.00	-	-	-
Advances recoverable in cash or kind	79.25	40.59	12.66	13.25
Other loans and advances	603.09	453.49	290.90	216.02
Total	**2,917.05**	**2,714.83**	**2,702.48**	**2,490.41**

Security deposits as of March 31, 2015 represented primarily deposits with the Mumbai airport authority for the Company's concessionaire at the Mumbai airport. With the devaluation of Indian Rupees, during Fiscal 2016 the equivalent Indian Rupee deposits increased. Following the acquisition of the ~51.00% stake of the Company by our Corporate Promoter, Flemingo International, on February 27, 2017, which resulted in change of control and after obtaining consent from the Mumbai airport authority, the Company converted the security deposits to Indian Rupee denominated deposits in an amount equivalent to its initial deposits in US Dollars at the start of the contract date.

The Company had loans and advances to related parties of ₹10.00 million as at September 30, 2017. Advances recoverable in cash or kind mainly represent promotion claims from brands. Such receivables was ₹79.25 million as at September 30, 2017 and ₹40.59 million as at March 31, 2017. The increase was mainly due to the shifting of purchases directly from brands as against sole supplier in earlier periods.

Other loans and advances mainly represent service tax refund receivables from tax authorities. The increases in Fiscal 2017 and six months ended September 30, 2017 were mainly on account of further accumulation of refund receivables from tax authorities as a result of the implementation of the new goods and services tax regulations effective July 1, 2017, which has been subsequently partially received.

Liquidity and Capital Resources of our Company

General

Our Company's primary sources of liquidity have historically been cash generated from operations, borrowings from banks, and capital contribution by shareholders. Other than the proceeds of this Offering, we expect that cash generated from operations and borrowings will continue to be our primary sources of liquidity. Our liquidity requirements primarily relate to acquisitions, capital expenditure and working capital. We believe that after taking into account the expected cash to be generated from our business operations and the proceeds from the Offering, we have sufficient working capital for both our present and anticipated future requirements for capital expenditures and other cash requirements for 12 months following the date of this Draft Red Herring Prospectus.

Cash flows

The following table sets out a condensed summary of our Company's cash flows for the periods indicated.

(*in ₹ million*)

	Six months ended September 30,	**Year ended March 31,**		
	2017	**2017**	**2016**	**2015**
	(Consolidated)	**(Unconsolidated)**	**(Unconsolidated)**	**(Unconsolidated)**
Net cash generated from/(used in) operating activities	(120.76)	577.85	510.58	(419.88)
Net cash generated from/(used in) investing activities	(42.12)	(360.98)	(90.72)	(611.37)
Net cash generated from/(used in) financing activities	21.38	(194.25)	(393.91)	804.88
Net cash increase/(decrease) in cash and cash equivalents	(141.50)	22.62	25.95	(226.37)
Net foreign exchange difference	(0.19)	-	-	-
Cash and cash equivalents at the beginning of the year	246.07	214.92	188.97	415.34
Cash and cash equivalents at the end of the period	104.38	237.54	214.92	188.97

Operating Activities

Six months ended September 30, 2017

Net cash used in operating activities was ₹120.76 million in the six months ended September 30, 2017. Our Company's operating loss before working capital changes was ₹174.47 million in the six months ended September 30, 2017. The difference reflected changes in our Company's working capital in the six months ended September 30, 2017 which were primarily consisted of an increase in trade payables and other liabilities of ₹534.10 million, partially offset by an increase in inventories of ₹290.69 million and an increase in loans and advances of ₹191.12 million.

Fiscals 2017, 2016 and 2015

Net cash generated from operating activities was ₹577.85 million in Fiscal 2017. Our Company's operating loss before working capital changes was ₹517.53 million in Fiscal 2017. The difference reflected changes in our

Company’s working capital in Fiscal 2017 which were primarily consisted of an increase in trade payables and other liabilities of ₹1,130.32 million as a result of change in agreement terms with the Mumbai airport landlord partially offset by an increase in inventories of ₹55.44 million.

Net cash generated from operating activities was ₹510.58 million in Fiscal 2016. Our Company’s operating loss before working capital changes was ₹815.00 million in Fiscal 2016. The difference reflected changes in our Company’s working capital in Fiscal 2016 which were primarily consisted of an increase in trade payables and other liabilities of ₹1,596.82 million as a result of revised supply agreement with its major creditor and purchase of inventories, partially offset by an increase in loans and advances of ₹205.94 million.

Net cash used in operating activities was ₹419.88 million in Fiscal 2015. Our Company’s operating loss before working capital changes was ₹1,208.95 million in Fiscal 2015. The difference reflected changes in our Company’s working capital in Fiscal 2015 which were primarily consisted of an increase in trade payables and other liabilities of ₹1,921.75 million as a result of increased purchases of inventories, increased expenses and increased rentals, partially offset by an increase in loans and advances of ₹652.06 million and an increase in inventories of ₹429.61 million.

Investing Activities

Six months ended September 30, 2017

Net cash used in investing activities was ₹42.12 million in the six months ended September 30, 2017. In the six months ended September 30, 2017, the net cash used was primarily due to purchase of property, plant and equipment of ₹42.35 million.

Fiscal 2017, 2016 and 2015

Net cash used in investing activities was ₹360.98 million in Fiscal 2017. The net cash used was primarily due to investment in bank deposit (having original maturity of more than three months) of ₹360.00 million and purchase of property, plant and equipment of ₹2.20 million, property, plant and equipment, partially offset by interest received of ₹1.22 million.

Net cash used in investing activities was ₹90.72 million in Fiscal 2016. The net cash used was due to purchases of property, plant and equipment including CWIP and advances of ₹90.72 million.

Net cash used in investing activities was ₹611.37 million in Fiscal 2015. This net cash used in investing activities was due to purchase of property, plant and equipment including CWIP and advances of ₹611.37 million mainly related to leasehold improvements and purchase of furniture and fittings.

Financing Activities

Six months ended September 30, 2017

Net cash generated from financing activities in the six months ended September 30, 2017 was ₹21.38 million. The net cash generated in the six months ended September 30, 2017 was primarily due to the proceeds of short borrowings of ₹314.93 million, partially offset by repayment of long term borrowings of ₹167.65 million and interest paid of ₹125.90 million.

Fiscal 2017, 2016 and 2015

Net cash used in financing activities in Fiscal 2017 was ₹194.25 million. The net cash used was primarily due to repayment of long term borrowings of ₹2,105.65 million, other borrowing costs paid of ₹449.21 million and interest paid of ₹169.19 million, partially offset by proceeds from long term borrowings of ₹2,200.00 million and proceeds from short term borrowing of ₹329.80 million.

Net cash used in financing activities in Fiscal 2016 was ₹393.91 million. The net cash used was primarily due to repayment of long term borrowings of ₹212.98 million and interest paid of ₹180.93 million.

Net cash generated from financing activities in Fiscal 2015 was ₹804.88 million. The net cash generated was primarily due to proceeds from long term borrowings of ₹435.81 million and proceeds from issuance of equity share capital of ₹738.21 million, partially offset by interest paid of ₹369.14 million.

Indebtedness

As of September 30, 2017, our Company had total consolidated outstanding borrowings of ₹2,677.08 million, which consisted of long-term and short-term borrowings from banks.

The following table sets out our Company's borrowings as of September 30, 2017:

(*in ₹ million*)

	September 30, 2017
Long-term borrowings	**(Consolidated)**
Non-current portion of term loans	1,697.05
Short-term borrowings	
Working capital demand loan	200.00
Buyers' credit	444.73
Current maturity of term loans	335.30
Sub-total	**980.03**
Total borrowings	**2,677.08**

Long-term borrowings

The table below sets forth certain information of our Company's long-term borrowings as of September 30, 2017:

Nature of facility	Loan Currency	Amount sanctioned	Amount o/s as at September 30, 2017	Rate of interest (p.a.)	Repayment / modification of terms	Security / Principal terms and conditions
Term loan (secured)	INR	₹2,350.00 million	₹2,032.35 million [(1)]	0.2% spread over and above the 1 year MCLR from first 1 to 3 years; 2.85% spread over and above the 1 year MCLR after the 3rd year.	The loan is repayable along with interest, in 33 quarterly instalments starting from April 30, 2017 till April 30, 2025 and the interest to be paid as and when charged.	The loan is secured by charge over current assets (including security deposit placed with Mumbai airport landlord and to be furnished to Mumbai airport landlord) and movable fixed assets of the Company, Fixed Deposit of ₹360 million and pledge over 30% shareholding in the Company. The loan has been guaranteed by ultimate parent company, Flemingo International (BVI) Limited. Further, it has been secured by personal guarantee of Atul Vini Ahuja, Viren Ahuja, Karan Ahuja and Arjun Ahuja

Note:
(1) The amount includes long term borrowings and the current maturities of long-term borrowings.

Short-term borrowings

The table below sets forth certain information of our Company's short-term borrowings as of September 30, 2017:

Nature of facility	Loan Currency	Amount sanctioned	Amount o/s as at September 30, 2017	Rate of interest (p.a.)	Repayment terms	Security / Principal terms and conditions
Working capital demand loan	INR	₹200.00 million	₹200.00 million	2.85% spread over and above the 1 year MCLR	12 months	The loan is secured by charge over current assets (including security deposit placed with Mumbai airport landlord and to be furnished to Mumbai airport landlord) and movable fixed assets of the Company, fixed deposit of ₹360 million and pledge over 30% shareholding in the Company. The loan has been guaranteed by ultimate parent company, Flemingo International (BVI) Limited. Further, it has been secured by personal guarantee of Atul Vini Ahuja, Viren Ahuja, Karan Ahuja and Arjun Ahuja.
Buyer's credit	INR	₹700.00 million	₹444.73 million	Average interest @ Libor plus 32bps + US$50	Repayable within 40 to 120 days with a maximum tenure of 180 days	Secured by charge over current assets, movable fixed assets of the Company and fixed deposit.

The loan agreements that our Company has entered into with our bank lenders contain certain restrictive covenants that limit our ability to undertake certain types of transactions. We are required to obtain an approval from the lenders for, among other things, to incur further indebtedness, effect a consolidation, merger, reorganisation, scheme of arrangement or compromise with creditors or shareholders, grant security over assets, dispose of certain assets, declare dividends (subject to certain exceptions), undertake guarantee obligations, undertake new projects or substantial expansion of existing projects, make investments or lend to any other concern, engage in any business or activities outside of our current business and activities, or change in capital structure. See "*Risk Factors – Internal Risk Factors - We have incurred, and may incur in the future, significant indebtedness or issue additional equity shares. Our inability to effectively service our borrowings, or comply with or obtain waivers of applicable loan covenants, may adversely affect our cash flow and financial condition*" on page 36.

Capital Expenditure

Our Company's capital expenditures include expenditures on tangible and intangible assets. Tangible assets primarily include computers and office equipment, furniture and fittings, leasehold improvement and vehicles. Intangible assets include software. The following table sets out our Company's capital expenditure (additions /adjustments) for the periods indicated:

(*in ₹million*)

	Six months ended September 30,	**Year ended March 31,**		
	(Consolidated)	**(Unconsolidated)**	**(Unconsolidated)**	**(Unconsolidated)**
	2017	**2017**	**2016**	**2015**
Tangible assets				
Computers and office equipment	7.94	0.83	15.33	27.95
Furniture and fittings	10.34	0.87	17.43	483.32
Leasehold improvement	6.12	2.83	20.50	311.85
Capital work in progress (movement)	14.79	(29.06)	31.24	(194.54)

Vehicles	-	-	-	0.09
Intangible assets				
Software	-	29.21	-	0.06
Intangible assets under development	0.97	-	-	-
Total additions to fixed assets	**40.16**	**4.68**	**84.50**	**628.73**

We estimate our capital expenditure for the fiscal year ended March 31, 2018 will be ₹65.20 million which will be primarily used for furniture and fittings and other costs incurred towards new store layout at Mumbai and Delhi airports. We expect to meet our working capital, capital expenditures and investment requirements for the next 12 months primarily from revenues from operating activities and bank borrowings, as well as the proceeds from this Offering.

Our actual capital expenditures may differ from the amount set out above due to various factors, including our future cash flows, results of operations and financial condition, changes in the global or local economy, defects or cost overrun, delays in obtaining or receipt of governmental approval, changes in the legislative and regulatory environment and other factors that are beyond our control.

Contractual Obligations and Commitments of our Company

The following table sets forth information regarding our Company's contractual obligations and commitments as of September 30, 2017.

(*in ₹ million*)

	Payment due by period			
	Total	**Less than one year**	**Between one and five years**	**Later than five years**
Long-term bank borrowings	2,032.35	335.30	1,232.17	464.88
Operating leases	30,572.85	2,974.85	16,184.68	11,413.32
Total	**32,605.20**	**3,310.15**	**17,416.85**	**11,878.20**

Off-balance Sheet Arrangements and Contingent Liabilities of Our Company

As of September 30, 2017, our Company did not have any off-balance sheet arrangements.

The nature of our Company's business results in it being involved, from time to time, in contentious matters with customs and tax authorities in the various jurisdictions in which we operate. See "*Outstanding Litigation and Other Material Developments*" starting on page 257. As of September 30, 2017, the aggregate claims against our Company not acknowledged as debts was ₹764.33 million. In the opinion of our management, the ultimate disposition of these matters will not have a material adverse effect on our business, financial condition, results of operations, or prospects.

Qualitative Disclosure about Market Risks

Market risk is attributable to all market-sensitive financial instruments, including foreign currency receivables and payables. The value of a financing instrument may change as a result of changes in interest rates, foreign currency exchange rates, commodity, prices, equity prices and other market changes that affect market risk sensitive instruments. Our Company's exposure to market risk is a function of revenue generating activities. The objective of market risk management is to avoid excessive exposure of our earnings and equity to loss. Most of our exposure to market risk arises out of our bank borrowings, trade payables and linearisation impact of concession fees.

Interest rate risk

Our Company is exposed to market risk with respect to changes in interest rates related to its borrowings. Interest rate risk exists with respect to our indebtedness that bears interest at floating rates tied to certain benchmark rates. If the interest rates for our existing or future borrowings increase significantly, the cost of servicing such debt will increase.

As of September 30, 2017, our Company had outstanding borrowings of ₹2,677.08 million. Interest rate risk exists with respect to our indebtedness that bears interest at floating rates tied to certain benchmark rates, such as MCLR and LIBOR.

Exchange rate risk

Although our Company's reporting currency is in Indian Rupees, our Company transacts a portion of its business in several other currencies including the US dollar. In Fiscal 2017, our Company had exchange gain (net) of ₹9.21 million. In the six months ended September 30, 2017 and Fiscals 2016 and 2015, our Company had exchange loss (net) of ₹64.94 million, ₹145.98 million and ₹22.13 million, respectively. Such exchange loss (net) was mainly on account of foreign currency payables with regard to purchase of imported goods and linearisation impact of concession fees.

Related Party Transactions

Related party transactions primarily relate to purchase of goods, interests on loans and reimbursement of expenses incurred. For further details of such related parties, see Annexure XXXXII to our Company's Restated Unconsolidated Financial Statements and Annexure XXXVII to our Company's Restated Consolidated Financial Statements included elsewhere in this Draft Red Herring Prospectus.

Reservations, Qualifications and Adverse Remarks

For details in relation to reservations or qualifications or adverse remarks in our Company's audited financial statements in the last five Financial Years immediately preceding this Draft Red Herring Prospectus, please see "*Summary Financial Information*" on page 67.

Unusual or Infrequent Events or Transactions

Except as disclosed in this Draft Red Herring Prospectus in "*Risk Factors*", "*Objects of the Offer*", "*History and Certain Corporate Matters*", "*Our Business – Our Proposed Restructuring*", and " *- Factors Affecting our Company's Results of Operations*" and " *- Significant Factors Affecting our Group's Results of Operations*" on pages 16, 98, 166, 139 and 246, respectively, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our Company's business operations or future financial performance.

Significant Economic Changes that Materially affect or are likely to affect Income from Continuing Operations

Our business has been subject, and we expect it to continue to be subject, to significant economic changes that materially affect or are likely to affect our income from continuing operations identified in "*- Factors Affecting our Company's Results of Operations*" and "*- Significant Factors Affecting our Group's Results of Operations*" and the uncertainties described in "*Risk Factors*" starting on pages 224, 246 and 16.

Known Trends or Uncertainties

Except as disclosed in this Draft Red Herring Prospectus in "*Risk Factors*" and "*- Factors Affecting our Company's Results of Operations*" and "*- Significant Factors Affecting our Group's Results of Operations*" on pages 16, 224 and 246, respectively, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on our revenues or income from continuing operations.

Future Relationship between Cost and Revenue

Other than as described in "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 16, 139 and 223, respectively, there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

New Products or Business Segments

There were no new products or business segments that have or are expected to have a material impact on our business prospects, results of operations or financial condition.

Dependence on a Few Customers

Given the nature of our business operations, we do not believe our business is dependent on any single or a few customers.

Competitive Conditions

We operate in a competitive environment. Please see "*Our Business*", "*Industry Overview*" and "*Risk Factors*" on pages 137, 112 and 16, respectively for further information on our industry and competition.

Significant Developments after September 30, 2017

Except as set out in this Draft Red Herring Prospectus, no circumstances have arisen since the date of the last financial statements of our Company as disclosed in this Draft Red Herring Prospectus which have materially or adversely affected or are likely to affect, our Company's operations or profitability, or the value of the assets or the ability of our Company to pay its material liabilities within the next 12 months.

For further details, please see "History and Certain Corporate Matters – Other agreements" and see "Capital Structure" for details of the bonus issue of 38,907,000 Equity Shares on December 27, 2017 on pages 171 and 89, respectively.

Recent Accounting Pronouncements

Our financial statements for Fiscal 2018 will be prepared under Ind AS. Given that Ind AS is different in many respects from Indian GAAP, the transition to Ind AS may have a significant impact on our financial results and position. For more information, please see "*Summary of Significant Differences between Indian GAAP and Ind AS*" on page 214.

Management's Discussion and Analysis of Financial Condition and Results of Operations of the Target Companies

Significant Factors Affecting our Group's Results of Operations

Our Group's results of operations have been, and will be, affected by many factors, some of which are beyond our control. The following is a discussion of certain factors that have had, and will continue to have, a significant effect on our financial condition and results of operations:

Organic growth through expanded concessions and retail space

Our revenue growth depends on the successful pursuit of our strategy of renewing key existing concessions and being granted new concessions in our core duty free/duty paid stores. Growth in concessions has been primarily in our core duty free/duty paid stores in our Indian Subcontinent business and in the cruise line business after our acquisition of the Harding Brothers Group in November, 2014. Improvements in airport infrastructure, particular in Mumbai and other airports in the India and Sri Lanka, has meant that more concessions are available for tender and, critically, that concessions can cover an expanded retail area, which has driven our revenue growth. As of September 30, 2017, on a proforma consolidated basis, our concession business constituted 308 stores having a total retail area of 39,625 square meters. Our ability to win new concessions and review our existing concessions upon expiry will continue to have a significant impact on our business and results of operations.

The expansion of our concession revenues has also been a key driver of our margin growth. In general our concession fees, have increased reflecting the increased number of concessions and retail area covered by the concessions. Our concession fee models have also shifted over time. We have increasingly sought to minimise the number of fixed periodic minimum guaranteed amount (MAG) concessions in our business in favour of a revenue/profit sharing model with our concession landlords. The concession fee model in India has changed from a predominantly fixed MAG model to a revenue sharing model in 2016. In Sri Lanka, under the new concession agreement for Colombo Airport effective April 2017, the revenue share has significantly increased. Certain of our concession agreements however remain on a fixed MAG, which has adversely affected our margins.

Growth by acquisition

Acquisitions have been another key driver of our growth and we expect to continue to grow our business through selective acquisitions. For example, acquisition of the Harding Brothers Group has brought to our business an international cruise line travel retail business which we believe has helped diversify our revenues away from the emerging markets. Between 2011 and 2012, we acquired a 95% equity interest in IRIS Ekspres and added the in-flight sales channel to the group business. The acquisition of the Harding Brothers Group in 2014 established our presence in the global cruise travel retail market and we believe has enhanced synergies in procurement, manpower and logistics with the rest of our business. As the travel retail industry continues to evolve, we expect that there will be further attractive investment opportunities in the market, given the high fragmentation of the travel retail industry despite certain historical industry consolidation. Any significant acquisition could have a material impact on our financial condition and results of operations.

Product sales/mix

Our revenue is primarily generated from sale of products in our duty free/duty paid stores and other sales formats. Our sale of products is primarily influenced by the following factors:

Passenger traffic: the number of passengers passing through the locations where we operate our sales channels is a significant factor influencing our volume of sales. The number of air passengers has been constantly growing in the last ten years, and it is expected to continue to grow in the coming years. Although overall passenger numbers (and the number of passengers per region of our operations when compared to each other) can be significantly affected by external risks such as terrorist attacks, wars, epidemics and other calamities, and although the occurrence of such events is not possible to predict with any accuracy, passenger growth has proven resilient over the periods under review and over the long term. In addition to volume of passengers, factors such as their disposable income, nationality and destination may affect our sale of products.

Expansion of our sales channels: we may increase sales by expanding existing facilities and adding new concessions to our portfolio. We seek to enter into new markets, operate newly created retail space built by airport operators and replace other travel industry retailers at existing concessions as their contracts expire. For example, in the year ended December 31, 2016, the revenue growth in the United Kingdom segment was primarily driven by addition of new cruise lines and new ships within existing cruise lines. Revenues have also been affected by the amount of retail area that is covered by our concessions, which has increased as airport and cruise ship infrastructure has improved and expanded. This has been the case particularly during the six months ended September 30, 2017.

Product pricing and mix: Traditionally, sales of duty-free and tax-free liquor, tobacco products, cosmetics and toiletries to international passengers have dominated the travel retail industry, with favourable pricing of duty-free products compared to traditional retail channels. Our pricing strategy reflects a positioning and continuous monitoring of prices, including the pricing policies of our suppliers, and targeted marketing of specific products in certain locations. Although liquor is our highest selling product category, its share has declined subsequent to our acquisition of the Harding Brothers Group wherein watches and jewellery are the highest selling category.

Revenue productivity: Productivity may be improved through enhancement of both the conversion ratio (the number of passengers who actually buy products from our stores compared to total passengers at the location) and average SPP. We may influence both measures to improve our sales, such as: improving the layout, location and accessibility of our stores; selling prices and marketing activities, such as sign posting inside and outside our stores; product variety; active selling by the sales staff; and customer services.

Operating Expenses

After cost of goods sold, concession and other periodic expenses associated with our operations are our principal operating expenses.

Cost of goods sold

The largest component of our expenses is cost of goods sold. In recent years, the cost of goods sold has increased due to various factors, including expansion of our business and inflation, although costs of goods sold have decreased as a percentage of revenue. Our performance in the future will continue to depend on our ability to pass increases in prices to our end consumers and our ability to leverage increasingly deep and important relationship with brand owners and landlords.

Changes in the mix of products we sell can also impact our sales and operating profit as the gross profit margins may vary across different products and product categories. Our gross profit margin is affected by the adjustments that we make to our product mix to adapt to the changing needs of our customers. We offer a wide range of products in our stores, including liquor, tobacco products, watches and jewellery, cosmetics and toiletries, food and candies, apparel and accessories and others. We strive to provide the best value for money for our customers and respond to the needs and tastes of our customers by optimising the range of products we offer in order to attract and maintain a large pool of customers.

Occupancy costs

Our occupancy costs principally reflect concession fees for our duty free/duty paid stores. In return for granting us the right to operate our concessions, concession landlords typically receive a fixed or variable concession fee. Where the concession fees are guaranteed, the concession fees are typically the higher amount of: (i) the MAG as initially negotiated with the landlords or (ii) a variable percentage of the revenue of the store. The MAG requires us to pay the fee to the landlords irrespective of the revenues actually generated from our stores. Our profitability is generally adversely affected if revenues decrease at concessions with a fixed MAG. It is our strategy to obtain variable concession fees rather than fixed MAG to the extent practicable.

The concession fee type by our key operations is as follows: (i) at the United Kingdom segment, the concession fee is generally a combination of a revenue share or higher of revenue share and a MAG; (ii) in India, the concession fee in Fiscal 2015 was largely a fixed monthly rent. Under the new concessions, effective 2016, concession fee is largely the higher of revenue share or a MAG.

Employee costs and administration costs

Employee costs, which represent a significant operating expense, are comprised of fixed and variable component as bonuses are based on the performance of the business. Wage costs in India, including in the travel retail industry, have historically been lower than the wages costs in other geographies where we operate, including United Kingdom. As we continue to invest in the recruitment and retention of sales staff in line with our growth strategies, we are likely to incur additional costs in relation to our market penetration and sales and marketing initiatives, and for the recruitment of sales employees, all of which are likely to increase our costs.

Although administrative expenses such as repairs and maintenance, rent and advertisement are fixed in the short term, we strive to protect our profitability by implementing a number of measures to control and reduce costs.

Foreign currency fluctuations

Exchange rate risk affects us in several ways. The first type of exchange rate effect is translation effect, which arises when our financial statements are converted into Indian Rupees. As some of our subsidiaries use local currency as their functional currencies, their assets, liabilities, income or expenses are translated into Indian Rupees using the exchange rate as of the balance sheet date for assets and liabilities and average exchange rate for the year for income and expenses. Increases and decreases in the value of the respective currencies against Indian Rupees may affect our consolidated financial statements.

Our purchases of traded goods and concession payments are also largely denominated in US dollars. Concession fees are largely linked to sales and, to that extent, not exposed to currency exchange risk. There are, however, certain cost elements, such as salaries and other expenses, which are usually denominated or accounted for in local currencies.

Seasonality

Our sales are affected by seasonal factors. This seasonality, however, varies by region and sale channels. In our core duty-free/duty-paid airport operations, for example, the highest revenue and net profit are generally achieved during the second quarter (April to June), as this quarter coincides with the summer holiday season in many of our markets including India, and during the fourth quarter (October to December), as this quarter coincides with Christmas and the festival season in India as well as the Indian winter holiday season. In cruise retailing, revenue and net profit are highest towards the end of the third quarter and fourth quarter, corresponding to the Thanksgiving and Christmas holidays and accordingly the peak cruise season in the Caribbean and in Australia. In our inflight business, which is principally in Europe, revenues and net profits are generally highest in the third quarter, corresponding to the summer holiday season in Europe. In addition, certain seasonal events affecting revenue and net profit, such as Easter and Ramadan, fall on different dates each year. We increase our working capital prior to these peak sales periods, so as to carry higher levels of stock and add temporary personnel to the sales team to meet the expected higher demands. Our result of operations would be adversely affected by any significant reduction in sales during the traditional peak sales periods.

Results of Operations of Target Companies

Flemingo India Operations

The following table sets forth special purpose restated consolidated statement of profit and loss of Flemingo India and its subsidiaries ("**Flemingo India Operations**"). The Flemingo India Operations cover three geographic segments: Indian Subcontinent (including operations in India, Sri Lanka and Maldives but excluding those operations under our Company), Europe (Baltona, Chacalli and Turkey operations) and the Rest of the World (operations in Middle East and Africa).

(in ₹ million)

	Year ended March 31,		
	2017	**2016**	**2015**
Income			
Revenue from operations	20,612.79	20,788.36	20,044.87
Other income	172.66	137.71	153.99
Total revenue	**20,785.45**	**20,926.07**	**20,198.86**
Expenses			
Purchases of traded goods	12,595.39	12,624.92	12,399.05
Changes in inventories of traded goods	(154.64)	213.74	50.99
Employee benefits expense	1,446.67	1,494.23	1,538.62
Finance costs	221.62	265.28	217.19
Depreciation and amortisation	246.83	265.52	265.19
Other expenses	1,528.80	1,385.80	1,538.93
Occupancy costs(1)	4,259.81	3,744.86	3,640.23
Total expenses	**20,175.45**	**20,010.82**	**19,650.20**
Profit on sale of subsidiary	-	-	201.77
Profit/(loss) before tax	**610.00**	**915.25**	**750.23**
Current tax	319.46	317.57	312.03
Deferred tax	(40.99)	(1.27)	(16.64)
Share of net profit of associate	36.65	17.45	17.69
Profit/(loss) for the year	**368.18**	**616.40**	**472.73**

Note:

(1) Linearisation impact included in occupancy costs was ₹30.97 million, ₹16.47 million and NIL for Fiscals 2017, 2016 and 2015, respectively.

Revenue

The total revenue from the Flemingo India Operations was ₹ 20,785.45 million in Fiscal 2017 compared to ₹20,926.07 million in Fiscal 2016. Total revenue includes (i) revenue from operations which primarily comprises revenue from sale of duty free/duty paid products and other operating revenues which primarily comprise branding income and commission income from third parties such as suppliers and brand owners, and (ii) other income which comprise interest income and other miscellaneous income.

Indian Subcontinent

The total revenue from the Indian Subcontinent segment increased by 16.91% to ₹8,162.36 million in Fiscal 2017 from ₹6,981.61 million in Fiscal 2016, primarily due to increases in revenue from both India and Sri Lanka driven by increasing passenger traffic, gradual increases in retail area in Indian airports as an outcome of bids won during 2015-16 for improved airport infrastructure during 2016 and in the case of Sri Lanka, higher conversion ratio.

The total revenue from the Indian Subcontinent segment increased by 1.97% to ₹6,981.61 million in Fiscal 2016 from ₹6,846.53 million in Fiscal 2015, primarily due to an increase in revenue from Sri Lanka driven by higher passenger traffic, which was partially offset by a decrease in the revenue from India as a result of reduction in non-concession sales, i.e. sales in the wholesale business.

Europe

The total revenue from the Europe segment decreased by 9.07% to ₹8,597.46 million in Fiscal 2017 from ₹9,455.20 million in Fiscal 2016, primarily due to a reduction in sales in Poland as a result of closure of certain stores due to end of concession life, and an overall reduction in wholesale and diplomatic sales, coupled with a reduction in in-flight sales in Turkey due to lower passenger traffic in 2016 caused by a temporary adverse travel environment.

The total revenue from the Europe segment increased by 3.86% to ₹9,455.20 million in Fiscal 2016 from ₹9,103.58 million in Fiscal 2015. The increase was attributable to the commencement of few retail stores in Poland since July 2016.

Rest of the World

The total revenue from the Rest of the World segment decreased by 11.46% to ₹3,852.97 million in Fiscal 2017 from ₹4,351.55 million in Fiscal 2016, primarily due to closure of certain loss making locations during 2016.

The total revenue from the Rest of the World segment increased by 6.27% to ₹4,351.55 million in Fiscal 2016 from ₹4,094.76 million in Fiscal 2015, primarily due to an increase in B2B sales.

The following table sets forth a breakdown of the revenue from operations by product category for the periods indicated:

	Year ended March 31,					
	2017		**2016**		**2015**	
	(in ₹ million)	**%**	**(in ₹ million)**	**%**	**(in₹ million)**	**%**
Liquor	9,770.94	47.85	9,855.70	47.79	9,798.19	49.27
Food and candies	2,092.53	10.25	1,992.14	9.66	1,469.83	7.39
Cosmetics and toiletries	1,788.44	8.76	1,911.91	9.27	1,753.36	8.82
Tobacco products	5,559.73	27.23	5,573.87	27.03	5,346.70	26.89
Apparels	117.20	0.57	121.31	0.59	116.86	0.59
Watches and jewellery	108.69	0.53	153.02	0.74	155.90	0.78
Others	982.52	4.81	1,013.48	4.91	1,245.91	6.27
Total	**20,420.05**	**100.00**	**20,621.43**	**100.00**	**19,886.75**	**100.00**

Cost of goods sold

The cost of goods sold for the Flemingo India Operations, which comprises purchases of traded goods and changes in inventories of traded goods, decreased by 3.10% to ₹12,440.75 million in Fiscal 2017 from ₹12,838.66 million in Fiscal 2016, primarily due to a decrease in the sales from Europe offset by an increase in sales from the Indian Subcontinent segment.

The cost of goods sold for the Flemingo India Operations increased by 3.12% to ₹12,838.66 million in Fiscal 2016 from ₹12,450.04 million in Fiscal 2015, in line with the increase in the sales.

Overall, the cost of materials consumed (purchases of traded goods less changes in inventories of traded goods) as a percentage of total revenue (i.e. gross margin) in the Indian Subcontinent segment decreased from 56.23% in Fiscal 2015 to 52.32% in Fiscal 2016 and further to 50.27% in Fiscal 2017, primarily due to the gradual strengthening of our position in this region resulting from securing longer term airport concession agreements and regional consolidation. In the Europe segment, the gross margins were stable during these periods and for the Rest of the World segment, the gross margins declined mainly due to non-concession margins dropped in Middle East region.

Employee benefits expenses

The employee benefits expenses for the Flemingo India Operations decreased by 3.18% to ₹1,446.67 million in Fiscal 2017 from ₹1,494.23 million in Fiscal 2016, and by 2.89% from ₹1,538.62 million in Fiscal 2015, primarily due to a decrease in the staff costs in the Rest of the World as a result of closure of certain locations in this segment.

Overall, the employee benefits expenses is leveraged over these periods as a percentage to total revenue, whereby its decreased from 7.62% in Fiscal 2015, to 7.14% in Fiscal 2016 and further to 6.96% in Fiscal 2017.

Finance costs

Finance costs for the Flemingo India Operations decreased by 16.46% to ₹221.62 million in Fiscal 2017 from ₹265.28 million in Fiscal 2016, primarily due to a decrease in the finance charges in the Rest of the World segment as a result of the reduction of operation scale in Africa.

Finance costs for the Flemingo India Operations increased by 22.14% to ₹265.28 million in Fiscal 2016 from ₹217.19 million in Fiscal 2015, primarily due to an increase in the finance charges in the Rest of the World segment as a result of an increase in working capitals.

Depreciation and amortisation

Depreciation and amortisation for the Flemingo India Operations decreased by 7.04% to ₹246.83 million in Fiscal 2017 from ₹265.52 million in Fiscal 2016, primarily due to decreases in the depreciation expenses in the Rest of the World segment and the Europe segment as a result of exits in Africa and part operation period of an airport retail store in Poland.

Depreciation and amortisation for the Flemingo India Operations increased marginally by 0.12% to ₹265.52 million in Fiscal 2016 from ₹265.19 million in Fiscal 2015.

Other expenses

Other expenses for the Flemingo India Operations increased by 10.32% to ₹1,528.80 million in Fiscal 2017 from ₹1,385.80 million in Fiscal 2016, primarily in Indian Subcontinent segment due to increase in general expenses relating to retail spaces at India airport.

Other expenses for the Flemingo India Operations decreased by 9.95% to ₹1,385.80 million in Fiscal 2016 from ₹1,538.92 million in Fiscal 2015, primarily due to decrease in general expenses and foreign exchange loss.

Occupancy costs

Occupancy costs for the Flemingo India Operations increased by 13.75% to ₹4,259.81 million in Fiscal 2017 from ₹3,744.86 million in Fiscal 2016, primarily due to an increase in revenue from Sri Lanka that resulted in higher revenue share and higher concession fees on account of renewed tenders of Indian airports for larger retail areas. During Fiscal 2017, India operations also incurred occupancy costs during construction period of enlarged and new retail areas, which were expensed.

Occupancy costs for the Flemingo India Operations increased by 2.87% to ₹3,744.86 million in Fiscal 2016 from ₹3,640.23 million in Fiscal 2015, primarily due to an increase in the revenue from the Flemingo India Operations.

The Flemingo India Operations' occupancy costs included linearisation impact of ₹30.97 million, ₹16.47 million and nil for the Fiscals 2017, 2016 and 2015, respectively.

EBITDA

EBITDA is restated profit/(loss) for the year before income tax expense, exceptional items, finance costs, depreciation, amortisation and impairment expense and linearisation impact.

EBITDA for the Flemingo India Operations decreased to ₹1,109.42 million in Fiscal 2017 from ₹1,462.52 million in Fiscal 2016. The EBITDA margin was decreased to 5.38% in Fiscal 2017 from 7.04% in Fiscal 2016, primarily due to higher occupancy costs (excluding linearisation impact) incurred for non-operational spaces that were under phased construction.

EBITDA for the Flemingo India Operations increased by 41.85% to ₹1,462.52 million in Fiscal 2016 from ₹1,031.04 million in Fiscal 2015. The EBITDA margin was increased to 7.04% in Fiscal 2016 from 5.14% in Fiscal 2015 due to incremental revenue over expenses.

Indian Subcontinent

EBITDA for the Indian Subcontinent segment decreased by 6.43% to ₹880.64 million in Fiscal 2017 from ₹941.18 million in Fiscal 2016, primarily due to increases in cost of materials consumed and occupancy costs (excluding linearisation impact) incurred for non-operational spaces that were under phased construction. The EBITDA margin was decreased to 10.79% in Fiscal 2017 from 13.48% in Fiscal 2016.

EBITDA for the Indian Subcontinent segment increased by 8.38% to ₹941.18 million in Fiscal 2016 from ₹868.41 million in Fiscal 2015. The EBITDA margin increased marginally to 13.48% in Fiscal 2016 from 12.68% in Fiscal 2015.

Europe

EBITDA for the Europe segment decreased by 25.96% to ₹173.70 million in Fiscal 2017 from ₹234.59 million in Fiscal 2016, primarily because one of the retail airport stores in Poland was not operational for part of the year and there was a reduction in non-concession sales. The EBITDA margin decreased to 2.02% in Fiscal 2017 from 2.48% in Fiscal 2016.

EBITDA for the Europe segment increased by 44.40% to ₹234.59 million in Fiscal 2016 from ₹162.46 million in Fiscal 2015, in line with the overall increase in sales. The EBITDA margin increased to 2.48% in Fiscal 2016 from 1.78% in Fiscal 2015.

Rest of the World

EBITDA for the Rest of the World segment decreased to ₹55.08 million in Fiscal 2017 from ₹286.73 million in Fiscal 2016, primarily due to exit related costs of non-performing locations and reduction in margins in the Middle East B2B operations. The EBITDA margin was decreased to 1.43% in Fiscal 2017 from 6.59% in Fiscal 2016.

EBITDA for the Rest of the World segment increased to ₹286.73 million in Fiscal 2016 from ₹0.17 million in Fiscal 2015. The EBITDA margin was increased to 6.59% in Fiscal 2016 from 0.00% in Fiscal 2015 primarily due to reductions in staff costs and other expenses.

Profit on sale of subsidiary

Profit on sale of subsidiary of ₹201.77 million in Fiscal 2015 represented excess of fair value over historical costs of investments earned pursuant to an internal restructuring in Fiscal 2015 where certain companies were transferred out of the Flemingo India Operations.

Income tax expense

Income tax expense for the Flemingo India Operations decreased to ₹278.47 million in Fiscal 2017 from ₹316.30 million in Fiscal 2016, primarily due to a decrease in taxable profits in Indian operations.

Income tax expense for the Flemingo India Operations increased to ₹316.30 million in Fiscal 2016 from ₹295.39 million in Fiscal 2015, primarily due to an increase in taxable profits in both Indian Subcontinent and Europe segments.

Share of net profit of associate

Share of net profit of associate represents 50% share of the net profit of the joint venture for our duty-free downtown and distribution operations in Mauritius.

Profit/(loss) for the year

As a result of the foregoing, the Flemingo India Operations had profit for the period of ₹368.18 million, ₹616.40 million and ₹472.73 million, respectively, for the Fiscals 2017, 2016 and 2015.

Indian Subcontinent

The Indian Subcontinent segment had profit for the period of ₹452.66 million, ₹494.23 million and ₹511.36 million, respectively, for the Fiscals 2017, 2016 and 2015.

Europe

The Europe segment had profit for the period of ₹29.26 million and ₹23.01 million, respectively, for the Fiscals 2017 and 2016, and had loss of ₹33.43 million for the Fiscal 2015.

Rest of the world

The Rest of the World segment had loss of ₹113.74 million and ₹345.20 million for Fiscals 2017 and 2015, it had profit of ₹99.14 million for the Fiscal 2016.

Harding Operations

The following table sets forth special purpose audited consolidated statement of profit and loss of Flemingo UK and its subsidiaries ("**Harding Operations**"):

(***in ₹million***)

	Year ended December 31,	
	2016	**2015**
Income		
Revenue from operations	13,007.30	10,214.93
Other income	1.78	0.13
Total Revenue	**13,009.08**	**10,215.06**
Expenses		
Cost of goods sold	5,294.93	4,085.31
Employee benefits expenses	1,386.38	1,292.35
Occupancy costs(1)	5,459.99	4,018.31
Other expenses	585.05	838.45
Total expenses	**12,726.35**	**10,234.42**
EBITDA(2)	**282.73**	**(19.36)**
Depreciation and amortisation expense	121.37	122.99
Finance costs	68.26	59.65
Profit/(loss) before tax	**93.10**	**(202.00)**
Current tax (credit)	1.60	3.48
Deferred tax (credit)	(31.12)	(5.58)
Total tax expense	(29.52)	(2.10)
Profit/(loss) after tax	**122.62**	**(199.90)**

Notes:

(1) There was no impact of linearisation in Harding Operations.

(2) EBITDA is restated profit/(loss) for the year before interest, tax, depreciation and amortisation and before exceptional items.

Revenue from operations

Revenue from operations which primarily represents revenue from sale of duty-free products and other operating income which is in nature of branding income and commission income from trunk sales made on-board ships by third parties. The revenue from operations from the Harding Operations increased by 27.34% to ₹13,007.30 million in 2016 from ₹10,214.93 million in 2015, primarily due to addition of ten cruise ships to the business in phases during 2016.

The following table sets forth a breakdown of the revenue from operations by product category for the years indicated:

	Year ended December 31,			
	2016		2015	
	(in ₹ million)	%	(in ₹ million)	%
Liquor	780.54	6.22	310.03	3.20
Food and candies	323.03	2.58	264.68	2.73
Cosmetics and toiletries	1,926.09	15.36	1,634.23	16.84
Tobacco products	744.16	5.93	512.60	5.28
Apparels	1,880.32	14.99	1,393.50	14.36
Watches and jewellery	5,405.57	43.10	4,428.59	45.64
Others	1,483.16	11.82	1,158.76	11.95
Total	**12,542.87**	**100.00**	**9,702.39**	**100.00**

Cost of goods sold

The cost of goods sold for the Harding Operations increased by 29.61% to ₹5,294.93 million in 2016 from ₹4,085.31 million in 2015, primarily due to an increase in the sales. Cost of goods sold as a percentage of total revenue was 40.70% in 2016 as against 39.99% in 2015.

Employee benefits expenses

The employee benefits expenses for the Harding Operations increased by 7.28% to ₹1,386.38 million in 2016 from ₹1,292.35 million in 2015, primarily due to an increase in employee headcounts due to addition of ten cruise ships to the business and setting up of its office in Miami, United States.

Occupancy costs

The occupancy costs for the Harding Operations increased by 35.88% to ₹5,459.99 million in 2016 from ₹4,018.31 million in 2015, primarily due to addition of ten cruise ships to the business during 2016. The occupancy costs as a percentage of total revenue has increased to 41.98% in 2016 compared to 39.34% in 2015 on account of the business on the new ships getting stabilised in phases during 2016, while they are subject to MAGs.

Other expenses

Other expenses comprise: (i) victualing costs; (ii) shop design & marketing; (iii) travel & conveyance; (iv) exchange loss (net); (v) repairs and maintenance; (vi) legal and professional fees; and (vii) other miscellaneous expenses. Other expenses for the Harding Operations decreased by 30.22% to ₹585.05 million in 2016 from ₹838.45 million in 2015 primarily due to an exchange gain (net) of ₹240.26 million in 2016 compared to an exchange loss (net) of ₹166.39 million in 2015. Further, repairs and maintenance has increased by ₹91.51 million due to work carried out on additional new cruises ships.

EBITDA

EBITDA for the Harding Operations was ₹282.73 million in 2016 from ₹(19.36) million in 2015, primarily due to incremental margin on revenue generated compared to the increase in expenses.

Depreciation and amortisation expense

The depreciation and amortisation expense for the Harding Operations slightly decreased to ₹121.37 million in 2016 from ₹122.99 million in 2015.

Finance costs

The finance costs for the Harding Operations increased by 14.44% to ₹68.26 million in 2016 from ₹59.65 million in 2015, primarily due to an increase in the amount of bank borrowings.

Income tax expense

The income tax (net credit) for the Harding Operations was ₹29.52 million in 2016 from ₹2.10 million in 2015, primarily due to the creation of deferred tax asset, i.e., due to the temporary timing difference between the accounting profits and the taxable profits capable of being reversal in future years.

Profit/(loss) after tax

As a result of the foregoing, the Harding Operations had net profit of ₹122.62 million in 2016 and net loss of ₹199.90 million in 2015.

FINANCIAL INDEBTEDNESS

In accordance with the Articles of Association and subject to the provisions of the Companies Act, 2013, our Board may, from time to time, at its discretion, by a resolution passed at a meeting of the Board, borrow any sum of money for the purpose of our Company and the Board may secure repayment of such money in such manner and upon such terms and conditions in all respects as it thinks fit. For further details regarding the borrowing powers of our Board, see the section titled "*Our Management-Borrowing Powers*" on page 181.

As on January 2, 2018, the aggregate outstanding borrowings of our Company, on a consolidated basis, are as follows:

(in ₹ million)

Particulars	Sanctioned amount	Outstanding amount
Secured Loans		
Term Loans	2,350.00	1,948.52
Working Capital Loan	200.00	200.00
Buyer's Credit Facilities	700.00	517.82
Unsecured Loans	0.00	0.00
Bank Guarantee	30.00	0.00
Trade Payables (DFS Venture Singapore):		
Non-current	0.00	171.22
Current	0.00	171.22
Total	**3,280.00**	**3,008.78**

For details of our outstanding loan obligations for the last five Fiscal Years and the six month period ending on September 30, 2017, please see "*Financial Statements"* on page 213.

Principal terms of the borrowings currently availed by our Company:

1. ***Interest:*** In terms of the loans availed by us, the interest rate is typically dependent on the guidelines of RBI and bank and ranges from 0.20% to 2.85% above the existing base rate.

2. ***Tenor:*** The tenor of the loans availed by us ranges from six months to 99 months before being considered for renewal.

3. ***Security:*** Our borrowings are secured by, *inter alia*, the following:

   (a) exclusive charge over current assets (including security deposit placed with MIAL) and movable fixed assets of our Company;

   (b) charge/lien over security deposit to be furnished to MIAL;

   (c) unconditional and irrevocable corporate guarantee by Flemingo International;

   (d) security in the form of a fixed deposit of ₹ 360.00 million lien marked in favour of the lender;

   (e) personal guarantees of Atul Vini Ahuja, Viren Ahuja, Karan Ahuja and Arjun Ahuja; and

   (f) pledge over 30% of pre and post Offer paid up Equity Share capital of our Company and a non-disposal undertaking on the remaining Equity Shares held by our Corporate Promoter, excluding such shares as may be locked-in as Promoter's Contribution. Also, Flemingo Mumbai has executed a non-disposal undertaking in favour of Yes Bank Limited in relation to the 1,129,500 Equity Shares held by it ("**Flemingo Mumbai NDU Shares**"). The Flemingo Mumbai NDU Shares shall be released prior to the filing of the RHP with the RoC.

4. ***Re-payment:*** Our loans are repayable on demand by the lender and/or on a quarterly basis, in a structured instalment within a period of 33 quarterly instalments.

5. ***Restrictive Covenants:*** The financing arrangement entered into by our Company entail various restrictive conditions and covenants restricting certain corporate actions, and our Company is required to take the prior approval of the lender before carrying out such activities.

   For instance, certain corporate actions for which our Company require the prior written consent of the lender include:

   (a) to amend or modify the constitutional documents of our Company;

   (b) to change the constitution/composition of our Company;

   (c) to undertake any merger, de-merger, consolidation, reorganisation, dissolution, scheme of arrangement or compromise with our Company's creditors or Shareholders;

   (d) to declare or pay any dividend for any year;

   (e) to effect any change to our Company's capital structure;

   (f) to change the accounting method or policies;

   (g) to pay any commission to our Promoters, Directors, managers, partners for furnishing guarantees, counter guarantees or indemnities; and

   (h) to buy back, cancel, retire, redeem, re-purchase, purchase or acquire any of our Company's share capital or delist Equity Shares

   Further, the lender has the right to appoint a nominee director on our Board and has a right to convert the loan into Equity Shares of our Company, in case of an event of default.

6. ***Events of Default:*** The term loan and other facilities availed by us contain certain standard events of default, including:

   (a) failure to make payment of any principal, interest, commission fee, costs or other amounts on due dates;

   (b) failure to observe or comply with any of the terms and conditions of the transaction documents;

   (c) any event that would likely constitute a material adverse change, as set out in the transaction documents;

   (d) failure to get the facility rated by credit rating agencies;

   (e) in case if our Company ceases or threatens to cease to carry on all or a substantial part of our business;

   (f) any change in ownership, management and/or control of our Company without prior written consent of the lender;

   (g) in case any step is taken against our Company for dissolution, winding up, liquidation, insolvency; and

   (h) in case the security is in jeopardy or ceases to have effect or becomes illegal.

This is an indicative list and there may be additional terms under the borrowing arrangements entered into by our Company.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND OTHER MATERIAL DEVELOPMENTS

Except as stated in this section there are no outstanding (a) criminal proceedings; (b) actions taken by statutory or regulatory authorities; (c) claims related to direct and indirect taxes; and (d) other pending litigations, as determined to be material by our Board of Directors in accordance with the SEBI ICDR Regulations, in each case involving our Company, Subsidiaries, Directors, Promoters or Group Companies.

Further, except as disclosed in this section, there are no (i) outstanding proceedings initiated against our Company for economic offences; (ii) pending defaults or non-payment of statutory dues by our Company; (iii) material fraud against our Company in the last five years immediately preceding the date of this Draft Red Herring Prospectus; (iv) inquiry, inspection or investigation initiated or conducted under the Companies Act against our Company or Subsidiaries during the last five years immediately preceding the year of filing of this Draft Red Herring Prospectus; (v) prosecutions filed against (whether pending or not); or fines imposed against; or compounding of offences under the Companies Act, done by our Company or our Subsidiaries, in the last five years immediately preceding the year of filing of this Draft Red Herring Prospectus; (vi) litigation or legal action, pending or taken against our Promoters by any ministry or Government department or statutory authority during the last five years immediately preceding the year of filing of this Draft Red Herring Prospectus; (vii) disciplinary actions taken by the SEBI or a recognised stock exchange against our Promoters and Group Companies, in the last five years immediately preceding the date of this Draft Red Herring Prospectus, including outstanding action; (viii) overdues or defaults to banks or financial institutions by our Company; (ix) outstanding dues to creditors as determined material by our Board of Directors in accordance with the SEBI ICDR Regulations; (x) outstanding dues to a small scale undertaking and other creditors; and (xi) litigations involving any other person that may have a material adverse effect on the position of our Company.

*Our Board, at its meeting held on January 31, 2018, has adopted a policy for identification of material litigation and material creditors for the purposes of disclosure in this Draft Red Herring Prospectus in accordance with the SEBI ICDR Regulations ("**Materiality Policy**").*

In terms of the Materiality Policy, other than outstanding criminal proceedings, statutory or regulatory actions and tax proceedings mentioned in point (a) to (c) above, all other pending litigation involving our Company or Subsidiaries or Directors or individual Promoters (i) having a monetary amount of claim in excess of one per cent of the total consolidated revenue of our Company as per the last annual restated financial statements of the Company included in this Draft Red Herring Prospectus i.e., ₹60.72 million, by or against our Company, Subsidiaries, Directors or Individual Promoters; or (ii) wherein a monetary liability is not quantifiable, adverse outcome in which could have material adverse impact on the business, operations, prospects or reputation of our Company, shall be considered "material" and accordingly have been disclosed in this Draft Red Herring Prospectus.

For details of the manner of disclosure of litigation involving our Corporate Promoter, see "Outstanding Litigation and Material Developments – Litigation involving our Corporate Promoter" beginning on page 262. Further, for details of the manner of disclosure of litigation involving our Group Companies, see "Outstanding Litigation and Material Developments – Litigation involving our Group Companies" beginning on page 262. Further, for details of the manner of disclosure of litigation involving our Target Companies and their material subsidiaries, see "Outstanding Litigation and Material Developments – Litigation involving our Target Companies and their material subsidiaries" beginning on page 264.

Further, in terms of the Materiality Policy, our Company considers such creditors 'material' to whom the amount due exceeds five per cent of the consolidated trade payables of our Company as per the Restated Consolidated Summary Statements of the Company included in this Draft Red Herring Prospectus i.e. ₹ 73.40 million, and accordingly the details of the aggregate outstanding dues to such material creditors have been disclosed in this Draft Red Herring Prospectus in a consolidated manner.

It is clarified that for the purposes of the above, pre-litigation notices (other than those issued by statutory or regulatory authorities including tax authorities) received by our Company, Subsidiaries, Directors, Group Companies, Promoters, Target Companies or their material subsidiaries shall not be considered as litigation until such time that our Company or any of Subsidiaries, Directors, Group Companies, Promoters, Target Companies or their material subsidiaries as the case may be, is made a party to proceedings initiated before any court, tribunal or governmental authority.

Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus.

All terms defined in a particular litigation disclosure below are for that particular litigation only.

I. Litigation involving our Company

1. *Criminal proceedings involving our Company*

As on the date of this Draft Red Herring Prospectus, there are no pending criminal proceedings involving our Company.

2. *Outstanding actions taken by statutory or regulatory authorities*

a. Our Company received 3,960 and 49,990 shares of our Subsidiaries, namely Flemingo International Limited, S.A. and Flemingo International Rwanda Limited, respectively by way of a gift. Pursuant to the transfer of shares, our Company failed to file the ODI – Part I form ("**Form**"), on time, as stipulated under the Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2004, as amended. Our Company has *suo moto* taken cognizance of the delay and has filed the Form on September 4, 2017. Subsequently, our Company through its authorised dealer filed an application on November 10, 2017, with RBI, for condonation of delay in filing the Form and allocation of a unique identification number to each of the Subsidiaries. There has been no further communication with RBI on the matter.

3. *Tax proceedings against our Company*

Nature of case	Number of cases outstanding	Amount involved (in ₹ million)
Direct Tax	3	33.87
Indirect Tax	3	306.64
Total	**6**	**340.51**

4. *Material outstanding litigation involving our Company*

a. Our Company has filed a writ petition against the Union of India ("**First Respondent**") and Mumbai International Airport Private Limited ("**Second Respondent**", and together with the First Respondent, the "**Respondents**") before the High Court of Bombay ("**Bombay High Court**") challenging the levy of service tax on rentals paid by our Company for premises taken on lease / license from the Second Respondent ("**First Writ Petition**"). The primary contention of our Company under the First Writ Petition was that since there was no element of service involved, invoking the requirement for our Company to pay service tax on rentals paid to the Second Respondent did not arise. Accordingly, in the First Writ Petition, our Company has claimed that service tax had been incorrectly charged on the license fee paid by it, for its duty-free shop situated at the Chhatrapati Shivaji International Airport, Mumbai ("**Leased Premises**"). In the First Writ Petition, our Company has, *inter alia*, prayed for a writ of mandamus declaring that the levy of service tax charged on the Leased Premises is illegal, unconstitutional, and not within the ambit of Section 65(105)(zzzz) of the Finance Act, 1994 ("**Finance Act**"). Based on the First Writ Petition, the Bombay High Court restrained the Respondents from initiating any coercive action against our Company. The matter under the First Writ Petition is pending.

During the pendency of the First Writ Petition, our Company filed another writ petition against the Union of India before the Bombay High Court, challenging the retrospective levy of service tax by the Second Respondent on our occupation of the Leased Premises, under the head 'airport services', pursuant to the provisions of the Finance (Amendment) Act, 2010 ("**Amended Finance Act**", and such writ petition, the "**Second Writ Petition**"). Our Company has claimed that the demand of service tax by the Second Respondent is arbitrary, illegal, and contrary to Article 265 of the Constitution of India. In the Second Writ Petition, our Company has, *inter alia*, prayed for (i) a writ of mandamus declaring Section 65(90a) read with Section 65(105)(zzm) of the Finance Act, and Section 65(105)(zzzz) of the Finance Act, as amended and in force pursuant to the Amended Finance Act, as null, void and *ultra vires* the provisions of the Constitution of India, and Section 66 of the Finance Act, (ii) a writ of mandamus declaring the demand of service tax by the Second Respondent under the category 'airport services' as being illegal, arbitrary, null and void, and *ultra vires* the provisions of the Constitution of India and Section 66 of the

Finance Act, and (iii) a writ in the nature of mandamus to set aside or quash Section 76(6)(h) and Section 77 of the Amended Finance Act. The matter under the Second Writ Petition is pending.

By way of an order of the Bombay High Court dated July 30, 2012, our Company was directed to deposit all arrears of service tax directly with the Commissioner of Service Tax, Mumbai. The abovementioned order has been duly complied by our Company.

b. Our Company has filed a writ petition before the High Court of Bombay against the Union of India, Commissioner of Customs, Mumbai and others ("**Respondents**") challenging the charge-sheet dated June 3, 2017 ("**Charge Sheet")** issued by the Office of the Inspector, State Excise Duty, Mumbai, and a show-cause notice dated June 8, 2017 ("**SCN**"), issued by the Office of the Commissioner of Excise, State of Maharashtra ("**Authority**"), alleging non-compliance by our Company's with certain conditions of the FL-II license granted to our Company and violation of some provisions of the Maharashtra Prohibition Act, 1949 (formerly known as Bombay Prohibition Act, 1949), the Bombay Foreign Liquor Rules, 1953, and the Maharashtra Foreign Liquor (Sale on Cash, Register of Sales, etc.) Rules, 1969 on alleged grounds that our Company was operating duty-free shops for 24 hours, certain statements of purchase and sale of liquor were not submitted in the prescribed format and that our Company was advertising liquor on television in our duty-free shops. The Authority, vide the SCN, also called upon our Company to show cause as to why the FL-II license granted to our Company should not be cancelled pursuant to the provisions of Section 54(1)(c) of the Maharashtra Prohibition Act, 1949 (formerly known as Bombay Prohibition Act, 1949). Our Company has prayed for, *inter alia*, (i) a writ of mandamus declaring that the Maharashtra Prohibition Act, 1949, the Bombay Foreign Liquor Rules, 1953 and other rules prescribed thereunder ("**Acts**") do not apply to the Company; (ii) restraining the Respondents from applying the Acts to the Company and its duty-free shops; and (iii) declaring the SCN and Charge Sheet unconstitutional and stay on the operation thereof. Besides this our Company has also prayed for a refund of a sum aggregating to ₹20.63 million collected by the Respondents due to wrongful and ultra vires application of the Maharashtra Prohibitions Act, 1949 (formerly known as Bombay Prohibition Act, 1949) and rules made thereunder. Subsequently, by way of an order dated November 3, 2017, the High Court of Bombay has directed the Authority, to refrain from taking any coercive action against our Company until the next date of hearing. The matter is currently pending.

5. *Outstanding proceedings initiated against our Company for economic offences*

As on the date of this Draft Red Herring Prospectus, there are no proceedings that have been initiated against our Company for any economic offences.

6. *Pending default and/or non – payment of statutory dues by our Company*

As on the date of this Draft Red Herring Prospectus, our Company does not owe any statutory dues and has not made any defaults or committed any acts involving non-payment of its statutory dues.

7. *Material frauds against our Company in the last five years*

No acts of material frauds have been committed against our Company during the past five years immediately preceding the date of this Draft Red Herring Prospectus.

8. *Details of any inquiry, inspection or investigation initiated or conducted under the Companies Act, 2013 or the Companies Act, 1956; prosecutions filed against (whether pending or not); or fines imposed against; or compounding of offences under the Companies Act the last five years preceding the date of this Draft Red Herring Prospectus against our Company*

a. The Assistant Registrar of Companies, Mumbai, Maharashtra issued a show-cause notice dated September 27, 2016 under section 134(8) of the Companies Act, 2013 to our Company alleging that our Company is in violation of section 134(3)(o) read with section 135(5) of the Companies Act, 2013 on account of failure by our Company in making adequate disclosures in its Board report in relation to its lack of contribution towards its CSR expenditure in the Financial Year 2014-15. Our Company has submitted its reply to the show cause notice on October 19, 2016 stating that the Board report clearly indicates the reason for not making the CSR contribution. No further correspondence has been exchanged with Assistant Registrar of Companies, Mumbai, Maharashtra in this regard.

9. *Outstanding dues to small scale undertakings or any other creditors*

As of September 30, 2017, the total trade payables of our Company, on a consolidated basis, were ₹ 1,467.95 million. In terms of the Materiality Policy, our Board considers such creditors 'material' to whom the amount due exceeds five per cent of the consolidated trade payables of our Company, *i.e.* ₹ 73.40 million, as of September 30, 2017.

The details of outstanding dues to creditors, as on September 30, 2017, in terms of the Materiality Policy are as follows:

Particulars	No. of creditors	Amount due (in ₹ million)
Small scale undertakings or micro, small or medium enterprises*	8	8.39
'Material' creditors	4	804.67
Other creditors	182	654.89
Total	194	1,467.95

**Based on available information regarding status of suppliers as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as of September 30, 2017.*

For complete details about outstanding dues to creditors of our Company, see *www.mumbaidutyfree.net*.

Information provided on the website of our Company is not a part of this Draft Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, www.flemingotravelretail.com, would be doing so at their own risk.

10. *Outstanding litigations involving any other person that may have a material adverse effect on the position of our Company*

As on the date of this Draft Red Herring Prospectus, there are no outstanding litigations involving any other person that may have a material adverse effect on the position of our Company.

II. Litigation involving our Subsidiaries

As on the date of this Draft Red Herring Prospectus, there are no outstanding (a) criminal proceedings; (b) actions taken by statutory or regulatory authorities; (c) claims related to direct and indirect taxes; and (d) other material pending litigations as per the Materiality Policy, involving our Subsidiaries.

1. *Details of any inquiry, inspection or investigation initiated or conducted under the Companies Act, 2013 or the Companies Act, 1956; prosecutions filed against (whether pending or not); or fines imposed against; or compounding of offences under the Companies Act in the last five years immediately preceding the year of filing of this Draft Red Herring Prospectus against our Subsidiaries*

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or the Companies Act, 1956 against our Subsidiaries, nor have any prosecutions been filed, fines imposed, or compounding of offences done by our Subsidiaries under the Companies Act, 2013 or the Companies Act, 1956 in the last five years immediately preceding the year of filing of this Draft Red Herring Prospectus.

III. Litigation involving our Directors

1. *Outstanding criminal litigation involving our Directors*

Outstanding criminal litigation against our Directors

i. Atul Vini Ahuja

a. The Municipal Inspector, K-East Ward, issued an inspection report dated May 10, 2016 against our individual Promoter, Atul Vini Ahuja, pursuant to an inspection carried out at our Company's duty free shops located at Level-4 of the Chhatrapati Shivaji International Airport, Mumbai, alleging that the business of selling tobacco, cosmetic goods, readymade eatable and PTC was being carried out without licenses under the Mumbai Municipal Corporation Act, 1888 ("**MMC Act**"). Pursuant to the inspection report, a criminal complaint was filed before metropolitan magistrate at Vile Parle against Atul Vini Ahuja, Manishi Mohan Sanwal (our erstwhile director), Viren Ahuja (our erstwhile director), Michael William Schriver, (erstwhile director of DFS Venture Singapore Pte. Limited) and Stephen Frederick Mangum (erstwhile director of DFS Venture Singapore (Pte.) Limited) under the provisions of section 394 of the MMC Act. Subsequently an order of issuance of process was issued by the learned metropolitan magistrate. The matter is currently pending.

ii. Maya Swaminathan Sinha

a. In the year 2015, various cases were filed against Core Education & Technologies Limited ("**CETL**") under Sections 138 and 141 of the Negotiable Instruments Act, 1881 as a result of dishonour of several cheques which were issued by CETL towards repayment of the loan availed from IHDP Home Interiors Export Parks Limited ("**IHDP**"). Maya Swaminathan Sinha was made party to these complaint cases by virtue of her being the executive director of CETL. She has ceased to be the executive director of CETL with effect from June 18, 2013 and has been granted permanent exemption from personal appearance in all the cases. The cases are currently pending.

b. In the year 2013, a case was filed against Core Education & Technologies Limited ("**CETL**") under Sections 138 and 141 of the Negotiable Instruments Act, 1881 as a result of dishonour of cheque which was issued by CETL towards for repayment of the loan availed from Small Industries Development Bank of India ("**SIDBI**"). Maya Swaminathan Sinha was made party to this complaint cases by virtue of her being the executive director of CETL. She has ceased to be the executive director of CETL with effect from June 18, 2013 and has been granted permanent exemption from personal appearance in this case. The case is currently pending.

c. In the year 2013, Dhanlaxmi Bank Limited ("**Bank**") filed a case against Core Education & Technologies Limited ("**CETL**") under Sections 138 and 141 of the Negotiable Instruments Act, 1881 as a result of dishonour of the cheque which was issued by CETL towards for repayment of the loan availed from the Bank. Maya Swaminathan Sinha was made party to this complaint cases by virtue of her being the executive director of CETL. She has ceased to be the executive director of CETL with effect from June 18, 2013 and has been granted permanent exemption from personal appearance in this case. The case is currently pending.

2. *Outstanding actions taken by statutory or regulatory authorities*

i. Atul Vini Ahuja

a. A show-cause notice was issued by the Assistant Commissioner of Sales Tax, Navi Mumbai against Atul Vini Ahuja, by virtue of him being a director on the board of Spares Support Solutions India Private Limited ("**SSSIPL**") due to failure of SSSIPL in filing an appeal against the order received by it on October 28, 2017 issued by the Assistant Commissioner of Sales Tax, Navi Mumbai for default in the payment of the outstanding dues of VAT and CST of ₹ 39.70 million for the assessment year 2011-12, prohibiting SSSIPL from parting with assets held by SSSIPL by way of sale, mortgage, gifts, transfer or any other manner of disposal. Atul Vini Ahuja has ceased to be the director of SSSIL with effect from July 1, 2013. The matter is currently pending.

3. *Tax proceedings against our Directors*

As on date of this Draft Red Herring Prospectus, there are no outstanding taxation proceedings involving our Directors.

4. *Material outstanding litigation involving our Directors*

As on date of this Draft Red Herring Prospectus, there are no pending material litigations involving our Directors.

IV. Litigation involving our Individual Promoter

Other than as disclosed in "*Litigation involving our Directors*" above, there are no outstanding (a) criminal proceedings; (b) actions taken by statutory or regulatory authorities; (c) claims related to direct and indirect taxes; and (d) other material pending litigations as per the Materiality Policy, involving our individual Promoter.

Litigation or legal action taken by any Ministry or Governmental department or any statutory authority against the individual Promoter in the last five years immediately preceding the year of filing of this Draft Red Herring Prospectus

As on date of this Draft Red Herring Prospectus, there is no litigation or legal action taken by any Ministry or Governmental department or any statutory authority against the individual Promoter in the last five years preceding the filing of this Draft Red Herring Prospectus.

V. Litigation involving our Corporate Promoter

As on date of this Draft Red Herring Prospectus, there are no outstanding (a) criminal proceedings; (b) actions taken by statutory or regulatory authorities; and (c) claims related to direct and indirect taxes involving our Corporate Promoter. Further, in terms of the Materiality Policy, other pending litigation involving our Corporate Promoter have been considered "material" if (i) the monetary amount of claim by or against the Corporate Promoter is in excess of an amount of 1% of the total consolidated revenue, as per the last annual financial statements of the Corporate Promoter i.e. ₹ 340.23 million; or (ii) wherein a monetary liability is not quantifiable, adverse outcome in which could have material adverse impact on the, business, operations, prospects or reputation of the Corporate Promoter and accordingly have been disclosed in this Draft Red Herring Prospectus.

As on date of this Draft Red Herring Prospectus, there are no pending material litigations involving the Corporate Promoter.

Litigation or legal action taken by any Ministry or Governmental department or any statutory authority against the Corporate Promoter in the last five years immediately preceding the year of filing of this Draft Red Herring Prospectus

As on date of this Draft Red Herring Prospectus, there is no litigation or legal action taken by any Ministry or Governmental department or any statutory authority against the Corporate Promoter in the last five years immediately preceding the year of filing of this Draft Red Herring Prospectus.

VI. Litigations involving our Group Companies

Except as disclosed below, there are no outstanding (a) criminal proceedings; (b) actions taken by statutory or regulatory authorities; and (c) claims related to direct and indirect taxes involving our Group Companies. Further, in terms of the Materiality Policy, other pending litigation involving our Group Companies have been considered "material" if (i) the monetary amount of claim by or against any Group Company is in excess of an amount of 1% of the total consolidated revenue (to the extent applicable), as per the last annual financial statements of the respective Group Company; or (ii) wherein a monetary liability is not quantifiable, adverse outcome in which could have material adverse impact on the business, operations, prospects or reputation of the respective Group Company and accordingly have been disclosed in this Draft Red Herring Prospectus.

Except as disclosed below, there are no pending material litigations involving our Group Companies.

1. *Outstanding criminal litigation involving our Group Companies*

Criminal proceedings against our Group Companies

i. Flemingo Dutyfree Shop Private Limited

a. A criminal complaint was filed before the Additional Chief Judicial Magistrate, Barrackpore by the Inspector of Legal Metrology ("**Complainant**") against the employees of Flemingo Dutyfree Shop Private Limited ("**Accused Employees**"). The Complainant alleged that the Accused Employees were selling cigarettes at a dutyfree shop at the Netaji Subhash Chandra Bose International Airport in Kolkata in violation the provisions of the Legal Metrology Act, 2009 and the rules made thereunder. The matter has been listed for hearing in due course and is currently pending.

2. ***Outstanding actions taken by statutory or regulatory authorities***

As on date of this Draft Red Herring Prospectus, there are no outstanding actions taken by regulatory or statutory authorities against our Group Companies.

3. ***Tax proceedings against our Group Companies***

i. Flemingo Dutyfree Shop Private Limited

Nature of case	Number of cases outstanding	Amount involved (in ₹ million)
Direct Tax	2	4.02
Indirect Tax	20	414.69
Total	**22**	**418.71**

ii. Dutyfree Distribution Services Private Limited

Nature of case	Number of cases outstanding	Amount involved (in ₹ million)
Direct Tax	5	30.46

iii. Flemingo Duty Free Shops International SA (Pty) Limited

Nature of case	Number of cases outstanding	Amount involved (in USD million*)
Indirect Tax	1	0.91

** 1 USD= ₹64.13 as on exchange rate of February 14, 2018.*

4. ***Material outstanding litigation involving our Group Companies***

i. Flemingo Dutyfree Shop Private Limited

In accordance with the Materiality Policy, pending litigation involving Flemingo India which involve an amount exceeding 1% of the total consolidated revenue of Flemingo India, amounting to ₹208.70 million or wherein a monetary liability is not quantifiable, adverse outcome in which could have material adverse impact on the business, operations, prospects or reputation of Flemingo India, have been considered material.

a. Flemingo India ("**Claimant**") invoked arbitration proceedings before the arbitral tribunal, comprising of Justice Doraiswamy Raju (Retired), Justice E. Padmanabhan (Retired) and Justice R. Balasubramanian (Retired) ("**Arbitral Tribunal**") against the Chidambarnar Port Trust ("**Respondent**") under the terms of the license agreement dated May 20, 2011 ("**License Agreement**") executed by the parties in relation to the operation of passenger ferry services on the route from Tuticorin to Colombo. The Claimant claimed that a sum of ₹711.10 million was due to it from the Respondent under the terms of the License Agreement. The Arbitral Tribunal passed its award on December 18, 2014, and ordered the Respondent to pay a sum of ₹68.40 million with interest at the rate of 13% per annum from May 16, 2016 till the date of realization to the Claimant. The Claimant and the Respondent filed appeals against the award issued by the Arbitral Tribunal before the High Court of Madras and the District Court of Tuticorin, respectively. The Claimant's petition before the High Court of Madras was subsequently transferred to the District Court of Tuticorin. The matter is currently pending.

b. Flemingo India ("**Claimant**") invoked arbitration proceedings before arbitral tribunal consisting of Dr. Wolfgang Kühn, John M. Townsend and Professor Hans van Houtte ("**Arbitral Tribunal**") in January 2014 against the Republic of Poland ("**Respondent**") under the terms of the agreement between the Government of the Republic of Poland and the Republic of India for the Promotion and Protection of Investments dated 7 October 1996 (the "**BIT**"). The Claimant claimed that the Respondent had violated the terms of the BIT by terminating the lease agreements of BH Travel to run shops on the premises of Chopin airport at Warsaw. The Arbitral Tribunal issued its award on August 12, 2016 ("**Award**") holding that the Respondent had violated the terms of the BIT, and ordered it to pay the Claimant a sum of approximately € 17.19 million (approx. ₹ 1,351.85 million) along with interest from

February 16, 2012 until the date of fully payment, as well as a sum of € 1.53 million (approx. ₹ 120.32 million) towards legal expenses. The Claimant thereafter filed for exequatur (recognition of award) before the District Court of the Hague and was granted the same on August 29, 2016.

On November 25, 2016, the Respondent challenged the Award by filing a setting aside proceeding before the District Court at the Hague. On May 9, 2017, the Claimant filed its statement of defence to the proceedings. The final hearing of the matter was held on February 2, 2018 and the court will render its decision on March 21, 2018. The Claimant has also filed for recognition of the Award before courts at (i) Brussels, Belgium; and (ii) England and Wales, which were granted by the respective courts. The Respondent is contesting the recognition of the Award by these courts, and the matters are currently pending.

VII. Material litigations involving our Target Companies and its material subsidiaries

In terms of the Materiality Policy, any pending litigation involving the Target Companies or material subsidiaries of the Target Companies has been considered "material", for the purpose of disclosure in this Draft Red Herring Prospectus if (i) the monetary amount of claim by or against any Target Company or its material subsidiary in any such pending litigation is in excess of an amount of 1% of the total consolidated revenue of the respective Target Company or its material subsidiary, as per the last annual financial statements of the such Target Company or its material subsidiary, as the case may be; or (ii) any such litigation involving the Target Company or its material subsidiary, wherein a monetary liability is not quantifiable, the adverse outcome of which could have material adverse impact on the business, operations, prospects or reputation of our Target Company or its material subsidiary.

*i. IRIS Ekspres Gumruksuz Satis Magazalari Ticaret Anonim Sirketi ("**IRIS Ekspres**")*

In accordance with the Materiality Policy, pending litigation involving IRIS Ekspres which involve an amount exceeding 1% of the total consolidated revenue of IRIS Ekspres, amounting to ₺ 0.83 million or wherein a monetary liability is not quantifiable, adverse outcome in which could have material adverse impact on the business, operations, prospects or reputation of IRIS Ekspres, have been considered material.

a. IRIS Ekspres has entered into agreements with the General Directorate of State Airports Authority ("**DHMI**") for each airport at which it operates pursuant to which, IRIS Ekspres is required to pay a commission of five per cent to DHMI on sale of products manufactured in Turkey and 27 per cent to DHMI on products which are produced outside Turkey. DHMI raised a demand of €400,158.03 (approx. ₺ 1,871,689.34) on IRIS Ekspres, stating that the alcoholic drink named 'Raki' sold by it was produced outside Turkey, and thus the rate of commission applicable on its sale would be 27 per cent, and not five percent. IRIS Ekspres responded to the demand, stating that the product in question was manufactured in Turkey, and the mere fact that the bottling of the product was carried out in Turkish Republic of Nothern Cyprus ("**TRNC**") should not result in the product being categorized as being manufactured outside Turkey. During the negotiation with DHMI, IRIS Ekspres deposited a bank guarantee upon request of DHMI for the differential amount of commission demanded by DHMI and thereafter moved the 8th Court of Peace at Istanbul seeking a declaration that 'Raki' is a Turkish product and therefore commission at the rate of five percent is payable to DHMI. The matter is currently pending.

VIII. Material Developments

For details of material developments post September 30, 2017, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 223.

GOVERNMENT AND OTHER APPROVALS

Except as disclosed herein and in "Risk Factors" on page 16, we have obtained all material consents, licenses, permissions, registrations and approvals, from various governmental statutory and regulatory authorities in India, which are necessary for undertaking our current business activities and operations. Except as disclosed below, no further material approvals are required for carrying on the present business activities and operations of our Company. Unless otherwise stated, these approvals are valid as on the date of this Draft Red Herring Prospectus. Further, unless otherwise stated, these approvals are in respect of business and operations of our Company. For details in connection with the regulatory and legal framework within which we operate, see "Key Industry Regulations and Policies" on page 162.

In view of the material approvals listed below, our Company can undertake this Offer and our Company can undertake our current business activities and operations.

I. Approvals in relation to the Offer

For the approvals and authorisations obtained by our Company and Selling Shareholder in relation to the Offer, see "*Other Regulatory and Statutory Disclosures – Authority for the Offer*" on page 268.

II. Corporate approvals

For details regarding the approvals and authorisations obtained by our Company in relation to its incorporation, see "*History and Certain Corporate Matters*" on page 166.

III. Investment approvals

1. Foreign collaboration approval (bearing reference number FC II: 225(2006)/226(2006)) dated November 29, 2006 issued by FIPB, Department of Economic Affairs, Ministry of Finance to DFS Venture Singapore (Pte.) Ltd. to undertake the business of duty free shops at Indira Gandhi International Airport, New Delhi;

2. Foreign collaboration approval (bearing reference number FC II: 226(2006)/227(2006)) dated November 29, 2006 issued by FIPB, Department of Economic Affairs, Ministry of Finance to DFS Venture Singapore (Pte.) Ltd. to undertake the business of duty free shops at Chhatrapati Shivaji International Airport, Mumbai;

3. Amendment No. 1 to FC II: 225(2006)/226(2006) dated December 27, 2007 issued by FIPB, Department of Economic Affairs, Ministry of Finance to DFS Venture Singapore (Pte.) Ltd.;

4. Amendment No. 2 to FC II: 225(2006)/227(2006) dated August 25, 2008 issued by FIPB, Department of Economic Affairs, Ministry of Finance to DFS Venture Singapore (Pte.) Ltd. to note that our Company has been incorporated and shall implement the foreign collaboration approval (bearing reference number FC II: 225(2006)/226(2006)); and

5. Amendment No. 1 dated October 22, 2014 to FC II: 225(2006)/226(2006) and FC II: 226(2006)/227(2006) issued by FIPB, Department of Economic Affairs, Ministry of Finance to our Company and Flemingo International approving the investment of Flemingo International in our Company.

IV. Approvals in relation to the operations of our Company

A. Tax related approvals

1. Permanent account number AACCD7412N issued by the Income Tax Department, Government of India, under the Income Tax Act, 1961.

2. Tax deduction account number MUMD15518G issued by the Income Tax Department, Government of India, under the Income Tax Act, 1961.

3. GST registration numbers 27AACCD7412N1ZG and 07AACCD7412N1ZI issued for the State of

Maharashtra and the National Capital Territory of Delhi.

4. P.T-R.C Number 27730639213P issued by Sales Tax Department, Government of Maharashtra under Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975.

B. Business related material approvals

Various approvals, licenses and registrations under several central or state-level acts, rules and regulations are required to operate our Company's duty free business.

As of the date of this Draft Red Herring Prospectus, our Company's operations consist of different types of store formats, including core duty-free stores and speciality stores focusing on fashion, souvenirs, technology, watches and jewellery. Our Company sells a large range of products in the following main product categories: alcoholic beverages, tobacco products, watches and jewellery, cosmetics and perfumes, confectionery and food products, apparel and accessories and other products. For further details, see section titled "*Our Business*" on page 137.

The key approvals required by us to run our Company's duty free business are:

1. Our Company has received a certificate of importer-exporter code dated January 4, 2008, pursuant to which the Department of Commerce and Industry, Government of India allotted 0307077683 as our importer-exporter code number.

2. Our Company has received 'Special Warehousing License' under Section 58A of the Customs Act, 1962 dated August 13, 2016 and September 21, 2016 for the premises situated at New Integrated Terminal T-2, Chhatrapati Shivaji International Airport, Sahar, Andheri East, Mumbai-400 099, Maharashtra, India and B1.064, SHA, Terminal-3, Indira Gandhi International Airport, New Delhi-110 037, respectively.

C. Labour/Employment related approvals

1. Shops and establishments registrations under the applicable provisions of the various shops and establishments acts for our offices and other premises, wherever applicable, issued by the ministry or department of labour of relevant state government or union territories. These licenses are periodically renewed, whenever applicable.
2. Sub-codes 35-05912-101 and 20350059120011002 allotted Employees' State Insurance Corporation for the offices of our Company in Mumbai and New Delhi, respectively.

3. Code MH/211065 issued by Regional Provident Fund, Commissioner, Mumbai to our Company.

D. Intellectual property rights related approvals

Our Company does neither own nor has applied for any intellectual property right, as on the date of this Draft Red Herring Prospectus. Our Company has entered into a Trademark License Agreement dated February 9, 2018 with Flemingo International pursuant to which Flemingo International has granted an exclusive and unencumbered right to use the trademarks "*Flemingo*" and "*Flemingo-Duty Free People*" to our Company and its subsidiaries. For further details, see "*History and Certain Corporate Matters-Other agreements*" on page 171.

V. Pending approvals

Following is the list of key pending approvals, including approvals not received or renewed by our Company, as on the date of this Draft Red Herring Prospectus:

1. We have received provisional security clearances dated April 21, 2017 and September 7, 2017 from the Regional Director, Mumbai and Delhi of Bureau of Civil Aviation Security, Ministry of Civil Aviation ("**BCAS**"), respectively, to carry on our operations at the Chhatrapati Shivaji International Airport, Mumbai and Indira Gandhi International Airport, New Delhi, respectively. The final security clearances in respect of the same are pending.

2. Renewed license for sale of imported non-duty paid liquor at duty free shops at Chhatrapati Shivaji International Airport, Mumbai under the Maharashtra Prohibition Act, 1949. Our Company has paid the requisite fees for this renewal and awaits an endorsement from the Commissioner of State Excise Duty Department.

3. Unique Identification Numbers from the RBI in relation to the transactions pursuant to the Burundi Gift Deed and Rwanda Gift Deed, respectively. For further details, see "*Outstanding Litigation and Other Material Developments-Litigations involving our Company*" on page 258.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Corporate Approvals

- Our Board of Directors has authorised the Offer by a resolution dated January 31, 2018.

- Special resolution dated January 31, 2018 passed by the Shareholders of our Company at the EGM, approving and authorising the Offer.

- This Draft Red Herring Prospectus has been approved by our Board and IPO Committee *vide* their resolutions dated February 10, 2018 and February 15, 2018.

Our Company may, in consultation with the BRLMs, consider a Pre-IPO Placement of up to 5,900,000 Equity Shares for cash consideration aggregating up to ₹ 5,000 million, at its discretion in favour of certain investors, prior to filing of the Red Herring Prospectus with the RoC at a price as the Board may determine in accordance with the Companies Act, and other applicable laws. If the Pre-IPO Placement is completed, the number of Equity Shares issued pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to a minimum Offer size of 10% of the post-Offer paid-up Equity Share capital of our Company being offered to the public.

Approval from the Selling Shareholder

The Selling Shareholder has approved the offer of up to 1,129,500 Equity Shares by way of an Offer for Sale, pursuant to a resolution of its board of directors dated February 9, 2018.

The Selling Shareholder specifically confirms that, as required under Regulation 26(6) of the SEBI ICDR Regulations, it has held the Equity Shares proposed to be offered in the Offer for Sale for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus.

In-principle listing approvals

Our Company has received in-principle approvals from BSE and NSE for the listing of our Equity Shares pursuant to letters dated [●] and [●], respectively.

Prohibition by the SEBI, the RBI or other authorities

None of our Company, our Promoters, directors of our Corporate Promoter, members of the Promoter Group, our Directors, Group Companies, or persons in control of our Company are or have been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by the SEBI or any other authorities. Neither our Promoters nor any of our Directors or persons in control of our Company were or are a promoter, director, or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI or any other authorities. Further, there have been no violations of securities laws committed by our Company, Promoters, members of the Promoter Group, our Directors or persons in control of our Company in the past or are currently pending against them.

The Selling Shareholder, specifically confirms that it has not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority. Further, the Selling Shareholder specifically confirms that it has not been declared as a wilful defaulter, as defined under the SEBI ICDR Regulations. There are no violations of securities laws committed by the Selling Shareholder in the past or are currently pending against it.

None of our Directors are in any manner associated with the securities market, including securities market related business and no action has been taken by SEBI against our Directors or any entity in which our Directors are involved as promoters and/or directors.

Neither our Company, nor our Subsidiaries, nor our Promoters nor any member of our Promoter Group nor our Directors nor the relatives (as per the Companies Act) of our Promoters and the Group Companies are or have been identified as wilful defaulters, as defined by the SEBI ICDR Regulations.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with the Regulation 26(2) of the SEBI ICDR Regulations, as described below:

"*An issuer not satisfying the condition stipulated in sub-regulation (1) may make an initial public offer if the issue is made through the book-building process and the issuer undertakes to allot, at least seventy five percent of the net offer to public, to qualified institutional buyers and to refund full subscription money if it fails to make the said minimum allotment to qualified institutional buyers*."

We are an unlisted company not complying with the conditions specified in Regulation 26(1) of the SEBI ICDR Regulations and are therefore required to meet the conditions detailed of Regulation 26(2) of the SEBI ICDR Regulations.

We undertake to comply with Regulation 26(2) of the SEBI ICDR Regulations as at least 75% of the Offer is proposed to be Allotted to QIBs and in the event that we fail to do so, the full application monies shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations.

Further, in accordance with Regulation 26(4) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Offer shall be not less than 1,000, failing which, the entire application money shall be refunded forthwith/unblocked in the respective ASBA Accounts of the ASBA Bidders, as applicable.

Our Company is in compliance with conditions specified in Regulations 4(2) and 4(5)(a) of the SEBI ICDR Regulations to the extent applicable.

DISCLAIMER CLAUSE OF THE SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO THE SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY THE SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, BEING ICICI SECURITIES LIMITED, CREDIT SUISSE SECURITIES (INDIA) PRIVATE LIMITED, AXIS CAPITAL LIMITED, HSBC SECURITIES AND CAPITAL MARKETS (INDIA) PRIVATE LIMITED AND YES SECURITIES (INDIA) LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INIDA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, AND THE SELLING SHAREHOLDER IS RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY IT IN THE DRAFT RED HERRING PROSPECTUS IN RELATION TO ITSELF FOR ITS PORTION OF THE EQUITY SHARES OFFERED BY IT IN THE OFFER FOR SALE, THE BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDER DISCHARGE THEIR RESPONSIBILITY ADEQUATELY, IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS HAVE FURNISHED TO THE SEBI A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 15, 2018 WHICH READS AS FOLLOWS:

WE, THE BOOK RUNNING LEAD MANAGERS TO THE ABOVE MENTIONED FORTHCOMING OFFER, STATE AND CONFIRM AS FOLLOWS:

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO

LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS DATED FEBRUARY 15, 2018 PERTAINING TO THE OFFER;

2. **ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE OFFER, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY AND THE SELLING SHAREHOLDER, WE CONFIRM THAT:**

   A. **THE DRAFT RED HERRING PROSPECTUS FILED WITH SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI") IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE OFFER;**

   B. **ALL THE LEGAL REQUIREMENTS RELATING TO THE OFFER AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**

   C. **THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED OFFER AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956 (AS AMENDED AND REPLACED BY THE COMPANIES ACT, 2013, TO THE EXTENT IN FORCE), THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED ("SEBI ICDR REGULATIONS") AND OTHER APPLICABLE LEGAL REQUIREMENTS.**

3. **WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRHP ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATIONS ARE VALID – <u>COMPLIED WITH AND NOTED FOR COMPLIANCE</u>;**

4. **WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS – <u>NOTED FOR COMPLIANCE;</u>**

5. **WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTERS HAVE BEEN OBTAINED FOR INCLUSION OF THEIR EQUITY SHARES AS PART OF THE PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF THE PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN, SHALL NOT BE DISPOSED/SOLD/TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS–<u>COMPLIED WITH AND NOTED FOR COMPLIANCE</u>;**

6. **WE CERTIFY THAT REGULATION 33 OF THE SEBI ICDR REGULATIONS, WHICH RELATES TO EQUITY SHARES INELIGIBLE FOR COMPUTATION OF PROMOTERS' CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRHP. – <u>COMPLIED WITH AND NOTED FOR COMPLIANCE;</u>**

7. **WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SEBI ICDR REGULATIONS SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE OFFER. WE UNDERTAKE THAT AUDITOR'S CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER**

CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE PROMOTERS' CONTRIBUTION WILL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC OFFER. – NOT APPLICABLE;

8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT OFFER FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION – COMPLIED WITH;

9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THIS OFFER ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO AMONG THE BANKERS TO THE OFFER, THE COMPANY AND THE SELLING SHAREHOLDER SPECIFICALLY CONTAINS THIS CONDITION. – NOTED FOR COMPLIANCE. ALL MONIES RECEIVED FROM THE OFFER SHALL BE CREDITED/TRANSFERRED TO A SEPARATE BANK ACCOUNT AS PER SECTION 40(3) OF THE COMPANIES ACT, 2013, AS AMENDED;

10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRHP THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. – NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT, 2013, EQUITY SHARES IN THE OFFER WILL BE ISSUED IN DEMATERIALISED FORM ONLY;

11. WE CERTIFY THAT ALL APPLICABLE DISCLOSURES MANDATED IN THE SEBI ICDR REGULATIONS HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION;

12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS:

    A. AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY; AND

    B. AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY SEBI FROM TIME TO TIME.

13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SEBI ICDR REGULATIONS WHILE MAKING THE OFFER. –NOTED FOR COMPLIANCE;

14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTER'S EXPERIENCE, ETC.-COMPLIED WITH;

15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SEBI ICDR REGULATIONS CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRHP WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY-COMPLIED WITH;

16. **WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGERS (WHO ARE RESPONSIBLE FOR PRICING THIS OFFER)', AS PER FORMAT SPECIFIED BY THE SEBI THROUGH CIRCULAR- COMPLIED WITH;**

17. **WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS. – COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD 18 IN THE RESTATED SUMMARY STATEMENTS OF THE COMPANY INCLUDED IN THE DRAFT RED HERRING PROSPECTUS AND AS CERTIFIED BY UBEROI SOOD & KAPOOR, CHARTERED ACCOUNTANTS, (FIRM REGISTRATION NUMBER: 001462N), PURSUANT TO A CERTIFICATE DATED FEBRUARY 11, 2018; AND**

18. **WE CERTIFY THAT THE ENTITY IS ELIGIBLE UNDER 106Y (1) (A) OR (B) (AS THE CASE MAY BE) TO LIST ON THE INSTITUTIONAL TRADING PLATFORM, UNDER CHAPTER XC OF THE SEBI ICDR REGULATIONS. (IF APPLICABLE) – NOT APPLICABLE.**

The filing of this Draft Red Herring Prospectus does not, however, absolve any person who has authorised the issue of this Draft Red Herring Prospectus from any liabilities under Section 34 or Section 36 of the Companies Act, 2013 or from the requirement of obtaining such statutory and/or other clearances as may be required for the purpose of the proposed Offer. Provided that the liability of the Selling Shareholder, in respect of the above, shall be limited to any liabilities arising in relation to the statements specifically made or confirmed by it in respect of itself and of the Equity Shares proposed to be offered in the Offer. SEBI further reserves the right to take up at any point of time, with the BRLMs, any irregularities or lapses in this Draft Red Herring Prospectus.

The filing of this Draft Red Herring Prospectus also does not absolve the Selling Shareholder from any liabilities to the extent of the statements specifically made or confirmed by it in respect of itself and of the Equity Shares proposed to be offered in the Offer, under Section 34 or Section 36 of Companies Act, 2013.

All legal requirements pertaining to the Offer will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act, 2013. All legal requirements pertaining to the Offer will be complied with at the time of registration of the Prospectus with the RoC in terms of Sections 26, 30, 32, 33(1) and 33(2) of the Companies Act, 2013.

Price Information of past issues handled by the BRLMs

ICICI Securities Limited

1. *Price information of past issues (during the current Fiscal and two Fiscals preceding the current Fiscal) handled by ICICI Securities Limited*

No.	Issue name	Issue size (in ₹ million)	Issue price (in ₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/ % change in closing benchmark]- 180th calendar days from listing
1.	Music Broadcast Limited	4,885.29	333.00	March 17, 2017	413.00	+4.58%, [-0.23%]	+4.19%, [+5.00%]	+18.74%. [+10.19%]
2.	Avenue Supermarts Limited	18,700.00	299.00	March 21, 2017	600.00	+145.08%, [-0.20%]	+166.35%, [+5.88%]	+264.38%, [+11.31%]
3.	Housing and Urban Development Corporation Limited	12,095.70	60.00(1)	May 19, 2017	73.00	+13.17%, [+2.44%]	+34.67%, [+4.98%]	+35.67%, [+8.05%]
4.	AU Small Finance Bank Limited	19,125.14	358.00	July 10, 2017	530.00	+58.76%, [+2.12%]	+65.20%, [+2.23%]	+95.38%, [+8.06%]

No.	Issue name	Issue size (in ₹ million)	Issue price (in ₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/ % change in closing benchmark]- 180th calendar days from listing
5.	Security and Intelligence Services (India) Limited	7,795.80	815.00	August 10, 2017	879.80	-3.29%, [+1.17%]	+3.14%, [+5.40%]	+39.12%, [+8.62%]
6.	Matrimony.Com Limited	4,974.79	985.00(2)	September 21, 2017	985.00	-12.28%, [+0.62%]	-7.64%, [+3.37%]	-
7.	ICICI Lombard General Insurance Company Limited	57,009.39	661.00	September 27, 2017	651.10	+3.62%, [+6.25%]	+18.97%, [+8.17%]	-
8.	SBI Life Insurance Company Limited	83,887.29	700.00(3)	October 3, 2017	735.00	-7.56%, [+5.89%]	-0.07%, [+5.84%]	-
9.	Newgen Software Technologies Limited	4,246.20	245.00	January 29, 2018	254.10	-	-	-
10.	Galaxy Surfactants Limited	9,370.90	1,480.00	February 8, 2018	1,525.00	-	-	-

(1) Discount of ₹2 per equity share offered to retail investors and to eligible employees. all calculations are based on issue price of ₹60.00 per equity share.

(2) Discount of ₹98 per equity share offered to retail investors and to eligible employees. all calculations are based on issue price of ₹985.00 per equity share.

(3) Discount of ₹68 per equity share offered to eligible employees. all calculations are based on issue price of ₹700.00 per equity share.

Notes:

1. *All data sourced from www.nseindia.com.*
2. *Benchmark index considered is NIFTY.*
3. *30th, 90th, 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th, 90th, 180th calendar day is a holiday, in which case we have considered the closing data of the next trading day.*

2. *Summary statement of price information of past issues (during the current Fiscal and two Fiscals preceding the current Fiscal) handled by ICICI Securities Limited*

Fiscal	Total no. of IPOs	Total amount of funds raised (₹ in million)	No. of IPOs trading at discount as on 30th calendar day from listing date			No. of IPOs trading at premium as on 30th calendar day from listing date			No. of IPOs trading at discount as on 180th calendar day from listing date			No. of IPOs trading at premium as on 180th calendar 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%
2018*	8	1,98,505.21	-	-	3	1	-	3	-	-	-	1	2	-
2017	12	160,855.45	-	-	3	4	4	1	-	1	1	7	2	1
2016	6	27,229.06	-	1	1	1	-	3	-	-	2	2	2	-

**This information is as on the date of this Draft Red Herring Prospectus*

Axis Capital Limited

1. *Price information of past issues (during the current Fiscal and two Fiscals preceding the current Fiscal) handled by Axis Capital Limited:*

No.	Issue name	Issue size (in ₹ million)	Issue price (in ₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/ % change in closing benchmark]- 180th calendar days from listing
1.	Khadim India Limited	5,430.57	750.00	November 14, 2017	730.00	-10.40%, [+0.06%]	-6.47%, [+3.47%]	-
2.	The New India Assurance Company Limited	18,933.96	800[6]	November 13, 2017	750.00	-27.91%, [+0.15%]	-7.81%, [+3.08%]	-
3.	Mahindra Logistics Limited	8,288.84	429[5]	November 10, 2017	429.00	+2.49%, [0.00%]	+9.48%, [+1.50%]	-
4.	Reliance Nippon Life Asset Management Limited	15,422.40	252	November 6, 2017	295.90	+3.61%, [-3.19%]	+8.12%, [+2.05%]	-
5.	General Insurance Corporation of India	111,758.43	912[4]	October 25, 2017	850.00	-12.92%, [+0.52%]	-13.95%, [+6.52%]	-
6.	Indian Energy Exchange Limited	10,007.26	1650	October 23, 2017	1,500.00	-8.15%, [+1.39%]	-1.95%, [+7.67%]	-
7.	Godrej Agrovet Limited	11,573.12[3]	460	October 16, 2017	615.60	+14.96%, [-0.43%]	+35.66%, [+4.99%]	-
8.	SBI Life Insurance Company Limited	83,887.29	700[2]	October 3, 2017	735.00	-7.56%, [5.89%]	-0.07%, [+5.84%]	-
9.	Capacit'e Infraprojects Limited	4,000	250	September 25, 2017	399.00	+36.30%, [+3.39%]	+57.42%, [+6.67%]	-
10.	Matrimony.Com Limited	4,968.77	985[1]	September 21, 2017	985.00	-12.38%, [+0.62%]	-7.64%, [+3.37%]	-

Source: www.nseindia.com

[1]*Offer price was ₹887.00 per equity share to retail individual bidders and eligible employees.*

[2]*Offer price was ₹632.00 per equity share to eligible employees.*

[3]*Company has undertaken a pre-ipo placement aggregating to ₹84.88 million. The size of the fresh issue as disclosed in the draft red herring prospectus dated July 18, 2017, being ₹ 3,000.00 million, has been reduced accordingly.*

[4]*Offer price was ₹855.00 per equity share to retail individual bidders and eligible employees.*

[5]*Offer price was ₹387.00 per equity share to eligible employees.*

[6]*Offer price was ₹770.00 per equity share to retail individual bidders and eligible employees.*

Notes:

a. *Issue size derived from prospectus/final post issue reports, as available.*
b. *The CNX NIFTY is considered as the benchmark index.*
c. *Price on NSE is considered for all of the above calculations.*
d. *In case 30th/90th/180th day is not a trading day, closing price on NSE of the next trading day has been considered.*
e. *Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.*

2. *Summary statement of price information of past issues (during the current Fiscal and two Fiscals preceding the current Fiscal) handled by Axis Capital Limited:*

Fiscal	Total no. of IPOs	Total amount of funds raised (₹ in million)	No. of IPOs trading at discount as on 30th calendar day from listing date			No. of IPOs trading at premium as on 30th calendar day from listing date			No. of IPOs trading at discount as on 180th calendar day from listing date			No. of IPOs trading at premium as on 180th calendar 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%
2018*	15	3,19,770.86	-	1	7	1	2	4	-	1	-	2	2	-
2017	10	1,11,377.80	-	-	1	4	2	3	-	-	-	7	1	2

2016	8	60,375.66	0	0	3	0	4	1	0	0	3	1	2	2

** The information is as on the date of this Draft Red Herring Prospectus.*
The information for each of the financial years is based on issues listed during such financial year.

Note: Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

<u>Credit Suisse Securities (India) Private Limited</u>

1. *Price information of past issues (during the current Fiscal and two Fiscals preceding the current Fiscal) handled by Credit Suisse Securities (India) Private Limited.*

No.	Issue name	Issue size (in ₹ million)	Issue price (in ₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/ % change in closing benchmark]- 180th calendar days from listing
1.	Syngene International Limited	5,500.00	250.00	August 11, 2015	295.00	36.00%, [-7.61%]	44.90%, [-6.47%]	57.20%, [-12.70%]
2.	TeamLease Services Limited	4,236.77	850.00	February 12, 2016	860.00	15.34%, [7.99%]	5.38%, [12.43%]	35.35%, [24.31%]
3.	S Chand and Company Limited	7,285.57	670.00	May 9, 2017	700.00	-18.10%, [3.72%]	-26.91%, [7.95%]	-28.06%, [12.18%]
4.	IRB InvIT Fund	50,328.84	102.00	May 18, 2017	102.00	-2.61%, [1.68%]	-5.49%, [4.96%]	-11.03%, [8.44%]
5.	Eris Lifesciences Limited	17,411.63	603.00	June 29, 2017	611.00	1.12%, [5.37%]	-5.45%, [3.87%]	26.48%, [10.81%]
6.	Godrej Agrovet Limited	11,573.12	460.00	October 16, 2017	615.60	-11.22%, [-0.43%]	4.77%, [4.99%]	NA
7.	HDFC Standard Life Insurance Company Limited	86,950.00	290.00	November 17, 2017	310.00	9.53%, [1.02%]	NA	NA

Source: www.nseindia.com for the price information and prospectus for issue details
Notes:
a) 30th, 90th, 180th calendar days from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th , 90th, 180th calendar day is a holiday, in which case we have considered the closing data of the next trading date.
b) Price information and benchmark index values have been shown only for the designated stock exchange in the above table.
c) NSE is the designated stock exchange for the issue listed in the above table. NIFTY has been used as the benchmark index
d) Since the listing date of Godrej Agrovet Limited was October 16, 2017, information relation to closing prices and benchmark index as on 180th calendar day from listing date is not available.
e) Since the listing date of HDFC Standard Life Insurance Company Limited was November 17, 2017, information relation to closing prices and benchmark index as on 90th/180th calendar day from listing date is not available.

2. *Summary statement of price information of past issues (during the current Fiscal and two Fiscals preceding the current Fiscal) handled by Credit Suisse Securities (India) Private Limited:*

Fiscal	Total no. of IPOs	Total amount of funds raised (₹ in million)	No. of IPOs trading at discount as on 30th calendar day from listing date			No. of IPOs trading at premium as on 30th calendar day from listing date			No. of IPOs trading at discount as on 180th calendar day from listing date			No. of IPOs trading at premium as on 180th calendar 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%
2018*	5	173,549.16	-	-	3	-	-	2	-	1	1	-	1	-
2017	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016	2	9,736.80	-	-	-	-	1	1	-	-	-	1	1	-

** The information is as on the date of this Draft Red Herring Prospectus.*
a) Since the listing date of Godrej Agrovet Limited was October 16, 2017, information relating to closing prices and benchmark index as on 180th calendar day from listing date is not available.
b) Since the listing date of HDFC Standard Life Insurance Company Limited was November 17, 2017, information relating to closing prices and benchmark index as on 180th calendar day from listing date is not available.

<u>HSBC Securities and Capital Markets (India) Private Limited</u>

1. *Price information of past issues (during the current Fiscal and two Fiscals preceding the current Fiscal) handled by HSBC Securities and Capital Markets (India) Private Limited:*

No.	Issue name	Issue size (in ₹ million)	Issue price (in ₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/ % change in closing benchmark]- 180th calendar days from listing
1.	VRL Logistics Limited	4,679.00	205.00	April 30, 2015	288.00	+50.90%, [+3.08%]	+85.49%, [+1.90%]	+100.90%, [+0.97%]
2.	Equitas Holdings Limited	21,766.85	110.00	April 21, 2016	144.00	+34.64%, [-2.05%]	+57.91%, [+7.79%]	+63.77%, [+7.69%]
3.	ICICI Prudential Life Insurance Company limited	60,567.91	334.00	September 29, 2016	330.00	-7.60%, [+0.54%]	-11.54%, [-6.50%]	+12.31%, [+5.28%]
4.	General Insurance Corporation of India (GIC Re)	112,568.31	912.00	October 25, 2017	850.00	-12.92%, [+0.52%]	-13.95%, [+6.52%]	NA

Notes:
All above data is of NSE (Website www.nseindia.com)
Benchmark index considered above in all the cases was NIFTY
10th, 20th, 30th trading day from listed day have been taken as listing day plus 10, 20 and 30 calendar days. Wherever 10th, 20th, 30th trading day is a holiday, we have considered the closing data of the next trading date / day

2. *Summary statement of price information of past issues (during the current Fiscal and two Fiscals preceding the current Fiscal) handled by HSBC Securities and Capital Markets (India) Private Limited:*

Fiscal	Total no. of IPOs	Total amount of funds raised (₹ in million)	No. of IPOs trading at discount as on 30th calendar day from listing date			No. of IPOs trading at premium as on 30th calendar day from listing date			No. of IPOs trading at discount as on 180th calendar day from listing date			No. of IPOs trading at premium as on 180th calendar 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 %
2018*	1	112,568.31	-	-	1	-	-	-	-	-	-	-	-	-
2017	2	82,334.76	-	-	1	-	1	-	-	-	-	1	-	1
2016	1	4,679.00	-	-	-	1	-	-	-	-	-	1	-	-

** The information is as on the date of this Draft Red Herring Prospectus.*
Notes:
All above data is of NSE (Website www.nseindia.com).
Benchmark Index considered above in all the cases was NIFTY.
10th, 20th, 30th trading day from listed day have been taken as listing day plus 10, 20 and 30 calendar days. Wherever 10th, 20th, 30th trading day is a holiday, we have considered the closing data of the next trading date / day.

YES Securities (India) Limited

1. *Price information of past issues (during the current Fiscal and two Fiscals preceding the current Fiscal) handled by YES Securities (India) Limited:*

No.	Issue name	Issue size (in ₹ million)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/ % change in closing benchmark]- 180th calendar days from listing
1.	Quess Corp Limited	4,000.00	317.00	July 12, 2016	500.00	+67.93% - change in closing price; +0.83% - change in closing benchmark	+94.59% - change in closing price; +2.20% - change in closing benchmark	+110.36% - change in closing price; -3.34% - change in closing benchmark
2.	Varun Beverages Limited	11,125.00	445.00	November 8, 2016	430.00	-5.00% - change in closing price; -3.47% - change in closing benchmark	-9.36% - change in closing price; +3.01% - change in closing benchmark	+10.60% - change in closing price; +9.02% - change in closing benchmark
3.	Central Depository Services (India) Limited	5,239.91	149.00	June 30, 2017	250.00	+127.92% - change in closing price; +5.84% - change in closing benchmark	+128.62% - change in closing price; +2.61% - change in closing benchmark	+139.03% - change in closing price; +10.19% - change in closing benchmark
4.	GTPL Hathway Limited	4,848.00	170.00	July 4, 2017	170.00	-13.32% - change in closing price; +4.16% - change in closing benchmark	-18.88% - change in closing price; +2.56% - change in closing benchmark	-3.68% - change in closing price; +8.55% - change in closing benchmark
5.	Security and Intelligence Services (India) Limited	7,795.80	815.00	August 10, 2017	879.80	-1.88% - change in closing price; +1.89% - change in closing benchmark	+3.14% - change in closing price; +4.92% - change in closing benchmark	+45.54% - change in closing price; +6.90% - change in closing benchmark
6.	Dixon Technologies (India) Limited	5,992.79	1,766	September 18, 2017	2,725.00	+50.78% - change in closing price; +0.57% - change in closing benchmark	+98.26% - change in closing price; +2.32% - change in closing benchmark	-
7.	Reliance Nippon Life Asset Management Company	15,422.40	252.00	November 6, 2017	295.90	+1.21% - change in closing price; -3.90% - change in closing benchmark	+8.12% - change in closing price; +2.05% - change in closing benchmark	-

No.	Issue name	Issue size (in ₹ million)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/ % change in closing benchmark]- 180th calendar days from listing
	Limited							
8.	The New India Assurance Company Limited	96,000.00	800.00	November 13, 2017	750.00	-29.83% - change in closing price; -0.31% - change in closing benchmark	-7.81% - change in closing price; +3.08% - change in closing benchmark	-
9.	Future Supply Chain Solutions Limited	6,496.95	664.00	December 18, 2017	664.00	+4.09% - change in closing price; +3.85% - change in closing benchmark	-	-

Notes:

1. *Benchmark Index taken as CNX NIFTY.*
2. *Price on NSE is considered for all of the above calculations.*
3. *% change taken against the Issue Price in case of the Issuer. % change taken against closing CNX NIFTY Index on the day of the listing date.*
4. *The 30th, 90th and 180th calendar day from listed day have been taken as listing day plus 30, 90 and 180 calendar days. If either of the 30th, 90th or 180th calendar days is a trading holiday, the next trading day has been considered for the computation.*

2. *Summary statement of price information of past issues (during the current Fiscal and two Fiscals preceding the current Fiscal) handled by YES Securities (India) Limited:*

Fiscal	Total no. of IPOs	Total amount of funds raised (₹ in million)	No. of IPOs trading at discount as on 30th calendar day from listing date			No. of IPOs trading at premium as on 30th calendar day from listing date			No. of IPOs trading at discount as on 180th calendar day from listing date			No. of IPOs trading at premium as on 180th calendar 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%
2018*	7	141,795.85	-	1	2	2	-	2	-	-	1	1	1	-
2017	2	15,125.00	-	-	1	1	-	-	-	-	-	1	-	1
2016	-	-	-	-	-	-	-	-	-	-	-	-	-	-

** The information is as on the date of this Draft Red Herring Prospectus.*
Notes:
Data for number of IPOs trading at premium/discount taken at closing price on NSE on the respective date.
The information for the financial year is based on issue listed during such financial year.

Track record of past issues handled by the BRLMs

For details regarding the track record of the BRLMs, as specified under Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, see the websites of the BRLMs mentioned below.

BRLMs	Website
ICICI Securities Limited	www.icicisecurities.com
Axis Capital Limited	www.axiscapital.co.in
Credit Suisse Securities (India) Private Limited	https://www.credit-suisse.com/in/en/investment-banking/regionalpresence/asia-pacific/india/ipo.html
HSBC Securities and Capital Markets (India) Private Limited	www.hsbc.co.in/1/2/corporate/Equitiesgloablinvestmentbanking
YES Securities (India) Limited	www.yesinvest.in

Caution – Disclaimer from our Company, our Directors, the Selling Shareholder and the BRLMs

Our Company, our Directors and the BRLMs accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information, including our website, www.flemingotravelretail.com, or any website of any of our Subsidiaries or members of our Promoter Group, Promoters, Group Companies or any affiliate of our Company or the Selling Shareholder, would be doing so at his or her own risk. The Selling Shareholder accepts no responsibility for statements made in this Draft Red Herring Prospectus except for statements and undertakings specifically made or confirmed by the Selling Shareholder regarding itself and the Equity Shares offered in the Offer for Sale.

The BRLMs accept no responsibility for statements made in this Draft Red Herring Prospectus, save to the limited extent as provided in the Offer Agreement entered into among the BRLMs, the Selling Shareholder and our Company, and the Underwriting Agreement to be entered into among the Underwriters, the Selling Shareholder and our Company.

All information shall be made available by our Company, the Selling Shareholder and the BRLMs to the Bidders and public at large and no selective or additional information would be made available by our Company or the Selling Shareholder or the BRLMs for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding Centres or elsewhere.

Neither our Company, the Selling Shareholder nor any member of the Syndicate shall be liable to the Bidders for any failure in uploading the Bids, due to faults in any software or hardware system, or otherwise.

Each of the BRLMs and their respective associates and affiliates, in its capacity as principal or agent, is and may in the future be involved in a wide range of commercial banking and investment banking activities globally (including investment advisory, asset management, research, securities issuance, trading (customer and proprietary) and brokerage). Certain of the BRLMs and/or their respective associates and affiliates has engaged, and may in the future engage, in transactions with, and has performed, and may in the future perform, services for, our Company, the Selling Shareholder and their respective group companies, affiliates or associates or any third parties in the ordinary course of their commercial banking and investment banking activities, for which they have received, and may in the future receive, compensation. In addition, in the ordinary course of their commercial banking and investment banking activities, the BRLMs, and their respective associates and affiliates may at any time hold long or short positions, enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares, and may trade or otherwise effect transactions, for their own account or the accounts of their customers, in debt or equity securities (or related derivative instruments) or senior loans of our Company, the Selling Shareholder and/or any of their respective group companies, affiliates or associates or any third parties. As used herein, the term 'affiliate' means any person or entity that controls or is controlled by or is under common control with another person or entity.

Bidders will be required to confirm, and will be deemed to have represented to our Company, the Selling Shareholder, the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares, and will not issue, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholder, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

Disclaimer in respect of jurisdiction

This Offer is being made in India to persons resident in India who are competent to contract under the Indian Contract Act, 1872, as amended, including Indian nationals resident in India, Hindu Undivided Families ("**HUFs**"), companies, other corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares, domestic Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), non-banking financial company, or trusts under the applicable trust law, and who are authorised under their respective constitutions to hold and invest in equity shares, public financial institutions as specified under Section 2(72) of the Companies Act, 2013, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with IRDAI, insurance funds, provident funds, national investment funds, venture capital funds, Alternative Investment Funds ("**AIFs**"), permitted insurance companies and pension funds and, to permitted non-residents including Eligible NRIs, FPIs registered with SEBI and QIBs provided they are eligible under all applicable laws and regulations to purchase the Equity Shares.

This Draft Red Herring Prospectus does not constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) at Mumbai, Maharashtra, India only.

No action has been, or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus, nor any offer or sale hereunder, shall, under any circumstances, create any implication that there has been no change in our affairs or in the affairs of the Selling Shareholder from 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 under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold (i) in the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A and referred to in this Draft Red Herring Prospectus as "U.S. QIBs", for the avoidance of doubt, the term "U.S. QIBs" does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in the Draft Red Herring Prospectus as — QIBs) pursuant to Rule 144A or another available exemption from the registration requirements of the U.S. Securities Act, and (ii) outside the United States only in offshore transactions in reliance on Regulation S and pursuant to the applicable laws of the jurisdictions where those offers and sales occur. Prospective purchasers are hereby notified that the seller of the Equity Shares may be relying on the exemption from the registration requirements of the U.S. Securities Act provided by Rule 144A.

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

Until the expiry of 40 days after the commencement of the Offer, an offer or sale of Equity Shares within the United States by a dealer (whether or not it is participating in the Offer) may violate the registration requirements of the U.S. Securities Act unless made pursuant to Rule 144A or another available exemption from the registration requirements of the U.S. Securities Act and in accordance with applicable state securities laws.

Equity Shares Offered and Sold within the United States

Each purchaser that is acquiring the Equity Shares offered pursuant to the Offer within the United States, by its acceptance of this Draft Red Herring Prospectus and of the Equity Shares, will be deemed to have acknowledged, represented to and agreed with our Company, the Selling Shareholder and the BRLMs that it has received a copy of the Draft Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

(1) the purchaser is authorized to consummate the purchase of the Equity Shares offered pursuant to the Offer in compliance with all applicable laws and regulations;

(2) the purchaser acknowledges that the Equity Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and accordingly may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;

(3) the purchaser (i) is a U.S. QIB, (ii) is aware that the sale to it is being made in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (iii) is acquiring such Equity Shares for its own account or for the account of one or more U.S. QIBs with respect to which it exercises sole investment discretion;

(4) the purchaser is not an affiliate of our Company or a person acting on behalf of an affiliate;

(5) if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only (A) (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a U.S. QIB in a transaction meeting the requirements of Rule 144A, (ii) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S, (iii) pursuant to an exemption from registration under the U.S. Securities Act provided by Rule 144 thereunder (if available), or (iv) pursuant to another available exemption from the registration requirements under the U.S. Securities Act and (B) in each case in accordance with all applicable laws, including the securities laws of the states of the United States. The purchaser understands that the transfer restrictions will remain in effect until the Company determines, in its sole discretion, to remove them;

(6) the Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 under the U.S. Securities Act for resales of any such Equity Shares;

(7) the purchaser will not deposit or cause to be deposited such Equity Shares into any depositary receipt facility established or maintained by a depositary bank other than a Rule 144A restricted depositary receipt facility, so long as such Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act;

(8) the purchaser is not acquiring the Equity Shares as a result of any form of "general solicitation" or "general advertising" (within the meaning of Rule 502(c) of Regulation D under the U.S. Securities Act);

(9) the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless the Company determines otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

"**THE EQUITY SHARES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) TO A PERSON WHOM THE SELLER OR ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE U.S. SECURITIES ACT IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE U.S. SECURITIES ACT, (2) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE), OR (4) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS UNDER THE U.S. SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 UNDER THE U.S. SECURITIES ACT FOR RESALES OF THE EQUITY SHARES. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THE EQUITY SHARES MAY NOT BE DEPOSITED INTO ANY UNRESTRICTED DEPOSITARY RECEIPT FACILITY IN RESPECT OF THE EQUITY SHARES ESTABLISHED OR MAINTAINED BY A DEPOSITARY BANK.**"

(10) our Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; and

(11) the purchaser acknowledges that our Company, the Selling Shareholder, the BRLMs, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify our Company, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

All other Equity Shares Offered and Sold in the Offer

Each purchaser that is acquiring the Equity Shares offered pursuant to the Offer outside the United States, by its acceptance of this Draft Red Herring Prospectus and of the Equity Shares offered pursuant to the Offer, will be deemed to have acknowledged, represented to and agreed with our Company, the Selling Shareholder and the BRLMs that it has received a copy of this Draft Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

(1) the purchaser is authorized to consummate the purchase of the Equity Shares offered pursuant to the Offer in compliance with all applicable laws and regulations;

(2) the purchaser acknowledges that the Equity Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and accordingly may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;

(3) the purchaser is purchasing the Equity Shares offered pursuant to the Offer in an offshore transaction meeting the requirements of Rule 903 of Regulation S;

(4) the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Equity Shares, was located outside the United States at the time (i) the offer was made to it and (ii) when the buy order for such Equity Shares was originated and continues to be located outside the United States and has not purchased such Equity Shares for the account or benefit of any person in the United Sates or entered into any arrangement for the transfer of such Equity Shares or any economic interest therein to any person in the United States;

(5) the purchaser is not an affiliate of the Company or a person acting on behalf of an affiliate;

(6) the purchaser is not acquiring the Equity Shares as a result of any "directed selling efforts" (within the meaning of Rule 902(c) of Regulation S);

(7) the Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; and

(8) the purchaser acknowledges that the Company, the Selling Shareholder, the BRLMs, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify the Company, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

Bidders are advised to ensure that any Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.

Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with the applicable laws.

Disclaimer Clause of BSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to BSE. The disclaimer clause as intimated by BSE to our Company post scrutiny of this Draft Red Herring Prospectus shall be included in the Red Herring Prospectus prior to its filing with the RoC.

Disclaimer Clause of NSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to NSE. The disclaimer clause as intimated by NSE to our Company post scrutiny of this Draft Red Herring Prospectus shall be included in the Red Herring Prospectus prior to its filing with the RoC.

Filing

A copy of this Draft Red Herring Prospectus has been filed with the SEBI at Securities and Exchange Board of India, Plot No. C 4-A, G Block, Bandra Kurla Complex, Bandra East, Mumbai - 400 051, Maharashtra, India, India.

A copy of the Red Herring Prospectus, along with the documents required to be filed, will be delivered for registration to the RoC in accordance with Section 32 of the Companies Act, 2013, and a copy of the Prospectus required to be filed under Section 26 of the Companies Act, 2013 will be delivered for registration to the RoC situated at the address mentioned below.

Registrar of Companies, Maharashtra at Mumbai
100, Everest, Marine Drive
Mumbai 400 002
Maharashtra, India

Listing

The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on BSE and NSE. Applications will be made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares being offered and sold in the Offer and [●] is the Designated Stock Exchange, with which the Basis of Allotment will be finalised for the Offer.

If the permissions to deal in, and for an official quotation of the Equity Shares are not granted by any of the Stock Exchanges, our Company and the Selling Shareholder shall forthwith repay, all monies received from the applicants in pursuance of the Red Herring Prospectus in accordance with applicable law. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within six Working Days from the Bid/Offer Closing Date or within such other period as may be prescribed. If our Company does not allot Equity Shares pursuant to the Offer within six Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period in accordance with applicable law.

The Selling Shareholder undertakes to provide such reasonable support and extend reasonable cooperation as may be requested by our Company and BRLMs, to the extent such support and cooperation is required from such party to facilitate the process of listing and commencement of trading of the Equity Shares on the Stock Exchanges within six working days from the Bid/Offer Closing Date or such other period as may be prescribed.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

"*Any person who:*

(a) *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or*
(b) *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
(c) *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

shall be liable for action under section 447."

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

Consents

Consents in writing of (a) the Selling Shareholder, our Directors, the Chief Financial Officer, the Company Secretary and Compliance Officer, the legal counsel appointed for the Offer, lenders to our Company, the Bankers to our Company, independent chartered accountants, Avalon, the BRLMs and Registrar to the Offer, in their respective capacities, have been obtained; and (b) the Syndicate Members, Bankers to the Offer/Escrow Bank and Refund Bank(s) to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC, as required under Sections 26 and 32 of the Companies Act, 2013. Further, such consents have not been withdrawn as on the date of this Draft Red Herring Prospectus.

Expert Opinion

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

1. Our Company has received written consent from the Statutory Auditors namely, S R B C & CO LLP, Chartered Accountants, to include its name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and in its capacity as a statutory auditor, in respect of its examination reports on the Restated Consolidated Summary Statements and Restated Unconsolidated Summary Statements, each dated January 31, 2018 and its report dated February 8, 2018 on the statement of tax benefits, included in this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U. S. Securities Act. The consent of the Statutory Auditors has not been withdrawn as on the date of this Draft Red Herring Prospectus.

2. Our Company has received written consent from Uberoi Sood & Kapoor, Chartered Accountants, to include its name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act, 2013, in respect of its (i) examination reports dated February 7, 2018 and February 11, 2018 on the Special Purpose Financial Statements of Flemingo UK and Flemingo India, respectively, (ii) examination reports dated February 7, 2018 and February 11, 2018 on the Summary Financial Statements of Flemingo UK and Flemingo India, respectively, and (iii) assurance report dated February 11, 2018 on the Proforma Financial Statements. The afore-mentioned consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Offer Expenses

For details of the Offer related expenses, see "*Objects of the Offer*" on page 98.

Fees Payable to the Syndicate

The total fees payable to the Syndicate Members (including underwriting and selling commissions), and reimbursement of their out of pocket expenses, will be as stated in the Syndicate Agreement, a copy of which shall be available for inspection at our Registered Office, from 10.00 am to 4.00 p.m. on Working Days from the date of filing the Red Herring Prospectus until the Bid/Offer Closing Date.

Fees Payable to the Registrar to the Offer

The fees payable to the Registrar to the Offer, including fees for processing of Bid cum Application Forms, data entry, printing of Allotment Advice/CAN, refund order, preparation of refund data on magnetic tape and printing of bulk mailing register, will be as per the Registrar Agreement, a copy of which shall be made available for inspection at our Registered Office from 10:00 am to 4:00 pm on working days from the date of the Red Herring Prospectus until the Bid/Offer closing date. The Registrar to the Offer shall be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds shall be provided to the Registrar to the Offer to enable it to send refund orders or Allotment Advice by registered post or speed post or ordinary post.

Particulars regarding public or rights issues during the last five years

Our Company has not made any public issue or rights issue, during the five years immediately preceding the date of this Draft Red Herring Prospectus.

Commission payable to SCSBs, Registered Brokers, CRTAs and CDPs

For details of the commission payable to SCSBs, Registered Brokers, CRTAs and CDPs, see "*Objects of the Offer*" on page 98.

Commission or brokerage on previous issues

Since this is the initial public offering of the Equity Shares of our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of our Equity Shares, since the incorporation of our Company.

Previous issues otherwise than for cash

Except as disclosed in "*Capital Structure*" on page 89, our Company has not issued any Equity Shares for consideration otherwise than for cash.

Capital issues in the preceding three years

Except as disclosed in "*Capital Structure*" on page 89, our Company has not made any capital issues during the three years immediately preceding the date of this Draft Red Herring Prospectus. Further, none of our Subsidiaries or Group Companies are listed on any stock exchange in India or overseas.

Performance vis-à-vis objects

Our Company has not undertaken any public or any rights issues in the 10 years immediately preceding the date of this Draft Red Herring Prospectus.

Performance vis- à-vis Objects: last issue of listed Group Companies/Subsidiaries

Neither our Group Companies nor our Subsidiaries have made any public or rights or composite issues in the 10 years immediately preceding the date of this Draft Red Herring Prospectus.

Outstanding Debentures, Bonds or Redeemable Preference Shares or other instruments

Our Company does not have any outstanding debentures, bonds or redeemable preference shares or other instruments, as on the date of this Draft Red Herring Prospectus.

Partly paid-up shares

As on the date of this Draft Red Herring Prospectus, there are no partly paid-up Equity Shares.

Stock market data of the Equity Shares

This being the initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange as on the date of this Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

Mechanism for redressal of investor grievances

The Registrar Agreement provides for retention of records with the Registrar to the Offer for a minimum period of three years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, in order to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

Investors may contact the BRLMs for any complaint pertaining to the Offer. All grievances, other than by Anchor Investors, may be addressed to the Registrar to the Offer, with a copy to the relevant Designated Intermediary, with whom the ASBA Form was submitted, quoting the full name of the sole or first Bidder, ASBA Form number, Bidders' DP ID, Client ID, PAN, address of the Bidder, number of Equity Shares applied for, date of ASBA Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number in which the amount equivalent to the Bid Amount was blocked. Further, the Bidder shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

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

Our Company, the Selling Shareholder, BRLMs and the Registrar accept no responsibility for errors, omissions, commission of any acts of the Designated Intermediaries, including any defaults in complying with its obligations under the SEBI ICDR Regulations.

Disposal of investor grievances by our Company

We estimate that the average time required by our Company and/or the Registrar to the Offer for the redressal of routine investor grievances shall be seven Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Suvarna Bhatjiwale, Company Secretary, as the Compliance Officer and she may be contacted in case of any pre-Offer or post-Offer related problems, at the address set forth hereunder.

Suvarna Bhatjiwale
Time Square Building
401, 4th Floor, A
Andheri - Kurla Road, C-Wing
Chimatpada, Marol
Andheri East
Mumbai – 400 059
Maharashtra, India
Tel: + 91 22 6626 9919/6520 1280
Fax: + 91 22 6626 9994/6677 2422
E-mail: compliance@mumbaidutyfree.net

The Selling Shareholder has authorised the Compliance Officer of our Company and the Registrar to the Offer to redress any complaints received from Bidders in respect of the Offer for Sale.

Further, our Board has constituted a Stakeholders Relationship Committee comprising our Directors, Maya Swaminathan Sinha, Ayyaswamy Ramamoorthy Choodamani and Naresh Chandra Sharma, which is responsible for redressal of grievances of the security holders of our Company. For more information, see "*Our Management-Committees of the Board-Stakeholders' Relationship Committee*" on page 186.

Disposal of investor grievances by listed companies under the same management

As on the date of this Draft Red Herring Prospectus, none the companies under the same management as of our Company are listed on any stock exchange. Accordingly, the requirement to disclose details of investor grievances by listed companies under the same management as our Company, does not apply.

Changes in Auditors

There has been no change in our statutory auditors during the three years immediately preceding the date of this Draft Red Herring Prospectus.

Capitalisation of reserves or profits

Except as disclosed in "*Capital Structure*" on page 89, our Company has not capitalised its reserves or profits at any time during the last five years preceding the date of filing this Draft Red Herring Prospectus.

Revaluation of assets

Our Company has not revalued its assets at any time during the last five years preceding the date of filing this Draft Red Herring Prospectus.

SECTION VII – OFFER RELATED INFORMATION

OFFER STRUCTURE

The Offer is of [●] Equity Shares, at an Offer Price of ₹ [●] per Equity Share for cash, including a premium of ₹ [●], aggregating up to ₹ [●] million, comprising of a Fresh Issue of up to [●] Equity Shares aggregating to ₹ 24,230 million by our Company and an Offer for Sale of up to 1,129,500 Equity Shares aggregating to ₹ [●] million by the Selling Shareholder. The Offer comprises a Net Offer to the public of up to [●] Equity Shares and an Employee Reservation Portion of up to 150,000 Equity Shares (which shall not exceed 5% of the post-Offer Equity Share capital of our Company). In terms of Rule 19(2)(b)(iii) of the SCRR read with Regulation 41 of the SEBI ICDR Regulations, the Net Offer is being made for at least 10% of the post-Offer paid up Equity Share capital of our Company. The Offer is being made through the Book Building Process.

Our Company may, in consultation with the BRLMS, consider a private placement of up to 5,900,000 Equity Shares for cash consideration aggregating up to ₹ 5,000 million, at its discretion in favour of certain investors, prior to filing of the Red Herring Prospectus with the RoC at a price as the Board may determine in accordance with the Companies Act, and other applicable laws. If the Pre-IPO Placement is completed, the number of Equity Shares issued pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to a minimum Offer size of 10% of the post-Offer paid-up Equity Share capital of our Company being offered to the public.

Particulars	Eligible Employees	QIBs*	Non-Institutional Investors	Retail Individual Investors
Number of Equity Shares available for allocation**	Up to 150,000 Equity Shares aggregating to ₹ [●] million	At least [●] Equity Shares	Not more than [●] Equity Shares or Offer less allocation to QIBs and Retail Individual Investors	Not more than [●] Equity Shares or Offer less allocation to QIBs and Non-Institutional Investors
Percentage of Offer size available for allocation/Allotment	The Employee Reservation Portion shall constitute up to [●]% of the post-Offer paid-up Equity Share capital of our Company	At least 75% of the Net Offer will be Allotted to QIBs. However, 5% of the QIB Portion, excluding the Anchor Investor Portion, will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the 5% reservation portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund portion will be available for allocation to QIBs	Not more than 15% of the Net Offer or Offer less allocation to QIBs and Retail Individual Investors	Not more than 10% of the Net Offer or the Offer less allocation to QIBs and Non-Institutional Investors
Basis of Allotment if respective category is oversubscribed	Proportionate; unless the Employee Reservation Portion is undersubscribed, the value of allocation to an Eligible Employee shall not exceed ₹ 200,000. In the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion may be	Proportionate as follows (excluding the Anchor Investor Portion): (a) [●] Equity Shares will be available for allocation on a proportionate basis to Mutual Funds; and (b) [●] Equity Shares	Proportionate	Allotment shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. For more information,

Particulars	Eligible Employees	QIBs*	Non-Institutional Investors	Retail Individual Investors
	allocated, on a proportionate basis, to Eligible Employees for value exceeding ₹ 200,000 up to ₹ 500,000 each	will be available for allocation on a proportionate basis to all other QIBs including Mutual Funds receiving allocation as per (a) above		see "*Offer Procedure*" on page 294
Mode of Bidding	Through ASBA process only (except Anchor Investors)			
Minimum Bid	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter	[●] Equity Shares
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 500,000	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the Offer size, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the Offer size, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 200,000
Mode of Allotment	Compulsorily in dematerialised form			
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter			
Allotment Lot	[●] Equity Shares and in multiples of 1 Equity Share thereafter			
Trading Lot	One Equity Share			
Who can Apply***	Eligible Employees	Public financial institutions specified in Section 2(72) of the Companies Act, FPIs (other than category III FPIs), scheduled commercial banks, mutual funds registered with the SEBI, venture capital funds registered with SEBI, FVCIs, VCFs, Alternative Investment Funds, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority of India, provident funds with a minimum corpus of ₹ 250 million, pension funds with a minimum corpus of ₹ 250	Resident Indian individuals, HUFs (in the name of karta), companies, corporate bodies, Eligible NRIs, societies, scientific institutions and trusts and any category III FPIs registered with SEBI	Resident Indian individuals, HUFs (in the name of the Karta) and Eligible NRIs applying for Equity Shares

Particulars	Eligible Employees	QIBs*	Non-Institutional Investors	Retail Individual Investors
		million, the National Investment Fund set up by the Government of India, insurance funds set up and managed by the army, navy, or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India and Systemically Important Non-Banking Financial Companies		
Terms of Payment****	***In case of Anchor Investors:*** Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids ***In case of all other Bidders***: Full Bid Amount shall be blocked by the SCSBs in the bank account of the Bidders (other than Anchor Investors) that is specified in the ASBA Form at the time of the submission of the Bid cum Application Form			

** Our Company and the Selling Shareholder, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors, on a discretionary basis, subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹100 million, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100 million but up to ₹2,500 million under the Anchor Investor Portion, subject to a minimum Allotment of ₹50 million per Anchor Investor, and (iii) in case of allocation above ₹2,500 million under the Anchor Investor Portion, a minimum of five investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million or part thereof will be permitted, subject to minimum allotment of ₹50 million per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹100 million. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the price at which allocation is made to Anchor Investors.*

*** This Offer is being made through the Book Building Process wherein at least 75% of the Net Offer will be Allotted to QIBs on a proportionate basis, provided that the Anchor Investor Portion may be allocated on a discretionary basis as mentioned above. Further, not more than 15% of the Net Offer will be available for allocation on a proportionate basis to Non-Institutional Investors subject to valid Bids being received at or above the Offer Price. Further, not more than 10% of the Net Offer will be available for allocation to Retail Individual Investors in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Under-subscription, if any, in any category, except the QIB Portion, would be met with spill-over from any other category or categories, as applicable, on a proportionate basis, subject to applicable laws. Under-subscription, if any, in any category, except the QIB Portion, would be met with spill-over from any other category or categories, as applicable, at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange, subject to applicable laws. Unless the Employee Reservation Portion is undersubscribed, the value of allocation to an Eligible Employee shall not exceed ₹200,000. In the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion may be allocated, on a proportionate basis, to Eligible Employees for value exceeding ₹200,000 up to ₹500,000. Any unsubscribed portion remaining in the Employee Reservation Portion shall be added to the Net Offer to the public.*

**** If the Bid is submitted in joint names, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the depository account held in joint names. The signature of only the first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.*

***** Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Bid cum Application Form, provided that any difference between the price at which allocation is made to the Anchor Investors and the Anchor Investor Offer Price, shall be payable by the Anchor Investor Pay-in Date as mentioned in the CAN.*

Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholder, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

TERMS OF THE OFFER

The Equity Shares offered and Allotted in the Offer will be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, the SEBI Listing Regulations, the SCRA, the SCRR, the Memorandum of Association, the Articles of Association, the terms of the Red Herring Prospectus and the Prospectus, the abridged prospectus, the Bid cum Application Form, the Revision Form, any other terms and conditions as may be incorporated in the CAN, Allotment Advice and other documents and certificates that may be executed in respect of the Offer. The Equity Shares will also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to issue and offer for sale and listing and trading of securities, issued from time to time, by the SEBI, GoI, Stock Exchanges, the RoC, the RBI and/or other authorities to the extent applicable or such other conditions as maybe prescribed by such governmental, statutory and/or regulatory authority while granting approval for the Offer.

Ranking of Equity Shares

The Equity Shares being offered and transferred in the Offer will be subject to the provisions of the Companies Act, the Memorandum of Association and the Articles of Association and will rank *pari passu* with the existing Equity Shares, including in respect of dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For more information, see "*Main Provisions of the Articles of Association*" on page 342.

Mode of Payment of Dividend

Our Company will pay dividends, if declared, to our Shareholders, as per the provisions of the Companies Act, the SEBI Listing Regulations, our Memorandum of Association and the Articles of Association, and any guidelines or directives that may be issued by the GoI in this respect. Any dividends declared by our Company, after the date of Allotment, will be payable to the Allottees for the entire year, in accordance with applicable law. For more information, see "*Dividend Policy*" and "*Main Provisions of our Articles of Association*" on pages 212 and 342, respectively.

Face Value and Price Band

The face value of each Equity Share is ₹ 10. At any given point of time there will be only one denomination for the Equity Shares. The Floor Price of Equity Shares is ₹ [●] per Equity Share and the Cap Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot will be decided by our Company and the Selling Shareholder in consultation with the BRLMs, and each shall be published at least five Working Days prior to the Bid/Offer Opening Date, in [●] edition of [●] (a widely circulated English national daily newspaper), [●] edition of [●] (a widely circulated Hindi national daily newspaper) and [●] edition of [●] (a widely circulated Marathi newspaper, Marathi being the regional language of Maharashtra where our Registered Office is located), and shall be made available to the Stock Exchanges for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price shall be pre-filled in the Bid-cum-Application Forms available at the website of the Stock Exchanges.

Rights of the Shareholder

Subject to applicable law and our Articles of Association, the Shareholders will have the following rights:

- to receive dividend, if declared;
- to attend general meetings and exercise voting powers, unless prohibited by law;
- to vote on a poll either in person or by proxy and e-voting;
- to receive offers for rights shares and be allotted bonus shares, if announced;
- to receive any surplus on liquidation subject to any statutory and preferential claims being satisfied;
- of free transferability of their Equity Shares, subject to applicable law; and
- such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the terms of the SEBI Listing Regulations and our Memorandum of Association and Articles of Association.

For a detailed description of the main provisions of our Articles of Association relating to voting rights, dividend, forfeiture, lien, transfer, transmission, consolidation and splitting, see "*Main Provisions of the Articles of*

Association” on page 342.

Compliance with disclosure and accounting norms

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

Market Lot and Trading Lot

In terms of Section 29 of the Companies Act, 2013, the Equity Shares will be Allotted only in dematerialised form.

As per the SEBI ICDR Regulations, the trading of our Equity Shares will only be in dematerialised form.

Since trading of our Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in the Offer shall be only in dematerialised form in multiples of one Equity Share. For the method of Basis of Allotment, see “*Offer Procedure*” on page 294.

Joint Holders

Subject to the provisions of our Articles of Association, where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

Jurisdiction

Exclusive jurisdiction for the purpose of the Offer is with the competent courts/authorities in Mumbai, Maharashtra, India.

Period of operation of subscription list

See “*– Bid/Offer Period*” on page 292.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole or first Bidder, with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, will vest, to the exclusion of all other person, unless the nomination is varied or cancelled in the prescribed manner. A nominee entitled to the Equity Shares by reason of the death of the original holder(s), will, in accordance with Section 72 of the Companies Act, 2013, be entitled to the same benefits to which he or she will be entitled if he or she were the registered holder of the Equity Shares. Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of the holder’s death during minority. A nomination shall stand rescinded upon a sale or transfer of Equity Shares by the holder of such Equity Shares. A nomination may be cancelled, or varied by nominating any other person in place of the present nominee, by the holder of the Equity Shares who has made the nomination, by giving a notice of such cancellation or variation to our Company in the prescribed form. A fresh nomination can be made only on the prescribed form, which is available on request at our Registered Office or with the CRTA of our Company.

Further, any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, as amended, will, on the production of such evidence as may be required by our Board, elect either:

- to register himself or herself as holder of Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividend, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialised form, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Bidder will prevail. If Bidders want to change their nomination, they are advised to inform their respective Depository Participant.

Minimum Subscription

If our Company does not receive (i) the minimum subscription of 90% of the Fresh Issue; and (ii) a subscription in the Net Offer equivalent to at least 10% post-Offer paid up Equity Share capital of our Company (in terms of Rule 19(2)(b)(iii) of the SCRR and Regulation 41 of the SEBI ICDR Regulations), including through devolvement to the Underwriters, as applicable, within sixty days from the date of Bid/Offer Closing Date, our Company shall forthwith refund the entire subscription amount received. In case of delay, if any, in refund within such timeline as prescribed under applicable laws, our Company shall be liable to pay interest on the application money at the rate of 15% per annum for the period of delay. However, subject to applicable law, the Selling Shareholder shall not be liable to reimburse any expenses towards refund or any interest thereon in respect to Allotment of the Offered Shares or otherwise (in which case our Company shall be responsible for payment of such interest), unless the failure or default or delay, as the case may be, is solely on account of the Selling Shareholder.

Further, in accordance with Regulation 26(4) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be Allotted will be not less than 1,000.

In the event of an undersubscription in the Offer, Equity Shares offered pursuant to the Fresh Issue shall be allocated in the Fresh Issue, prior to the Equity Shares offered pursuant to the Offer for Sale. However, after receipt of minimum-subscription of 90% of the Fresh Issue, Equity Shares offered pursuant to the Offer for Sale, shall be allocated prior to the Equity Shares offered pursuant to the Fresh Issue.

Arrangement for disposal of odd lots

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

Restriction on transfer and transmission of shares

Except for lock-in of pre-Offer equity shareholding, Minimum Promoters' Contribution and lock-in of shares Allotted to Anchor Investor, as detailed in *"Capital Structure*" on page 89, and as provided in our Articles as detailed in "*Main Provisions of Articles of Association*" on page 342, there are no restrictions on transfers and transmission of Equity Shares and or/on their consolidation/splitting.

Option to receive Equity Shares in dematerialised form

Allotment of Equity Shares to successful Bidders will only be in the dematerialised form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialised segment of the Stock Exchanges.

Bid/Offer Period

BID/OFFER OPENS ON*	[●]
BID/OFFER CLOSES ON**	[●]
FINALISATION OF BASIS OF ALLOTMENT WITH THE DESIGNATED STOCK EXCHANGE	On or about [●]
INITIATION OF REFUNDS FOR ANCHOR INVESTORS/UNBLOCKING OF FUNDS	On or about [●]
CREDIT OF EQUITY SHARES TO DEPOSITORY ACCOUNTS OF ALLOTTEES	On or about [●]
COMMENCEMENT OF TRADING OF THE EQUITY SHARES ON THE STOCK EXCHANGES	On or about [●]

** Our Company and the Selling Shareholder, in consultation with the BRLMs may consider participation by Anchor Investors. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date.*
*** Our Company may, in consultation with the BRLMs, decide to close the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date.*

This timetable, is indicative in nature and does not constitute any obligation or liability on our Company, the Selling Shareholder, or the members of the Syndicate. While our Company will use best efforts to ensure

that listing and trading of our Equity Shares on the Stock Exchanges commences within six Working Days of the Bid/Offer Closing Date, the timetable may be subject to change for various reasons, including extension of Bid/Offer Period by our Company due to revision of the Price Band, any delays in receipt of final listing and trading approvals from the Stock Exchanges, delay in receipt of final certificates from SCSBs, etc. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges in accordance with applicable law. The Selling Shareholder confirms that it shall extend the reasonable cooperation as may be required by our Company and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/Offer Closing Date.

Notwithstanding the foregoing, the Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company will apply for only after Allotment and within six Working Days of the Bid/Offer Closing Date; and (ii) the final RoC approval of the Prospectus after it is filed and/or submitted with the RoC and the Stock Exchanges.

Except in relation to Anchor Investors, Bids and any revision in Bids will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Bid/Offer Period at the Bidding Centres, except that on the Bid/Offer Closing Date (which for QIBs may be a day prior to the Bid/Offer Closing Date), Bids will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until (i) 4.00 p.m. (Indian Standard Time) for Bids by QIBs and Non-Institutional Investors; and (ii) 5.00 p.m. or such extended time as permitted by the Stock Exchanges (Indian Standard Time) in case of Bids by Retail Individual Investors and Eligible Employees Biding under the Employee Reservation Portion. On the Bid/Offer Closing Date, extension of time may be granted by the Stock Exchanges only for uploading Bids received from Retail Individual Investors Eligible Employees Biding under the Employee Reservation Portion after taking into account the total number of Bids received up to closure of timings for acceptance of Bid cum Application Forms as stated herein and reported by the BRLMs to the Stock Exchanges. Due to limitation of time available for uploading Bids on the Bid/Offer Closing Date, Bidders are advised to submit Bids one day prior to the Bid/Offer Closing Date and, in any case, no later than 3.00 p.m. (Indian Standard Time) on the Bid/Offer Closing Date. If a large number of Bids are received on the Bid/Offer Closing Date, as is typically experienced in public issues, which may lead to some Bids not being uploaded due to lack of sufficient time to upload, such Bids that cannot be uploaded on the electronic bidding system will not be considered for allocation in the Offer. It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by the SCSBs would be rejected. Our Company, the Selling Shareholder and the members of Syndicate will not be responsible for any failure in uploading Bids due to faults in any hardware/software system or otherwise. Bids will be accepted only on Working Days. Investors may please note that as per letter dated July 3, 2006 and letter dated July 6, 2006, issued by BSE and NSE respectively, Bids and any revisions in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges.

Our Company and the Selling Shareholder, in consultation with the BRLMs, reserve the right to revise the Price Band during the Bid/Offer Period, in accordance with the SEBI ICDR Regulations, provided that the Cap Price will be less than or equal to 120% of the Floor Price and the Floor Price will not be less than the face value of the Equity Shares. Subject to compliance with the foregoing, the Floor Price may move up or down to the extent of 20% of the Floor Price and the Cap Price may be revised accordingly.

In case of any revision in the Price Band, the Bid/Offer Period will be extended for at least three additional Working Days after such revision of the Price Band subject to the total Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges by issuing a press release and by indicating the change on the websites of the BRLMs and terminals of the Syndicate members. However, in case of revision in the Price Band, the Bid Lot shall remain the same.

In case of discrepancy in data entered in the electronic book vis-à-vis data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

OFFER PROCEDURE

*All Bidders should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI and updated pursuant to among others the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 as amended and modified by the circular (CIR/CFD/DIL/1/2016) dated January 1, 2016 and the circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 notified by SEBI ("**General Information Document**") included below under sub-section titled " – Part B - General Information Document", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document has been updated to reflect amendments to the SEBI ICDR Regulations and provisions of the Companies Act, 2013, to the extent applicable to a public issue and any other enactments and regulations. The General Information Document is also available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer. All Designated Intermediaries in relation to the Offer should ensure compliance with the SEBI circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, as amended and modified by the SEBI circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, in relation to clarifications on streamlining the process of public issue of equity shares and convertibles.*

Our Company, the Selling Shareholder and the Syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus.

PART A

Book Building Procedure

The Offer is being made in terms of Rule 19(2)(b)(iii) of the SCRR and Regulation 41 of the SEBI ICDR Regulations, through the Book Building Process and in compliance with Regulation 26(2) of the SEBI ICDR Regulations, wherein at least 75% of the Net Offer shall be Allotted to QIBs provided that our Company and the Selling Shareholder, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors, on a discretionary basis, of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is made to the Anchor Investors. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder shall be available for allocation on a proportionate basis to QIBs including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. If at least 75% of the Net Offer cannot be Allotted to QIBs, the entire application money shall be refunded forthwith. Further, not more than 15% of the Net Offer will be available for allocation on a proportionate basis to Non-Institutional Investors and not more than 10% of the Net Offer will be available for allocation to Retail Individual Investors, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, 150,000 Equity Shares (which shall not exceed 5% of the post-Offer Equity Share capital of our Company), aggregating up to ₹ [●] million shall be made available for allocation on a proportionate basis only to Eligible Employees Bidding in the Employee Reservation Portion, subject to valid Bids being received at or over the Offer Price. All Bidders (except Anchor Investors) shall mandatorily participate in this Offer only through the ASBA process, and shall provide details of their respective bank account in which the Bid amount will be blocked by the SCSBs. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. For details, see "*Offer Procedure*" on page 294.

Any unsubscribed Equity Shares in the Employee Reservation Portion shall be added to the Net Offer to the public. Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or categories, as applicable, at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange, subject to applicable laws.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised

form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID and PAN, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

Bid cum Application Form

Copies of the ASBA Forms and the abridged prospectus will be available with the Designated Intermediaries at relevant Bidding Centres and at our Registered Office. The ASBA Forms will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid/Offer Opening Date. The Bid cum Application Forms for Eligible Employees Bidding in the Employee Reservation Portion will be available only at our Registered Office and our Corporate Office.

For Anchor Investors, the Bid cum Application Forms will be available at the offices of the BRLMs.

Bidders (other than Anchor Investors) must compulsorily use the ASBA process to participate in the Offer. Anchor Investors are not permitted to participate in this Offer through the ASBA process.

Bidders (other than Anchor Investors) must provide bank account details and authorisation by the ASBA bank account holder to block funds in their respective ASBA Accounts in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain such detail are liable to be rejected.

Further, such Bidders (other than Anchor Investors) shall ensure that the Bids are submitted at the Bidding Centres only on Bid cum Application Forms bearing the stamp of a Designated Intermediary (except in case of electronic Bid-cum-Application Forms) and Bid cum Application Forms not bearing such specified stamp may be liable for rejection. Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB at the time of submitting the Bid.

The prescribed colour of the Bid cum Application Forms for various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis^	White
Non-Residents including FPIs and Eligible NRIs, FVCIs and registered bilateral and multilateral development financial institutions applying on a repatriation basis^	Blue
Anchor Investors**	White
Eligible Employees Bidding in the Employee Reservation Portion***	As specified by the Issuer

** Excluding electronic Bid cum Application Forms*

***Bid cum Application Forms for Anchor Investors will be made available at the office of the BRLMs.*

**** The Bid cum Application Forms for Eligible Employees will be available only at our Registered Office and our Corporate Office.*

^ *Electronic Bid cum Application forms will also be available for download on the website of NSE (www.nseindia.com) and BSE (www.bseindia.com).*

Designated Intermediaries (other than SCSBs) shall submit/deliver the Bid cum Application Form to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank.

Who can Bid?

In addition to the category of Bidders set forth under the section "*General Information Document for Investing in Public Issues – Category of Investors Eligible to Participate in an Issue*" on page 309, any other persons eligible to Bid in the Offer under the applicable laws, rules, regulations, guidelines, and policies are also eligible to invest in the Equity Shares.

Participation by associates and affiliates of the BRLMs and the Syndicate Members, Promoters, Promoter Group and persons related to Promoter/Promoter Group

The BRLMs and the Syndicate Members shall not be allowed to purchase the Equity Shares in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLMs and the Syndicate Members may purchase Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, and such Bid subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

The Promoters, members of the Promoter Group, BRLMs and any persons related to the them (except Mutual Funds sponsored by entities related to the BRLMs) cannot apply in the Offer under the Anchor Investor Portion.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason therefore. Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid may be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Bids in respect of more than one scheme of a Mutual Fund will not be treated as multiple Bids, provided that such Bids clearly indicate the scheme for which the Bid is submitted.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific scheme. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs Bidding on a repatriation basis should authorise their SCSBs to block their Non-Resident External ("**NRE**") accounts, or Foreign Currency Non-Resident ("**FCNR**") accounts, and Eligible NRIs bidding on a non-repatriation basis should authorise their SCSBs to block their Non-Resident Ordinary ("**NRO**") accounts for the full Bid amount, at the time of submission of the Bid cum Application Form.

Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Bids by FPI

In terms of the SEBI FPI Regulations, the issue of equity shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of the post-offer equity share capital of a company. Further, in terms of FEMA, the total holding by each FPI shall be below 10% of the total paid-up equity share capital of a company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up equity share capital of a company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the board of directors followed by a special resolution passed by the shareholders of a company and subject to prior intimation to RBI. In terms of FEMA, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. The existing individual and aggregate investment limits for an FPI in our Company are not exceeding 10% and 24% of the total paid-up equity share capital of our Company, respectively.

As per the circular issued by SEBI on November 24, 2014, these investment restrictions shall also apply to subscribers of offshore derivative instruments ("**ODIs**"). Two or more subscribers of ODIs having a common beneficial owner shall be considered together as a single subscriber of the ODI. In the event an investor has investments as a FPI and as a subscriber of ODIs, these investment restrictions shall apply on the aggregate of the FPI and ODI investments held in the underlying company. Further, an FPI shall issue ODIs only to those subscribers which meet the eligibility criteria as laid down in Regulation 4 of the SEBI FPI Regulations.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of

Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio investor and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. An FPI is also required to ensure, *inter alia*, that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

Bids by SEBI registered Venture Capital Funds, Alternative Investment Funds and Foreign Venture Capital Investors

The SEBI FVCI Regulations and the SEBI AIF Regulations, *inter-alia*, prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

Accordingly, the holding by any individual VCF or FVCI registered with SEBI in any company should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one investee company. A category III AIF cannot invest more than 10% of the corpus in one investee company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission. Neither our Company nor the BRLMs will be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 as amended ("**Banking Regulation Act**"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the circulars dated September 13, 2012 and January 2, 2013 issued by the SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such Bids.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by Systemically Important Non-Banking Financial Companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholder reserve the right to reject any Bid, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholder reserve the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers is prescribed in Regulation 9 of the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 ("**IRDAI Investment Regulations**") are set forth below:

(i) equity shares of a company: the lower of 10% of the investee company's outstanding equity shares (face value) or 10% of the respective fund in case of a life insurer/ investment assets in case of a general insurer or a reinsurer;
(ii) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or a reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
(iii) the industry sector in which the investee company operates: not more than 15% of the respective fund of a life insurer or general insurance or 15% of the investment assets, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under points (i), (ii) or (iii) above, as the case may be. The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 500,000 million or more but less than ₹ 2,500,000 million.

Insurer companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by the IRDAI from time to time to time including the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with minimum corpus of ₹ 250 million and pension funds with a minimum corpus of ₹ 250 million, in each case, subject to applicable law and in accordance with their respective constitutional documents a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws as applicable must be lodged along with the Bid cum Application Form. Failing this, our Company and the Selling Shareholder reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company and the Selling Shareholder, in consultation with the BRLMs, in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company and the Selling Shareholder, in consultation with the BRLMs, may deem fit.

Bids by Anchor Investors

For details in relation to Bids by Anchor Investors, see "*Offer Procedure – Part B – General Information Document for Investing in Public Issues*" on page 305.

Bids by Eligible Employees

The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee does not exceed ₹ 500,000. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹ 500,000. However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹ 200,000. Only in the event of an under-subscription in the Employee Reservation Portion post the initial allotment, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹ 200,000, subject to the total Allotment to an Eligible Employee not exceeding ₹ 500,000. Eligible Employees under the Employee Reservation Portion may Bid at Cut-off Price.

Bids under Employee Reservation Portion by Eligible Employees shall be:

(a) The Bidder should be an Eligible Employee as defined above. In case of joint bids, the first Bidder shall be an Eligible Employee;

(b) Made only in the prescribed Bid cum Application Form or Revision Form;

(c) The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. The maximum Bid in this category by an Eligible Employee cannot exceed ₹ 500,000;

(d) Eligible Employees should mention their employee number at the relevant place in the Bid cum Application Form;

(e) Bid by Eligible Employees (subject to Bid Amount being up to ₹ 500,000) in the Employee Reservation Portion and in the Net Offer shall not be treated as multiple Bids;

(f) If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full allocation shall be made to the Eligible Employees to the extent of their demand;

(g) The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹ 500,000. However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹ 200,000. Only in the event of an under-subscription in the Employee Reservation Portion post the initial allotment, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹ 200,000, subject to the total Allotment to an Eligible Employee not exceeding ₹ 500,000.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, the allocation shall be made on a proportionate basis. For the method of proportionate basis of allocation, see "*Offer Procedure-Allotment Procedure and Basis of Allotment*" on page 330.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholder reserve the right to reject any Bid, without assigning any reason therefor.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold (i) in the United States only to persons reasonably believed to be U.S. QIBs pursuant to Rule 144A or another available exemption from the registration

requirements of the U.S. Securities Act, and (ii) outside the United States only in offshore transactions in reliance on Regulation S and pursuant to the applicable laws of the jurisdictions where those offers and sales occur.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholder and the members of Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation or as specified in this Draft Red Herring Prospectus.

In accordance with existing regulations issued by the RBI, OCBs cannot participate in the Offer.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company will, after registering the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in [●] edition of [●] (a widely circulated English national daily newspaper), [●] edition of [●] (a widely circulated Hindi national daily newspaper) and [●] edition of [●] (a widely circulated Marathi newspaper, Marathi also being the regional language of Maharashtra where our Registered Office is located). Our Company shall, in the pre-Offer advertisement state the Bid/Offer Opening Date, the Bid/Offer Closing Date and the QIB Bid/Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI ICDR Regulations.

Signing of Underwriting Agreement and filing of Prospectus with the RoC

Our Company and the Selling Shareholder intend to enter into an Underwriting Agreement with the Underwriters on or immediately after the finalisation of the Offer Price. After signing the Underwriting Agreement, our Company will file the Prospectus with the RoC. The Prospectus would have details of the Offer Price, Anchor Investor Offer Price, Offer size and underwriting arrangements and would be complete in all material respects.

GENERAL INSTRUCTIONS

Please note that QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors can revise their Bid(s) during the Bid/Offer Period and withdraw their Bid(s) until Bid/Offer Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date.

***Do's*:**

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;

2. Ensure that you have Bid within the Price Band;

3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

4. Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;

5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time;

6. If the first applicant is not the bank account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have an account with an SCSB and have mentioned the correct bank account number of that SCSB in the Bid cum Application Form;

7. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

8. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application

Forms;

9. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

10. Ensure that you request for and receive a stamped acknowledgement in the form of a counterfoil or by specifying the application number for all your Bid options as proof of registration of the Bid cum Application Form from the concerned Designated Intermediary;

11. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to any of the Designated Intermediaries;

12. With respect to Bids by SCSBs, ensure that you have a separate account in your own name with any other SCSB having clear demarcated funds for applying under the ASBA process and that such separate account (with any other SCSB) is used as the ASBA Account with respect to your Bid;

13. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

14. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, and (iii) any other category of Bidders, including without limitation, multilateral/bilateral institutions, which may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

15. Ensure that the Demographic Details are updated, true and correct in all respects;

16. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

17. Ensure that the correct investor category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;

18. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents, including a copy of the power of attorney, are submitted;

19. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;

20. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;

21. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at www.sebi.gov.in) or such other website as updated from time to time.

22. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;

23. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with; and

24. Bids by Eligible NRIs and Category III foreign portfolio investors for a Bid Amount of less than ₹ 200,000 would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding ₹ 200,000 would be considered under the Non-Institutional Portion for allocation in the Offer.

Don’ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not Bid on another Bid cum Application Form after you have submitted a Bid to a Designated Intermediary;
4. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
5. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
6. Anchor Investors should not Bid through the ASBA process;
7. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
8. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
9. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
10. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
11. Do not submit your Bid after 3.00 pm on the Bid/Offer Closing Date;
12. If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid/Offer Closing Date;
13. Instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process until six working days from the Bid/Offer Closing Date.
14. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Bidders) and ₹ 500,000 for Bids by Eligible Employees Bidding in the Employee Reservation Portion;
15. Do not submit the General Index Register (GIR) number instead of the PAN;
16. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
17. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account;
18. Do not submit more than five Bid cum Application Forms per ASBA Account;

19. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Investor;
20. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
21. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise; and
22. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository).

The Bid cum Application Form is liable to be rejected if any of the above instructions or any other condition mentioned in this Draft Red Herring Prospectus, as applicable, is not complied with.

Payment into Escrow Account

Anchor Investors are not permitted to Bid in the Offer through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS or NEFT). The payment instruments for payment into the Escrow Accounts should be drawn in favour of:

(i) In case of resident Anchor Investors: "[●]"

(ii) In case of non-resident Anchor Investors: "[●]"

Depository Arrangements

The Allotment of the Equity Shares in the Offer shall be only in a dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, tripartite agreements had been signed among our Company, the respective Depositories and the Registrar to the Offer:

- Agreement dated December 16, 2017 among NSDL, our Company and the Registrar to the Offer.
- Agreement dated December 18, 2017 among CDSL, our Company and Registrar to the Offer.

Undertakings by our Company

Our Company undertakes the following:

(i) That the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

(ii) If Allotment is not made, application monies will be refunded/unblocked in the ASBA Accounts within 15 days from the Bid/Offer Closing Date or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Bidders at the rate of 15% per annum for the delayed period;

(iii) That all steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within six Working Days of the Bid/Offer Closing Date;

(iv) That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;

(v) Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 days from the Bid/Offer Closing Date, or such time period as specified by SEBI, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

(vi) That, except for allotment of Equity Shares pursuant to exercise of options granted under the ESOP 2018, no further issue of Equity Shares shall be made until the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded/unblocked in the ASBA Accounts on account of non-listing, under-subscription etc.;

(vii) That if our Company or the Selling Shareholder do not proceed with the Offer after the Bid/Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;

(viii) That if our Company and the Selling Shareholder, in consultation with the BRLMs, withdraw the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh draft offer document with the SEBI, in the event our Company or the Selling Shareholder subsequently decides to proceed with the Offer thereafter;

(ix) That our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time;

(x) That other than the Pre-IPO Placement and the Offer, no further issue of the Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc

(xi) That the allotment of securities/refund confirmation to Eligible NRIs shall be dispatched within specified time; and

(xii) That adequate arrangements shall be made to collect all Bid cum Application Forms.

Undertakings by the Selling Shareholder

The Selling Shareholder, undertakes the following in respect of itself and the Offered Shares:

(i) The Equity Shares offered pursuant to the Offer for Sale are free and clear of any pre-emptive rights, liens, mortgages, charges, pledges or encumbrances and have been held by the Selling Shareholder for a period of at least one year prior to the date of this Draft Red Herring Prospectus and shall continue to be in dematerialised form at the time of transfer.

(ii) The Selling Shareholder is the legal and beneficial owners of and have full title to the Equity Shares offered pursuant to the Offer for Sale.

(iii) That it shall provide all reasonable cooperation as requested by our Company and the BRLMs in relation to the completion of the Allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders (as applicable) to the requisite extent of the Equity Shares offered pursuant to the Offer for Sale;

(iv) The Selling Shareholder specifically confirms that it shall not have any recourse to the proceeds of the Offer, until final listing and trading approvals have been received from the Stock Exchanges;

(v) The Selling Shareholder shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid in the Offer, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Offer, except as permitted under applicable law;

(vi) The Selling Shareholder will provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the BRLMs in redressal of such investor grievances that pertain to the Equity Shares held by it and being offered pursuant to the Offer; and

(vii) The Selling Shareholder will take all such steps as may be required to ensure that the Equity Shares offered pursuant to the Offer for Sale are available for transfer in the Offer.

The Selling Shareholder has authorised the Compliance Officer of our Company and the Registrar to the Offer to redress any complaints received from Bidders in respect of the Offer for Sale.

Utilisation of Offer Proceeds

The Selling Shareholder and our Company, severally and not jointly, specifically confirm and declare that all monies received from the Offer for Sale shall be transferred to separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013.

Withdrawal of the Offer

Our Company and the Selling Shareholder in consultation with the BRLMs, reserve the right to not proceed with the Offer at any time after the Bid/Offer Opening Date but before Allotment. If our Company and the Selling Shareholder withdraw the Offer, our Company will issue a public notice within two days from the Bid/Offer Closing Date or such time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The BRLMs, through the Registrar to the Offer, will instruct the SCSBs to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared and the Stock Exchanges will also be informed promptly.

If our Company and the Selling Shareholder, in consultation with the BRLMs, withdraw the Offer after the Bid/Offer Closing Date and thereafter determine that they will proceed with a public offering of Equity Shares, a fresh draft red herring prospectus will be filed and/or submitted with SEBI and the Stock Exchanges.

PART B

General Information Document for Investing in Public Issues

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, the SCRA, the SCRR and SEBI ICDR Regulations. Bidders/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Offer. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the Issuer and the Offer, and should carefully read the Red Herring Prospectus/Prospectus before investing in the Offer.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken through the Book-Building Process as well as to the Fixed Price Offers. The purpose of the "General Information Document for Investing in Public Issues" is to provide general guidance to potential Bidders/Applicants in IPOs and FPOs, and on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the SEBI ICDR Regulations.

Bidders/Applicants should note that investment in equity and equity related securities involves risk and Bidder/Applicant should not invest any funds in the Offer unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Offer and the relevant information about the Issuer undertaking the Offer are set out in the Red Herring Prospectus ("**RHP**")/ Prospectus filed by the Issuer with the Registrar of Companies. Bidders/Applicants should carefully read the entire RHP/Prospectus and the Bid cum Application Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Offer. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the **BRLM(s)** to the Offer and on the website of Securities and Exchange Board of India ("**SEBI**") at www.sebi.gov.in.

For the definitions of capitalised terms and abbreviations used herein Bidders/Applicants may refer to the section "Glossary and Abbreviations".

SECTION 2: BRIEF INTRODUCTION TO IPOs/FPOs

2.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations. For details of compliance with the eligibility requirements by the Issuer Bidders/Applicants may refer to the RHP/Prospectus.

2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer.

For undertaking an FPO, the Issuer is *inter-alia* required to comply with the eligibility requirements in terms of Regulation 26/27 of SEBI ICDR Regulations. For details of compliance with the eligibility requirements by the Issuer Bidders/Applicants may refer to the RHP/Prospectus.

2.3 Other Eligibility Requirements:

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, the Companies Act, 2013 (to the extent notified and in effect), the Companies Act 1956 (to the extent applicable), the SCRR, industry-specific regulations, if any, and other applicable laws for the time being in force.

For details in relation to the above Bidders/Applicants may refer to the RHP/Prospectus.

2.4 Types of Public Issues – Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI ICDR Regulations, an Issuer can either determine the Offer Price through the Book Building Process ("**Book Built Issue**") or undertake a Fixed Price Offer ("**Fixed Price Issue**"). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Draft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-offer advertisement was given at least five Working Days before the Bid/Offer Opening Date, in case of an IPO and at least one Working Day before the Bid/Offer Opening Date, in case of an FPO.

The Floor Price or the Offer price cannot be lesser than the face value of the securities.

Bidders/Applicants should refer to the RHP/Prospectus or Offer advertisements to check whether the Offer is a Book Built Issue or a Fixed Price Issue.

2.5 OFFER PERIOD

The Offer may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/Offer Period. Details of Bid/Offer Period are also available on the website of the Stock Exchange(s).

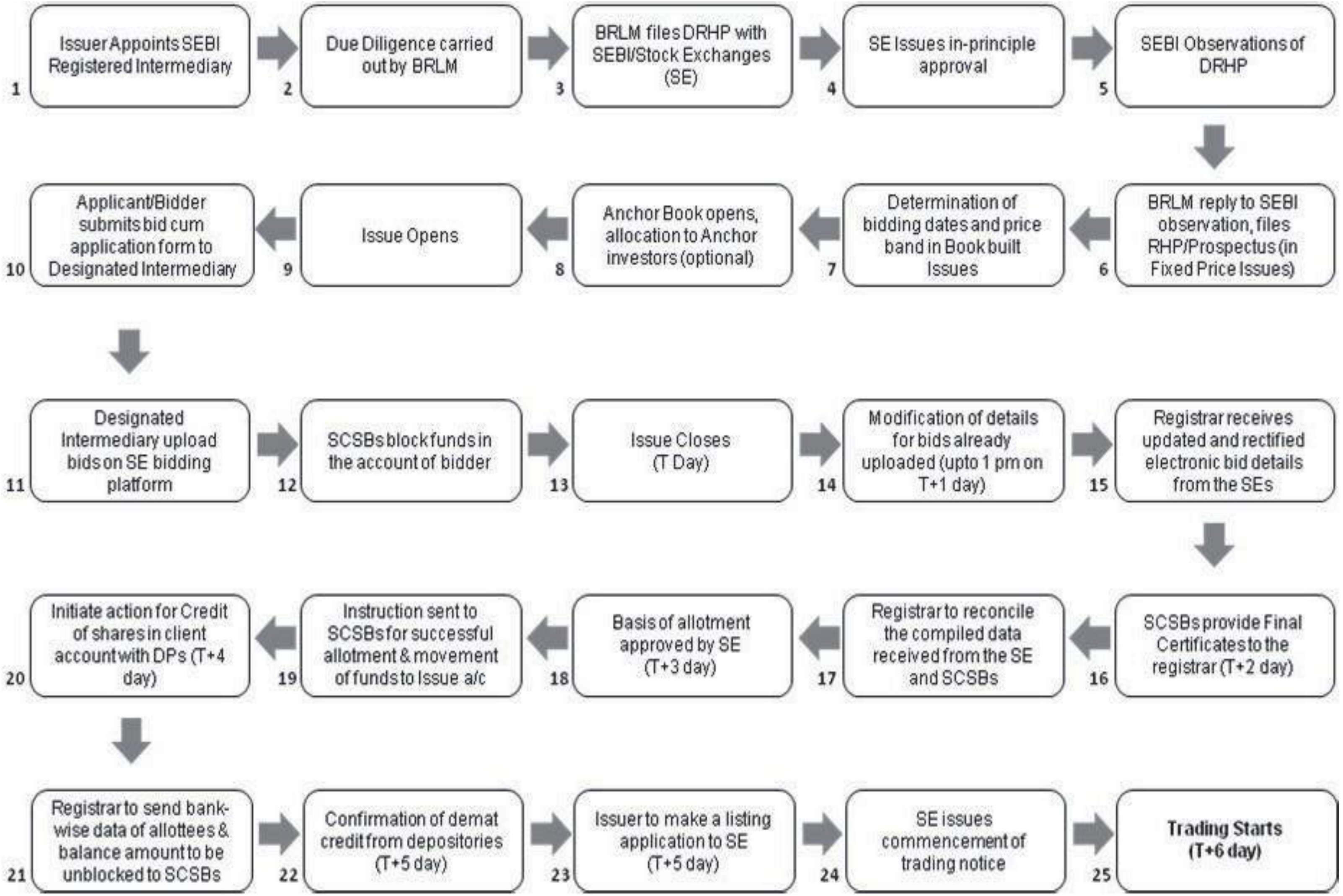
In case of a Book Built Issue, the Issuer may close the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Offer Period may be extended by at least three Working Days, subject to the total Bid/Offer Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders/Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges and the BRLM(s), and the advertisement in the newspaper(s) issued in this regard.

2.6 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price and Book Built Issues is as follows. Bidders/Applicants may note that this is not applicable for Fast Track FPOs.:

- In case of Offer other than Book Build Issue (Fixed Price Issue) the process at the following of the below mentioned steps shall be read as:

(i) Step 7: Determination of Offer Date and Price;
(ii) Step 10: Applicant submits Bid cum Application Form with any of the Designated Intermediaries;


1 Issuer Appoints SEBI Registered Intermediary
2 Due Diligence carried out by BRLM
3 BRLM files DRHP with SEBI/Stock Exchanges (SE)
4 SE Issues in-principle approval
5 SEBI Observations of DRHP
6 BRLM reply to SEBI observation, files RHP/Prospectus (in Fixed Price Issues)
7 Determination of bidding dates and price band in Book built Issues
8 Anchor Book opens, allocation to Anchor investors (optional)
9 Issue Opens
10 Applicant/Bidder submits bid cum application form to Designated Intermediary
11 Designated Intermediary upload bids on SE bidding platform
12 SCSBs block funds in the account of bidder
13 Issue Closes (T Day)
14 Modification of details for bids already uploaded (upto 1 pm on T+1 day)
15 Registrar receives updated and rectified electronic bid details from the SEs
16 SCSBs provide Final Certificates to the registrar (T+2 day)
17 Registrar to reconcile the compiled data received from the SE and SCSBs
18 Basis of allotment approved by SE (T+3 day)
19 Instruction sent to SCSBs for successful allotment & movement of funds to Issue a/c
20 Initiate action for Credit of shares in client account with DPs (T+4 day)
21 Registrar to send bank-wise data of allottees & balance amount to be unblocked to SCSBs
22 Confirmation of demat credit from depositories (T+5 day)
23 Issuer to make a listing application to SE (T+5 day)
24 SE issues commencement of trading notice
25 Trading Starts (T+6 day)

SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Bidder/Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Bidders/Applicants, such as NRIs, FII's, FPIs and FVCIs may not be allowed to Bid/Apply in the Offer or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

Subject to the above, an illustrative list of Bidders/Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Bids/Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to hold and invest in equity shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations and other laws, as applicable);
- FPIs registered with SEBI, provided that any FII who holds a valid certificate of registration shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals Bidding only under the Non-Institutional Investors (NIIs) category;
- FPIs other than Category III foreign portfolio investors Bidding under the QIBs category;
- FPIs which are Category III foreign portfolio investors, Bidding under the NIIs category;
- Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares; scientific and/or industrial research organisations in India, authorised to invest in equity shares;
- National Investment Fund set up by resolution no. F. No. 2/3/2005-DD-II dated November 23, 2005 of the GoI published in the Gazette of India;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;
- Any other person eligible to Bid/Apply in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws; and
- As per the existing regulations, OCBs are not allowed to participate in an Offer.

SECTION 4: APPLYING IN THE ISSUE

Book Built Issue: Bidders should only use the specified Bid cum Application Form bearing stamp of a Designated Intermediary as available or downloaded from the websites of the Stock Exchanges.

Bid cum Application Forms are available with the Designated Intermediaries at the Bidding Centres and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/Offer Opening Date. For further details regarding availability of Bid cum Application Forms, Bidders may refer to the RHP/Prospectus. For Anchor Investors, Bid cum Application Forms shall be available at the offices of the BRLM.

Fixed Price Issue: Applicants should only use the specified Bid cum Application Form bearing the stamp of the Designated Intermediary as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Designated Branches of the SCSBs and at the registered office of the Issuer. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

Category	Colour of the Bid cum Application Form
Resident Indian, Eligible NRIs applying on a non-repatriation basis	White
NRIs, FVCIs, FIIs, their sub-accounts (other than sub-accounts which are foreign corporate(s) or foreign individuals bidding under the QIB), FPIs on a repatriation basis	Blue
Anchor Investors (where applicable) & Bidders/Applicants Bidding/applying in the reserved category	As specified by the Issuer

Securities issued in an IPO can only be in dematerialised form in accordance with Section 29 of the Companies Act, 2013. Bidders/Applicants will not have the option of getting the Allotment of specified securities in physical form. However, they may get the specified securities rematerialized subsequent to Allotment.

4.1 INSTRUCTIONS FOR FILLING THE BID CUM APPLICATION FORM/ APPLICATION FORM

Bidders/Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP and the Bid cum Application Form/Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below.

The samples of the Bid cum Application Form for resident Bidders and the Bid cum Application Form for non-resident Bidders are reproduced below:

Application Form – For Residents

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - R Address : .... Contact Details: .... CIN No	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE
ISIN : ....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	**ESCROW BANK/SCSB BRANCH STAMP & CODE**
BANK BRANCH SERIAL NO.	**SCSB SERIAL NO.**

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			
	8 | 7 | 6 | 5 | 4 | 3 | 2 | 1	Bid Price 3 | 2 | 1	Retail Discount 3 | 2 | 1	Net Price 3 | 2 | 1	"Cut-off" (Please ✔ tick)
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. CATEGORY

☐ Retail Individual Bidder
☐ Non-Institutional Bidder
☐ QIB

6. INVESTOR STATUS

☐ Individual(s) - IND
☐ Hindu Undivided Family* - HUF
☐ Bodies Corporate - CO
☐ Banks & Financial Institutions - FI
☐ Mutual Funds - MF
☐ Non-Resident Indians - NRI (Non-Repatriation basis)
☐ National Investment Fund - NIF
☐ Insurance Funds - IF
☐ Insurance Companies - IC
☐ Venture Capital Funds - VCF
☐ Alternative Investment Funds - AIF
☐ Others (Please specify) - OTH

* HUF should apply only through Karta (Application by HUF would be treated on par with individual)

7. PAYMENT DETAILS PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐

Amount paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE/ FIRST BIDDER	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
	I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue	
	1)	
	2)	
Date : ________	3)	

TEAR HERE

LOGO

XYZ LIMITED INITIAL PUBLIC ISSUE - R	Acknowledgement Slip for Broker/SCSB/ DP/RTA	Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Amount paid (₹ in figures)	Bank & Branch	Stamp & Signature of SCSB Branch
ASBA Bank A/c No.		
Received from Mr./Ms.		
Telephone / Mobile	Email	

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - R

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

ASBA Bank A/c No.

Bank & Branch

Acknowledgement Slip for Bidder

Bid cum Application Form No.

TEAR HERE

Application Form – For Non – Residents

TEAR HERE

COMMON BID CUM APPLICATION FORM | **XYZ LIMITED - INITIAL PUBLIC ISSUE - NR** Address : .... Contact Details: .... CIN No .... | **FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIS, FPIS OR FVCIS, ETC APPLYING ON A REPATRIATION BASIS**

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE
ISIN : ....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			
		Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✔ tick)
	8 | 7 | 6 | 5 | 4 | 3 | 2 | 1	3 | 2 | 1	3 | 2 | 1	3 | 2 | 1	
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. CATEGORY

☐ Retail Individual Bidder
☐ Non-Institutional Bidder
☐ QIB

6. INVESTOR STATUS

- NRI – Non-Resident Indian(s) (Repatriation basis)
- FII – FII or Sub-account not a Corporate/Foreign Individual
- FIISA – FII Sub-account Corporate/Individual
- FVCI – Foreign Venture Capital Investor
- FPI – Foreign Portfolio Investors
- OTH – Others (Please Specify)________

7. PAYMENT DETAILS PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐

Amount paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE/ FIRST BIDDER	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
Date :	1) 2) 3)	

TEAR HERE

LOGO

XYZ LIMITED
INITIAL PUBLIC ISSUE - NR

Acknowledgement Slip for Broker/SCSB/ DP/RTA

Bid cum Application Form No.

PAN of Sole / First Bidder

DPID / CLID

Amount paid (₹ in figures) | Bank & Branch | Stamp & Signature of SCSB Branch

ASBA Bank A/c No.

Received from Mr./Ms.

Telephone / Mobile | Email

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - NR

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

Stamp & Signature of Broker / SCSB / DP / RTA

ASBA Bank A/c No.

Bank & Branch

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

Bid cum Application Form No.

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

4.1.1 **FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/FIRST BIDDER/APPLICANT**

(a) Bidders/Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

(b) **Mandatory Fields**: Bidders/Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Bidders/Applicants should note that the contact details mentioned in the Bid-cum Application Form/Application Form may be used to dispatch communications (including letters notifying the unblocking of the bank accounts of Bidders (other than Anchor Investors) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer, Designated Intermediaries and the Registrar to the Offer only for correspondence(s) related to an Offer and for no other purposes.

(c) **Joint Bids/Applications**: In the case of Joint Bids/Applications, the Bids /Applications should be made in the name of the Bidder/Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidder/Applicant would be required in the Bid cum Application Form/Application Form and such first Bidder/Applicant would be deemed to have signed on behalf of the joint holders. All communications may be addressed to such Bidder/Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

(d) **Impersonation**: Attention of the Bidders/Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"*Any person who:*

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

***shall be liable for action under Section 447.*"**

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

(e) **Nomination Facility to Bidder/Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of Allotment of the Equity Shares in dematerialised form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders/Applicants should inform their respective DP.

4.1.2 **FIELD NUMBER 2: PAN OF SOLE/FIRST BIDDER/APPLICANT**

(a) PAN (of the sole/first Bidder/Applicant) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.

(b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids/Applications on behalf of the Central or State Government, Bids/Applications by officials appointed by the courts and Bids/Applications by Bidders/Applicants residing in Sikkim ("**PAN Exempted Bidders/Applicants**"). Consequently, all Bidders/Applicants, other than the PAN Exempted Bidders/Applicants, are required to disclose their PAN in the Bid cum Application Form/Application Form, irrespective of the Bid/Application Amount. A Bid cum Application Form/Application Form without PAN, except in case of Exempted Bidders/Applicants, is liable to be rejected. Bids/Applications by the Bidders/Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

(c) The exemption for the PAN Exempted Bidders/Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.

(d) Bid cum Application Forms/Application Forms which provide the General Index Register Number instead of PAN may be rejected.

(e) Bids/Applications by Bidders whose demat accounts have been 'suspended for credit' are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and Demographic Details are not provided by depositories.

4.1.3 **FIELD NUMBER 3: BIDDERS/APPLICANTS DEPOSITORY ACCOUNT DETAILS**

(a) Bidders/Applicants should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form/Application Form. The DP ID and Client ID provided in the Bid cum Application Form/Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Bid cum Application Form/Application Form is liable to be rejected.**

(b) Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form/Application Form is active.

(c) Bidders/Applicants should note that on the basis of the PAN, DP ID and Client ID as provided in the Bid cum Application Form/Application Form, the Bidder/Applicant may be deemed to have authorised the Depositories to provide to the Registrar to the Offer, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for any correspondence(s) related to an Offer.

(d) Bidders/Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/Applicants' sole risk.

4.1.4 **FIELD NUMBER 4: BID OPTIONS**

(a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the Prospectus/RHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid/Offer Opening Date in case of an IPO, and at least one Working Day before Bid/Offer Opening Date in case of an FPO.

(b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs /FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders may Bid at Floor Price or any price above the Floor Price (For further details bidders may refer to (Section 5.6 (e))

(c) **Cut-Off Price:** Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Offer Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.

(d) **Minimum Application Value and Bid Lot**: The Issuer in consultation with the BRLM may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000 to ₹ 15,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum application value.

(e) **Allotment:** The Allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. For details of the Bid Lot, Bidders may to the RHP/Prospectus or the advertisement regarding the Price Band published by the Issuer.

4.1.4.1 **Maximum and Minimum Bid Size**

(a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Investors, Employees and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed ₹ 200,000.

In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category, with it not being eligible for Discount then such Bid may be rejected if it is at the Cut-off Price.

(b) For NRIs, a Bid Amount of up to ₹ 200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding ₹ 200,000 may be considered under the Non-Institutional Category for the purposes of allocation.

(c) Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Bidders and QIBs are not allowed to Bid at 'Cut-off Price'.

(d) RII may revise or withdraw their bids until Bid/Offer Closing Date. QIBs and NII's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after bidding and are required to pay the Bid Amount upon submission of the Bid.

(e) In case the Bid Amount reduces to ₹ 200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Bidders who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.

(f) For Anchor Investors, if applicable, the Bid Amount shall be least ₹ 10 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Portion under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/Offer Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Offer Price is lower than the Offer Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Offer Price is lower than the Anchor Investor Offer Price, the amount in excess of the Offer Price paid by the Anchor Investors shall not be refunded to them.

(g) A Bid cannot be submitted for more than the Offer size.

(h) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.

(i) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the Offer Price, the number of Equity Shares Bid for by a Bidder at or above the Offer Price may be considered for Allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of Bidders may refer to (Section 5.6 (e)).

4.1.4.2 **Multiple Bids**

(a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids.

Submission of a second Bid cum Application Form to either the same or to another Designated Intermediary and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

(b) Bidders are requested to note the following procedures may be followed by the Registrar to the Offer to detect multiple Bids:

(i) All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.

(ii) For Bids from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.

(i) The following Bids may not be treated as multiple Bids:

(ii) Bids by Reserved Categories Bidding in their respective Reservation Portion as well as bids made by them in the Net Offer portion in public category.

(iii) Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.

(iv) Bids by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

(v) Bids by Anchor Investors under the Anchor Investor Portion and the QIB Portion.

4.1.5 **FIELD NUMBER 5: CATEGORY OF BIDDERS**

(a) The categories of Bidders identified as per the SEBI ICDR Regulations for the purpose of Bidding, allocation and allotment in the Offer are RIIs, NIIs and QIBs.

(b) Up to 60% of the QIB Portion can be allocated by the Issuer, on a discretionary basis subject to the criteria of minimum and maximum number of Anchor Investors based on allocation size, to the Anchor Investors, in accordance with SEBI ICDR Regulations, with one-third of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Offer Price. For details regarding allocation to Anchor Investors, Bidders may refer to the RHP/Prospectus.

(c) An Issuer can make reservation for certain categories of Bidders/Applicants as permitted under the SEBI ICDR Regulations. For details of any reservations made in the Offer, Bidders/Applicants may refer to the RHP/Prospectus.

(d) The SEBI ICDR Regulations, specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Offer specific details in relation to allocation Bidder/Applicant may refer to the RHP/Prospectus.

4.1.6 **FIELD NUMBER 6: INVESTOR STATUS**

(a) Each Bidder/Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective Allotment to it in the Offer is in compliance with the investment restrictions under applicable law.

(b) Certain categories of Bidders/Applicants, such as NRIs, FIIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Offer or hold Equity Shares exceeding certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

(c) Bidders/Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.

(d) Bidders/Applicants should ensure that their investor status is updated in the Depository records.

4.1.7 **FIELD NUMBER 7: PAYMENT DETAILS**

(a) The full Bid Amount (net of any Discount, as applicable) shall be blocked based on the authorisation provided in the Bid cum Application Form. If the Discount is applicable in the Offer, the RIIs should indicate the full Bid Amount in the Bid cum Application Form and the payment shall be blocked for the Bid Amount net of Discount. Only in cases where the RHP/Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.

(b) RIIs who Bid at Cut-off price shall be blocked on the Cap Price.

(c) All Bidders (except Anchor Investors) can participate in the Offer only through the ASBA mechanism.

(d) Bid Amount cannot be paid in cash, cheque, demand draft, through money order or through postal order.

4.1.7.1. **Instructions for Anchor Investors:**

(a) Anchor Investors may submit their Bids with a Book Running Lead Manager.

(b) Payments should be made either by RTGS or NEFT.

(c) The Anchor Escrow Bank(s) shall maintain the monies in the Anchor Escrow Account for and on behalf of the Anchor Investors until the Designated Date.

4.1.7.2. **Payment instructions for Bidders (other than Anchor Investors)**

(a) Bidders may submit the Bid cum Application Form either

(i) in electronic mode through the internet banking facility offered by an SCSB authorising blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or

(ii) in physical mode to any Designated Intermediary.

(b) Bidders must specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by a Bidder and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.

(c) Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder;

(d) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

(e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.

(f) Bidders should submit the Bid cum Application Form only at the Bidding Centres, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the CRTA at the Designated RTA Locations or CDP at the Designated CDP Locations.

(g) **Bidders bidding through Designated Intermediaries** other than a SCSB, should note that ASBA Forms submitted to such Designated Intermediary may not be accepted, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for such Designated Intermediary, to deposit ASBA Forms.

(h) **Bidders bidding directly through the SCSBs** should ensure that the Bid cum Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

(i) Upon receipt of the Bid cum Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form.

(j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.

(k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Bids on the Stock Exchange platform and such bids are liable to be rejected.

(l) Upon submission of a completed Bid cum Application Form each Bidder may be deemed to have agreed to block the entire Bid Amount and authorised the Designated Branch of the SCSB to block the Bid Amount specified in the Bid cum Application Form in the ASBA Account maintained with the SCSBs.

(m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Offer Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.

(n) SCSBs bidding in the Offer must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

4.1.7.1.1 **Unblocking of ASBA Account**

(a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Offer may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Offer Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Offer Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Offer Account, (iv) the amount to be unblocked, if any in case of partial allotments and (v) details of rejected ASBA Bids, if any, along with reasons for rejection and details of withdrawn or unsuccessful Bids, if any, to enable the SCSBs to unblock the respective bank accounts.

(b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful Bidder to the Public Offer Account and may unblock the excess amount, if any, in the ASBA Account.

(c) In the event of withdrawal or rejection of the Bid cum Application Form and for unsuccessful Bids, the Registrar to the Offer may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six Working Days of the Bid/Offer Closing Date.

4.1.7.2 **Discount** (if applicable)

(a) The Discount is stated in absolute rupee terms.

(b) Bidders applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Issue, Bidders may refer to the RHP/Prospectus.

(c) The Bidders entitled to the applicable Discount in the Offer may block for an amount i.e. the Bid Amount less Discount (if applicable).

Bidder (other than employees) may note that in case the net amount blocked (post Discount) is more than two lakh Rupees, the Bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RII category.

4.1.8 **FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS**

(a) Only the First Bidder/Applicant is required to sign the Bid cum Application Form/Application Form. Bidders/Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.

(b) If the ASBA Account is held by a person or persons other than the Bidder/Applicant, then the Signature of the ASBA Account holder(s) is also required.

(c) The signature has to be correctly affixed in the authorisation/undertaking box in the Bid cum Application Form/Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form/Application Form.

(d) Bidders/Applicants must note that Bid cum Application Form/Application Form without signature of Bidder/Applicant and /or ASBA Account holder is liable to be rejected.

4.1.9 **ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

(a) Bidders should ensure that they receive the Acknowledgment slip or the acknowledgement number duly signed and stamped by a Designated Intermediary, as applicable, for submission of the Bid cum Application Form.

(b) All communications in connection with Bids/Applications made in the Offer should be addressed as under:

(i) In case of queries related to Allotment, non-receipt of Allotment Advice, credit of Allotted Equity Shares, unblocking of funds, the Bidders/Applicants should contact the Registrar to the Issue.

(ii) In case of Bids submitted to the Designated Branches of the SCSBs, the Bidders/Applicants should contact the relevant Designated Branch of the SCSB.

(iii) In case of queries relating to uploading of Syndicate ASBA Bids, the Bidders/Applicants should contact the relevant Syndicate Member.

(iv) In case of queries relating to uploading of Bids by a Designated Intermediary, the Bidders/Applicants should contact the relevant Designated Intermediary.

(v) Bidder/Applicant may contact the Company Secretary and Compliance Officer or BRLM(s) in case of any other complaints in relation to the Issue.

(c) The following details (as applicable) should be quoted while making any queries –

(i) full name of the sole or First Bidder/Applicant, Bid cum Application Form number, Applicants'/Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application.

(ii) name and address of the Designated Intermediary, where the Bid was submitted or

(iii) Bids, ASBA Account number in which the amount equivalent to the Bid Amount was blocked.

For further details, Bidder/Applicant may refer to the RHP/Prospectus and the Bid cum Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

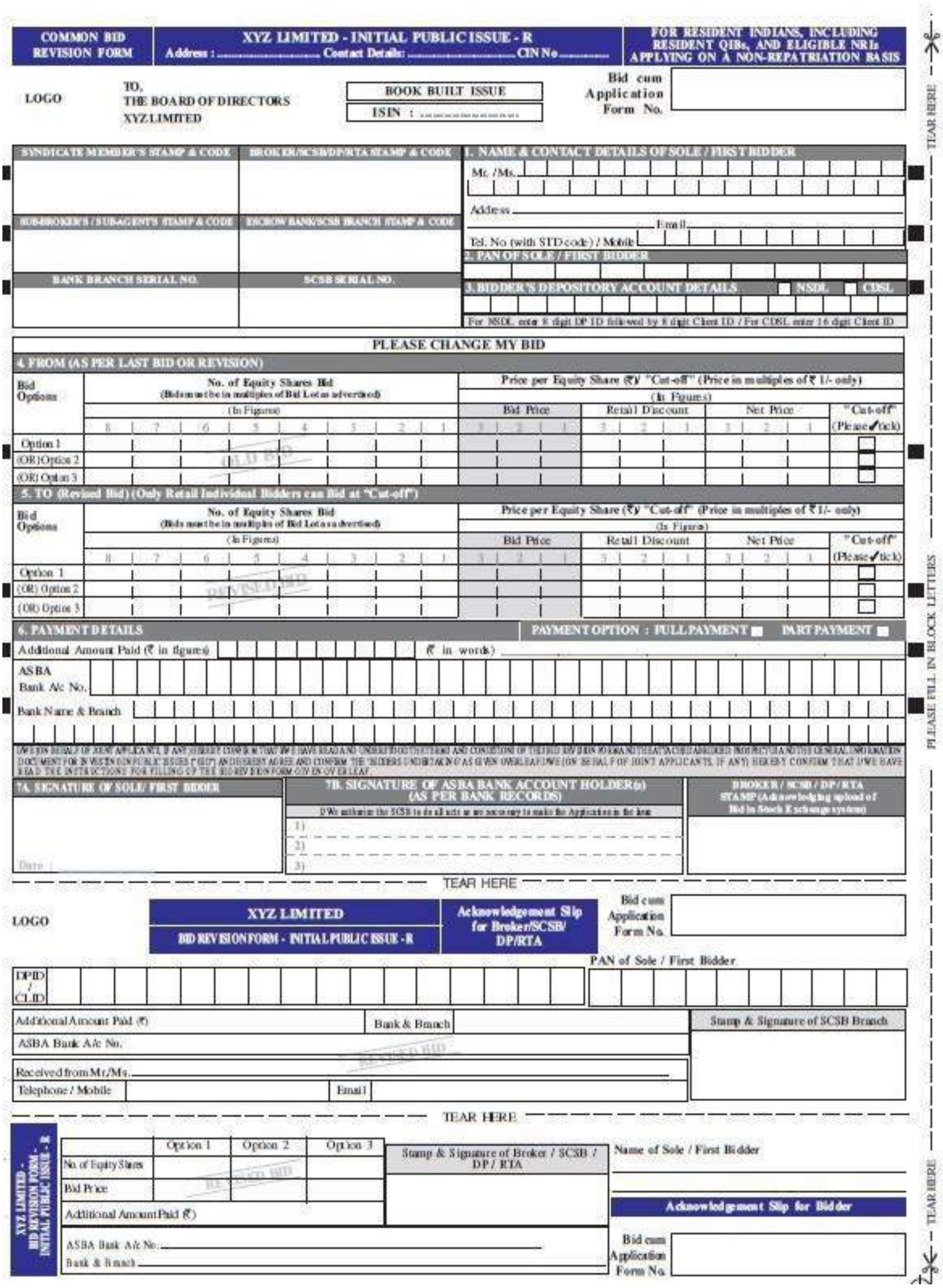
(a) During the Bid/Offer Period, any Bidder/Applicant (other than QIBs and NIIs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.

(b) RII may revise their Bids or withdraw their bids until Bid/Offer Closing date.

(c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.

(d) The Bidder/Applicant can make this revision any number of times during the Bid/ Offer Period. However, for any revision(s) in the Bid, the Bidders/Applicants will have to use the services of the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid. Bidders/Applicants are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample revision form is reproduced below:



COMMON BID REVISION FORM

XYZ LIMITED - INITIAL PUBLIC ISSUE - R

Address : .... Contact Details: .... CIN No...........

FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

LOGO

TO, THE BOARD OF DIRECTORS XYZ LIMITED

BOOK BUILT ISSUE

ISIN : ....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE | BROKER/SCSB/DP/RTA STAMP & CODE

SUB-BROKER'S / SUB-AGENT'S STAMP & CODE | ESCROW BANK/SCSB BRANCH STAMP & CODE

BANK BRANCH SERIAL NO. | SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS NSDL CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

PLEASE CHANGE MY BID

4. FROM (AS PER LAST BID OR REVISION)

Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures) 8 7 6 5 4 3 2 1	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) Bid Price 3 2 1	Retail Discount 3 2 1	Net Price 3 2 1	"Cut-off" (Please ✓ tick)
Option 1					
(OR) Option 2	OLD BID				
(OR) Option 3					

5. TO (Revised Bid) (Only Retail Individual Bidders can Bid at "Cut-off")

Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures) 8 7 6 5 4 3 2 1	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) Bid Price 3 2 1	Retail Discount 3 2 1	Net Price 3 2 1	"Cut-off" (Please ✓ tick)
Option 1					
(OR) Option 2	REVISED BID				
(OR) Option 3					

6. PAYMENT DETAILS

PAYMENT OPTION : FULL PAYMENT PART PAYMENT

Additional Amount Paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID REVISION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID REVISION FORM GIVEN OVERLEAF.

7A. SIGNATURE OF SOLE/ FIRST BIDDER

7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)

I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue

1)
2)
3)

BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)

Date :

TEAR HERE

LOGO

XYZ LIMITED

BID REVISION FORM - INITIAL PUBLIC ISSUE - R

Acknowledgement Slip for Broker/SCSB/ DP/RTA

Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Additional Amount Paid (₹) | Bank & Branch

Stamp & Signature of SCSB Branch

ASBA Bank A/c No.

Received from Mr./Ms.

Telephone / Mobile | Email

TEAR HERE

XYZ LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - R

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Additional Amount Paid (₹)			

ASBA Bank A/c No.

Bank & Branch

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

Bid cum Application Form No.

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

4.2.1 **FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST**

BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT

Bidders/Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 **FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'**

(a) Apart from mentioning the revised options in the Revision Form, the Bidder/Applicant must also mention the details of all the bid options given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder/Applicant has Bid for three options in the Bid cum Application Form and such Bidder/Applicant is changing only one of the options in the Revision Form, the Bidder/Applicant must still fill the details of the other two options that are not being revised, in the Revision Form. The Designated Intermediaries may not accept incomplete or inaccurate Revision Forms.

(b) In case of revision, Bid options should be provided by Bidders/Applicants in the same order as provided in the Bid cum Application Form.

(c) In case of revision of Bids by RIIs and Retail Individual Shareholders, such Bidders/Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed ₹ 200,000. In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Offer Price as determined at the end of the Book Building Process. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹ 500,000. However, Allotment to an Eligible Employee in the Employee Reservation Portion may exceed ₹ 200,000 (which will be less Employee Discount) only in the event of an undersubscription in the Employee Reservation Portion and such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹ 200,000, subject to the total Allotment to an Eligible Employee not exceeding ₹ 500,000 (which will be less Employee Discount).

(d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds ₹ 200,000, the Bid will be considered for allocation under the Non-Institutional Portion in terms of the RHP/Prospectus. If, however, the RII does not either revise the Bid or make additional payment and the Offer Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.

(e) In case of a downward revision in the Price Band, RIIs, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding will be unblocked.

4.2.3 **FIELD 6: PAYMENT DETAILS**

(a) All Bidders/Applicants are required to authorise blocking of the full Bid Amount (less Discount (if applicable) at the time of submitting the Bid Revision Form. In case of Bidders/Applicants specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.

(b) Bidder/Applicant, Bidder/Applicant may Offer instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such Bidder/Applicant had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.

(c) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds ₹ 200,000, the Bid may be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the Bidder/Applicant does not either revise the Bid or make additional payment and the Offer Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for may be adjusted downwards for the purpose of

Allotment, such that no additional amount is required for blocking Bidder/Applicant and the Bidder/Applicant is deemed to have approved such revised Bid at the Cut-off Price.

(d) In case of a downward revision in the Price Band, RIIs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked.

4.2.4 **FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS**

Bidders/Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)

4.3.1 **FIELDS 1, 2, 3 NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT**

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.3.2 **FIELD 4: PRICE, APPLICATION QUANTITY & AMOUNT**

(a) The Issuer may mention Price or Price Band in the draft Prospectus. However, a prospectus registered with RoC contains one price or coupon rate (as applicable).

(b) **Minimum Application Value and Bid Lot**: The Issuer in consultation with the Lead Manager to the Offer (LM) may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000 to ₹ 15,000. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.

(c) Applications by RIIs**,** Employees and Retail Individual Shareholders, must be for such number of shares so as to ensure that the application amount payable does not exceed ₹ 200,000.

(d) Applications by other investors must be for such minimum number of shares such that the application amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the application form and the Prospectus, or as advertised by the Issuer, as the case may be.

(e) An application cannot be submitted for more than the Offer size.

(f) The maximum application by any Applicant should not exceed the investment limits prescribed for them under the applicable laws.

(g) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or other SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.

(h) Applicants are requested to note the following procedures may be followed by the Registrar to the Offer to detect multiple applications:

(i) All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple applications by a Bidder/Applicant and may be rejected.

(ii) For applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.

(i) The following applications may not be treated as multiple Bids:

   (i) Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Net Offer portion in public category.

   (ii) Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Bid has been made.

   (iii) Applications by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4.3.3 **FIELD NUMBER 5: CATEGORY OF APPLICANTS**

(a) The categories of applicants identified as per the SEBI ICDR Regulations for the purpose of Bidding, allocation and Allotment in the Offer are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).

(b) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations. For details of any reservations made in the Offer, applicants may refer to the Prospectus.

(c) The SEBI ICDR Regulations specify the allocation or Allotment that may be made to various categories of applicants in an Offer depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Offer specific details in relation to allocation applicant may refer to the Prospectus.

4.3.4 **FIELD NUMBER 6: INVESTOR STATUS**

Applicants should refer to instructions contained in paragraphs 4.1.6.

4.3.5 **FIELD 7: PAYMENT DETAILS**

(a) All Applicants (other than Anchor Investors) are required to make use ASBA for applying in the Offer

(b) Application Amount cannot be paid in cash, cheques or demand drafts through money order or through postal order or through stock invest.

4.3.5.1 **Payment instructions for Applicants**

(a) Applicants may submit the Application Form in physical mode to the Designated Intermediaries.

(b) Applicants must specify only such Bank Account number maintained with the SCSB in the Application Form. The Application Form submitted by an ASBA Applicant and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, will not be accepted.

(c) Applicants should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;

(d) Applicants shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

(e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.

(f) Applicants bidding directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

(g) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.

(h) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and may upload the details on the Stock Exchange Platform.

(i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.

(j) Upon submission of a completed Application Form each Applicant may be deemed to have agreed to block the entire Application Amount and authorised the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.

(k) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Offer Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.

(l) SCSBs applying in the Offer must apply through an ASBA Account maintained with any other SCSB; else their Applications are liable to be rejected.

4.3.5.2 **Unblocking of ASBA Account**

(a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Offer may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Offer Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant bank account to the Public Offer Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Offer Account, and (iv) details of rejected Applications, if any, along with reasons for rejection and details of withdrawn or unsuccessful Applications, if any, to enable the SCSBs to unblock the respective bank accounts.

(b) On the basis of instructions from the Registrar to the Offer, the SCSBs may transfer the requisite amount against each successful Application to the Public Offer Account and may unblock the excess amount, if any, in the ASBA Account.

(c) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Offer may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within six Working Days of the Offer Closing Date.

4.3.5.3 **Discount** (if applicable)

(a) The Discount is stated in absolute rupee terms.

(b) RIIs, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, applicants may refer to the Prospectus.

(c) The Applicants entitled to the applicable Discount in the Offer may make payment for an amount i.e. the Application Amount less Discount (if applicable).

4.3.6 **FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS & ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

Applicants should refer to instructions contained in paragraphs 4.1.8 & 4.1.9.

4.4 SUBMISSION OF BID CUM APPLICATION FORM/ REVISION FORM/APPLICATION FORM

4.4.1 **Bidders/Applicants may submit completed Bid-cum-application form / Revision Form in the**

following manner:

Mode of Application	Submission of Bid cum Application Form
Anchor Investors Application Form	To the Book Running Lead Managers at the Specified Locations mentioned in the Bid cum Application Form
All Applications (other than Anchor Investors)	(a) To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres or the CRTAs at the Designated RTA Locations or the CDPs at the Designated CDP Locations; and (b) To the Designated Branches of the SCSBs where the ASBA Account is maintained

(a) Bidders/Applicants should submit the Revision Form to the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid.

(b) Upon submission of the Bid-cum-Application Form, the Bidder/Applicant will be deemed to have authorised the Issuer to make the necessary changes in the RHP and the Bid cum Application Form as would be required for filing Prospectus with the Registrar of Companies (RoC) and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Bidder/Applicant.

(c) Upon determination of the Offer Price and filing of the Prospectus with the RoC, the Bid-cum-Application Form will be considered as the application form.

SECTION 5: OFFER PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Offer, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Offer Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations. The Offer Price is finalised after the Bid/Offer Closing Date. Valid Bids received at or above the Offer Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

5.1 SUBMISSION OF BIDS

(a) During the Bid/Offer Period, Bidders/Applicants may approach any of the Designated Intermediary to register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach the Book Running Lead Manager to register their Bid.

(b) In case of Bidders/Applicants (excluding NIIs and QIBs) bidding at Cut-off Price, the Bidders/Applicants may instruct the SCSBs to block Bid Amount based on the Cap Price less discount (if applicable).

(c) For Details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders/Applicants are requested to refer to the RHP.

5.2 ELECTRONIC REGISTRATION OF BIDS

(a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.

(b) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges.

(c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the day following the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

5.3 BUILD UP OF THE BOOK

(a) Bids received from various Bidders/Applicants through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/Offer Period.

(b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the Bidding Centres during the Bid/Offer Period.

5.4 WITHDRAWAL OF BIDS

(a) RIIs can withdraw their Bids until Bid/Offer Closing Date. In case a RII wishes to withdraw the Bid, the same can be done by submitting a request for the same to the concerned Designated Intermediary, who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.

(b) The Registrar to the Offer shall give instruction to the SCSB for unblocking the ASBA Account upon or after the finalisation of basis of Allotment. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

5.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS

(a) The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to

(i) the Bids accepted by the Designated Intermediary;

(ii) the Bids uploaded by the Designated Intermediary; and

(iii) the Bid cum application forms accepted but not uploaded by the Designated Intermediaries.

(b) The BRLM and their affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.

(c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.

(d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) BRLM and their affiliate Syndicate Members (only in the specified locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.

(e) All bids by QIBs, NIIs & RIIs Bids can be rejected on technical grounds listed herein.

5.5.1 **GROUNDS FOR TECHNICAL REJECTIONS**

Bid cum Application Forms/Application Form can be rejected on the below mentioned technical grounds either at the time of their submission to any of the Designated Intermediaries, or at the time of finalisation of the Basis of Allotment. Bidders/Applicants are advised to note that the Bids/Applications are liable to be rejected, inter-alia, on the following grounds, which have been detailed at various placed in this GID:

(a) Bid/Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);

(b) Bids/Applications of Bidders (other than Anchor Investors) accompanied by cash, draft, cheques, money order or any other mode of payment other than amounts blocked in the Bidders' ASBA Account maintained with an SCSB;

(c) Bids/Applications by OCBs;

(d) In case of partnership firms, Bid/Application for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;

(e) In case of Bids/Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted along with the Bid cum application form/Application Form;

(f) Bids/Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;

(g) Bids/Applications by any person outside India if not in compliance with applicable foreign and Indian laws;

(h) Bids/Applications by persons in the United States;

(i) DP ID and Client ID not mentioned in the Bid cum Application Form/Application Form;

(j) PAN not mentioned in the Bid cum Application Form/Application Form except for Bids/Applications by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;

(k) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;

(l) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;

(m) Bids/Applications at a price less than the Floor Price & Bids/Applications at a price more than the Cap Price;

(n) Bids/Applications at Cut-off Price by NIIs and QIBs;

(o) The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;

(p) Bids/Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;

(q) Submission of more than five Bid cum Application Forms/Application Form as per ASBA Account;

(r) Bids/Applications for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the RHP;

(s) Multiple Bids/Applications as defined in this GID and the RHP/Prospectus;

(t) Bid cum Application Forms/Application Forms are not delivered by the Bidders/Applicants within the time prescribed as per the Bid cum Application Forms/Application Form, Bid/Offer Opening Date advertisement and as per the instructions in the RHP and the Bid cum Application Forms;

(u) Bank account mentioned in the Bid cum Application Form may not be an account maintained by SCSB. Inadequate funds in the bank account to block the Bid/Application Amount specified in the Bid cum Application Form/ Application Form at the time of blocking such Bid/Application Amount in the bank account;

(v) In case of Anchor Investors, Bids/Applications where sufficient funds are not available in Escrow Accounts as per final certificate from the Anchor Escrow Bank;

(w) Where no confirmation is received from SCSB for blocking of funds;

(x) Bids/Applications by Bidders (other than Anchor Investors) not submitted through ASBA process;

(y) Bid cum Application Form submitted to Designated Intermediaries at locations other than the Bidding Centres or to the Anchor Escrow Bank (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the issuer or the Registrar to the Offer;

(z) Bids/Applications not uploaded on the terminals of the Stock Exchanges;

(aa) Bids/Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form.

5.6 BASIS OF ALLOCATION

(a) The SEBI ICDR Regulations specify the allocation or Allotment that may be made to various categories of Bidders/Applicants in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP / Prospectus. For details in relation to allocation, the Bidder/Applicant may refer to the RHP / Prospectus.

(b) Under-subscription in any category (except QIB category) is allowed to be met with spill-over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Portion is not available for subscription to other categories.

(c) In case of under subscription in the Net Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Net Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders/Applicants may refer to the RHP.

(d) **Illustration of the Book Building and Price Discovery Process**

Bidders should *note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors.*

Bidders can bid at any price within the price band. For instance, assume a price band of ₹ 20 to ₹ 24 per share, issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the equity shares of the issuer at various prices and is collated from bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Offer the desired number of equity shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The issuer, in consultation with the book running lead managers, may finalise the Offer Price at or below such cut-off price, i.e., at or below ₹ 22.00. All bids at or above this Offer Price and cut-off bids are valid bids and are considered for allocation in the respective categories.

(e) **Alternate Method of Book Building**

In case of FPOs, Issuers may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of Bidding (**"Alternate Book Building Process"**).

The Issuer may specify the Floor Price in the RHP or advertise the Floor Price at least one Working Day prior to the Bid/Offer Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder is Allotted Equity

Shares and this process continues until all the Equity Shares have been allotted. RIIs, NIIs and Employees are Allotted Equity Shares at the Floor Price and allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the Allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be Allotted to a single Bidder, decide whether a Bidder be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder be allowed single or multiple bids.

SECTION 6: OFFER PROCEDURE IN FIXED PRICE ISSUE

Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue. As the Offer Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through the Designated Intermediary.

ASBA Applicants may submit an Application Form either in physical form to the Designated Intermediaries or in the electronic form to the SCSB or the Designated Branches of the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only (**"ASBA Account"**). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Bid/Offer Opening Date.

In a fixed price Issue, allocation in the offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

For details of instructions in relation to the Application Form, Bidders/Applicants may refer to the relevant section of the GID.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders/Applicants other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to RHP/Prospectus. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Offer (excluding any Offer for Sale of specified securities). However, in case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

7.1 ALLOTMENT TO RIIs

Bids received from the RIIs at or above the Offer Price may be grouped together to determine the total demand under this category. If the aggregate demand in this category is less than or equal to the Retail Category at or above the Offer Price, full Allotment may be made to the RIIs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Category at or above the Offer Price, then the maximum number of RIIs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot **("Maximum RII Allottees"**). The Allotment to the RIIs will then be made in the following manner:

(a) In the event the number of RIIs who have submitted valid Bids in the Offer is equal to or less than Maximum RII Allottees, (i) all such RIIs shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the RIIs who have received Allotment as per (i) above for the balance demand of the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).

(b) In the event the number of RIIs who have submitted valid Bids in the Offer is more than Maximum RII Allottees, the RIIs (in that category) who will then be Allotted minimum Bid Lot shall be determined on the basis of draw of lots.

7.2 ALLOTMENT TO NIIs

Bids received from NIIs at or above the Offer Price may be grouped together to determine the total demand under this category. The Allotment to all successful NIIs may be made at or above the Offer Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Offer Price, full Allotment may be made to NIIs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Category at or above the Offer Price, Allotment may be made on a proportionate basis up to a minimum of the Non-Institutional Category.

7.3 ALLOTMENT TO QIBs

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations or RHP / Prospectus. Bids received from QIBs Bidding in the QIB Portion (net of Anchor Portion) at or above the Offer Price may be grouped together to determine the total demand under this category. The QIB Portion may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Offer Price. Allotment may be undertaken in the following manner:

(a) In the first instance allocation to Mutual Funds for up to 5% of the QIB Potion may be determined as follows: (i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Portion, allocation to Mutual Funds may be done on a proportionate basis for up to 5% of the QIB Portion; (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Portion then all Mutual Funds may get full allotment to the extent of valid Bids received above the Offer Price; and (iii) Equity Shares remaining unsubscribed, if any and not allocated to Mutual Funds may be available for allotment to all QIBs as set out at paragraph 7.4(b) below;

(b) In the second instance, allotment to all QIBs may be determined as follows: (i) In the event of oversubscription in the QIB Portion, all QIBs who have submitted Bids above the Offer Price may be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Portion; (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs; and (iii) Under-subscription below 5% of the QIB Portion, if any, from Mutual Funds, may be included for allocation to the remaining QIBs on a proportionate basis.

7.4 ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

(a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Offer Price will be at the discretion of the issuer subject to compliance with the following requirements:

(i) not more than 60% of the QIB Portion will be allocated to Anchor Investors;

(ii) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and

(iii) allocation to Anchor Investors shall be on a discretionary basis and subject to:

- a maximum number of two Anchor Investors for allocation up to ₹ 10 crores;
- a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 10 crores and up to ₹ 250 crores subject to minimum allotment of ₹ 5 crores per such Anchor Investor; and
- a minimum number of five Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 250 crores and an additional 10 Anchor Investors for every additional ₹ 250 crores or part thereof, subject to minimum allotment of ₹ 5 crores per such Anchor Investor.

(b) A physical book is prepared by the Registrar on the basis of the Bid cum Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the issuer in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

(c) **In the event that the Offer Price is higher than the Anchor Investor Offer Price**: Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Offer Price and the Anchor Investor Offer Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.

(d) **In the event the Offer Price is lower than the Anchor Investor Offer Price:** Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

7.5 BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS), NIIs AND RESERVED CATEGORY IN CASE OF OVER-SUBSCRIBED ISSUE

In the event of the Offer being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the Designated Stock Exchange in accordance with the SEBI ICDR Regulations.

The allocation may be made in marketable lots, on a proportionate basis as explained below:

(a) Bidders may be categorised according to the number of Equity Shares applied for;

(b) The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;

(c) The number of Equity Shares to be Allotted to the successful Bidders may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio;

(d) In all Bids where the proportionate Allotment is less than the minimum Bid Lot decided per Bidder, the Allotment may be made as follows: the successful Bidders out of the total Bidders for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Issuer;

(e) If the proportionate Allotment to a Bidder is a number that is more than the minimum Bid Lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded off to the lower whole number. Allotment to all bidders in such categories may be arrived at after such rounding off; and

(f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for allotment may be first adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate Allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders applying for minimum number of Equity Shares.

7.6 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

(i) **Designated Date:** On the Designated Date, the Anchor Escrow Bank shall transfer the funds represented by allocation of Equity Shares to Anchor Investors from the Anchor Escrow Accounts, as per the terms of the Cash Escrow Agreement, into the Public Offer Account with the Bankers to the Offer. The balance amount after transfer to the Public Offer Account shall be transferred to the Refund Account. Payments of refund to the Bidders applying in the Anchor Investor Portion shall be made from the Refund Account as per the terms of the Cash Escrow Agreement and the RHP. On the Designated Date, the Registrar to the Offer shall instruct the SCSBs to transfer funds represented by allocation of Equity Shares from ASBA Accounts into the Public Offer Account.

(ii) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Bidders/Applicants **are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Offer.**

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders/Applicants who have been Allotted Equity Shares in the Offer.

(iii) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

(iv) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Bidders/Applicants Depository Account will be completed within six Working Days of the Bid/ Offer Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within five Working Days from the Bid/Offer Closing Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within six Working Days of the Bid/Offer Closing Date. The Registrar to the Offer may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within six Working Days of the Bid/Offer Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1 NON-RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in RHP/Prospectus. The Designated Stock Exchange may be as disclosed in the RHP/Prospectus with which the Basis of Allotment may be finalised.

If the Issuer fails to make application to the Stock Exchange(s) and obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act, 2013, the Issuer may be punishable with a fine which shall not be less than ₹ 5 lakhs but which may extend to ₹ 50 lakhs and every officer of the Issuer who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than ₹ 50,000 but which may extend to ₹ 3 lakhs, or with both.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith may take steps to refund, without interest, all moneys received from the Bidders/Applicants in pursuance of the RHP/Prospectus.

If such money is not refunded to Bidders within the prescribed time after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of such period, be liable to repay the money, with interest at such rate, as disclosed in the Companies Act, 2013 and RHP/Prospectus.

8.2.2 NON-RECEIPT OF MINIMUM SUBSCIPTION

If the Issuer does not receive a minimum subscription of 90% of the Net Offer (excluding any offer for sale of specified securities), including devolvement to the Underwriters, as applicable, the Issuer may forthwith, take steps to unblock the entire subscription amount received within six Working Days of the Bid/ Offer Closing Date and repay, without interest, all moneys received from Anchor Investors. This is further subject to the compliance with Rule 19(2)(b)(iii) of the SCRR. In case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

If there is a delay beyond the prescribed time after the Issuer becomes liable to pay or unblock the amount received from Bidders, then the Issuer and every director of the Issuer who is an officer in default may on and from expiry of prescribed time period under applicable laws, be jointly and severally liable to repay the money, with interest at the rate of 15% per annum in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 1,000 failing which the entire application monies may be refunded forthwith.

8.2.4 IN CASE OF ISSUES MADE UNDER COMPULSORY BOOK BUILDING

In case an Issuer not eligible under Regulation 26(1) of the SEBI ICDR Regulations comes for an Offer under Regulation 26(2) of SEBI (ICDR) Regulations but fails to Allot at least 75% of the Net Offer to QIBs, in such case full subscription money is to be refunded.

8.3 MODE OF REFUND

1. **In case of ASBA Bids:** Within six Working Days of the Bid/Offer Closing Date, the Registrar to the Offer may give instructions to SCSBs for unblocking the amount in ASBA Accounts for unsuccessful Bids or for any excess amount blocked on Bidding.

2. **In case of Anchor Investors:** Within six Working Days of the Bid/Offer Closing Date, the Registrar to the Offer may dispatch the refund orders for all amounts payable to unsuccessful Anchor Investors.

3. In case of Anchor Investors, the Registrar to the Offer may obtain from the depositories the Bidders' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Anchor Investors in their Bid cum Application Forms for refunds. Accordingly, Anchor Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Anchor Investors' sole risk and neither the Issuer, the Registrar to the Offer, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Anchor Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay. Please note that refunds shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

4. In the case of Bids from Eligible NRI Bidders 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 and the Selling Shareholder may not be responsible for loss, if any, incurred by the Bidder/Applicant on account of conversion of foreign currency.

8.3.1 Electronic mode of making refunds for Anchor Investors

The payment of refund, if any, may be done through various electronic modes as mentioned below:

(i) **NACH—**National Automated Clearing House is a consolidated system of ECS. Payment of refunds would be done through NACH for Anchor Investors having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including Magnetic Ink Character Recognition (MICR) code wherever applicable from the depository. The payment of refunds through NACH is mandatory for Anchor Investors having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.

(ii) **NEFT**—Payment of refund may be undertaken through NEFT wherever the branch of the Anchor Investors' bank is NEFT enabled and has been assigned the Indian Financial System Code ("**IFSC**"), which can be linked to the MICR of that particular branch. The IFSC may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Anchor Investors have registered their nine- digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC of that particular bank branch and the payment of refund may be made to the Anchor Investors through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;

(iii) **Direct Credit**—Anchor Investors having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account; and

(iv) **RTGS**—Anchor Investors having a bank account with a bank branch which is RTGS enabled as per the information available on the website of RBI and whose refund amount exceeds ₹ 0.2 million, shall be eligible to receive refund through RTGS, provided the Demographic Details downloaded from the Depositories contain the nine digit MICR code of the Anchor Investor's bank which can be mapped with the RBI data to obtain the corresponding IFSC. Charges, if any, levied by the Anchor Escrow Bank for the same would be borne by our Company. Charges, if any, levied by the Anchor Investor's bank receiving the credit would be borne by the Anchor Investor.

Please note that refunds through the abovementioned modes shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres etc. Bidders/Applicants may refer to RHP/Prospectus.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum if refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to Bidders/Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the six Working Days of the Bid/Offer Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Bid/ Offer Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time. In case of inconsistency in the description of a term mentioned herein below and the description ascribed to such term in this Draft Red Herring Prospectus, the description as ascribed to such term in this Draft Red Herring Prospectus shall prevail.

Term	Description
Allotment/Allot/Allotted	The allotment of Equity Shares pursuant to the Offer to successful Bidders/Applicants

Term	Description
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders/Applicants who have been Allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Allottee	A Bidder/Applicant to whom the Equity Shares are Allotted
Anchor Escrow Account	Account opened with the Anchor Collection Bank and in whose favour the Anchor Investors may transfer money through NEFT/RTGS/direct credit in respect of the Bid Amount when submitting a Bid
Anchor Escrow Bank	Refer to definition of Banker(s) to the Offer
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI ICDR Regulations and the Red Herring Prospectus
Anchor Investor Portion	Up to 60% of the QIB Category which may be allocated by the Issuer in consultation with the BRLMs, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors
Application Form	The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue
Application Supported by Blocked Amount /ASBA	An application, whether physical or electronic, used by Bidders/Applicants, other than Anchor Investors, to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the Bidder/Applicant
Banker(s) to the Offer/Anchor Escrow Bank(s)/Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Offer with whom the Anchor Escrow Account(s) for Anchor Investors may be opened, and as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Bidders/Applicants under the Issue
Bid	An indication to make an offer during the Bid/Offer Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Bid/ Offer Date by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications thereto. In case of issues undertaken through the fixed price process, all references to a Bid should be construed to mean an Application
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder/Applicant upon submission of the Bid (except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount
Bid/Offer Closing Date	Except in the case of Anchor Investors (if applicable), the date after which the Designated Intermediaries may not accept any Bids for the Offer, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/Bidders may refer to the RHP/Prospectus for the Bid/Offer Closing Date
Bid/Offer Opening Date	The date on which the Designated Intermediaries may start accepting Bids for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/Bidders may refer to the RHP/Prospectus for the Bid/Offer Opening Date
Bid/Offer Period	Except in the case of Anchor Investors (if applicable), the period between the Bid/ Offer Opening Date and the Bid/Offer Closing Date inclusive of both days and during which prospective Bidders/Applicants (other than Anchor Investors) can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid/ Offer Period for QIBs one working day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations. Applicants/Bidders may refer to the RHP/Prospectus for the Bid/Offer Period

Term	Description
Bid cum Application Form	An application form, whether physical or electronic, used by Bidders, other than Anchor Investors, to make a Bid and which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Bidder/Applicant	Any prospective investor who makes a Bid/Application pursuant to the terms of the RHP/Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder/Applicant should be construed to mean a Bidder/Applicant
Book Built Process/Book Building Process/Book Building Method	The book building process as provided under SEBI ICDR Regulations, in terms of which the Offer is being made
Broker Centres	Broker centres notified by the Stock Exchanges, where Bidders/Applicants can submit the Bid cum Application Forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges
BRLM(s)/Book Running Lead Manager(s)/Lead Manager/LM	The Book Running Lead Manager to the Offer as disclosed in the RHP/Prospectus and the Bid cum Application Form of the Issuer. In case of issues undertaken through the fixed price process, all references to the Book Running Lead Manager should be construed to mean the Lead Manager or LM
Business Day	Monday to Saturday (except 2nd and 4th Saturday of a month and public holidays)
CAN/Confirmation of Allotment Note	The note or advice or intimation sent to each successful Bidder/Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Cap Price	The higher end of the Price Band, above which the Offer Price and the Anchor Investor Offer Price may not be finalised and above which no Bids may be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Collecting Registrar and Share Transfer Agents or CRTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Cut-off Price	Offer Price, finalised by the Issuer in consultation with the Book Running Lead Manager(s), which can be any price within the Price Band. Only RIIs, Retail Individual Shareholders and employees are entitled to Bid at the Cut-off Price. No other category of Bidders/Applicants are entitled to Bid at the Cut-off Price
DP	Depository Participant
DP ID	Depository Participant’s Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Bidders/Applicants including the Bidder/Applicant’s address, name of the Applicant’s father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by Bidders/Applicants (excluding Anchor Investors) and a list of which is available on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the Bid cum Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Date	The date on which funds are transferred by the Anchor Escrow Bank from the Anchor Escrow Account and the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Bidders/Applicants in the Fresh Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale

Term	Description
Designated Intermediaries /Collecting Agent	Syndicate Members, sub-syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and CRTAs, who are authorised to collect Bid cum Application Forms from the Bidders, in relation to the Offer
Designated RTA Locations	Such locations of the CRTAs where Bidders can submit the Bid cum Application Forms to CRTAs. The details of such Designated RTA Locations, along with names and contact details of the CRTAs eligible to accept Bid cum Application Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Stock Exchange	The designated stock exchange as disclosed in the RHP/Prospectus of the Issuer
Discount	Discount to the Offer Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations.
Draft Prospectus	The draft prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations and including, in case of a new company, persons in the permanent and full-time employment of the promoting companies excluding the promoters and immediate relatives of the promoters. For further details, Bidder/Applicant may refer to the RHP/Prospectus
Equity Shares	Equity Shares of the Issuer
Cash Escrow Agreement	Agreement to be entered into among the Issuer, the Registrar to the Offer, the Book Running Lead Manager(s), the Anchor Escrow Bank and the Refund Bank(s) for collection of the Bid Amounts from Anchor Investors and where applicable, remitting refunds of the amounts collected to the Anchor Investors on the terms and conditions thereof
FCNR Account	Foreign Currency Non-Resident Account
First Bidder/Applicant	The Bidder/Applicant whose name appears first in the Bid cum Application Form or Revision Form
FII(s)	Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
Fixed Price Issue/Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, in terms of which the Offer is being made
Floor Price	The lower end of the Price Band, at or above which the Offer Price and the Anchor Investor Offer Price may be finalised and below which no Bids may be accepted, subject to any revision thereto
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issuer/Company	The Issuer proposing the initial public offering/further public offering as applicable
Maximum RII Allottees	The maximum number of RIIs who can be Allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
Mutual Funds Portion	5% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the RHP/Prospectus and Bid cum Application Form

Term	Description
NACH	National Automated Clearing House which is a consolidated system of ECS. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including Magnetic Ink Character Recognition (MICR) code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Offer	The Offer less reservation portion
Non-Institutional Investors or NIIs	All Bidders/Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporates or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Offer being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the RHP/Prospectus and the Bid cum Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs and FVCIs registered with SEBI
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Offer	Public issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Offer for Sale	Public offer of such number of Equity Shares as disclosed in the RHP/Prospectus through an offer for sale by the Selling Shareholder
Offer Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted to Bidders other than Anchor Investors, in terms of the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price. The Offer Price may be decided by the Issuer in consultation with the Book Running Lead Manager(s)
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Price Band	Price Band with a minimum price, being the Floor Price and the maximum price, being the Cap Price and includes revisions thereof. The Price Band and the minimum Bid lot size for the Offer may be decided by the Issuer in consultation with the Book Running Lead Manager(s) and advertised, at least five working days in case of an IPO and one working day in case of FPO, prior to the Bid/Offer Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation
Pricing Date	The date on which the Issuer in consultation with the Book Running Lead Manager(s), finalise the Offer Price
Prospectus	The prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, 2013 after the Pricing Date, containing the Offer Price, the size of the Offer and certain other information
Public Offer Account	An account opened with the Banker to the Offer to receive monies from the Anchor Escrow Account and from the ASBA Accounts on the Designated Date

Term	Description
QIB Category	The portion of the Offer being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers/QIBs	As defined under SEBI ICDR Regulations
RTGS	Real Time Gross Settlement
Red Herring Prospectus/RHP	The red herring prospectus issued in accordance with Section 32 of the Companies Act, 2013, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue. The RHP may be filed with the RoC at least three days before the Bid/ Offer Opening Date and may become a Prospectus upon filing with the RoC after the Pricing Date. In case of issues undertaken through the fixed price process, all references to the RHP should be construed to mean the Prospectus
Refund Account(s)	The account opened with Refund Bank(s), from which refunds to Anchor Investors, if any, of the whole or part of the Bid Amount may be made
Refund Bank(s)	Refund bank(s) as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Refunds through electronic transfer of funds	Refunds through Direct Credit, NEFT, RTGS or ASBA, as applicable
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Offer/RTO	The Registrar to the Offer as disclosed in the RHP/Prospectus and Bid cum Application Form
Reserved Category/Categories	Categories of persons eligible for making application/Bidding under reservation portion
Reservation Portion	The portion of the Offer reserved for such category of eligible Bidders/Applicants as provided under the SEBI ICDR Regulations
Retail Individual Investors/RIIs	Investors who applies or bids for a value of not more than ₹ 200,000 (including HUFs applying through their karta and eligible NRIs and does not include NRIs other than Eligible NRIs.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than ₹ 200,000
Retail Category	The portion of the Offer being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum Bid Lot, subject to availability in RII category and the remaining shares to be Allotted on proportionate basis
Revision Form	The form used by the Bidders in an issue through Book Building Process to modify the quantity of Equity Shares and/or bid price indicated therein in any of their Bid cum Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended
Self Certified Syndicate Bank(s) or SCSB(s)	The banks registered with the SEBI which offers the facility of ASBA and the list of which is available on the website of the http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes
Specified Locations	Bidding centres where the Syndicate shall accept Bid cum Application Forms, a list of which is included in the Bid cum Application Form
Stock Exchanges/SEs	The stock exchanges as disclosed in the RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Offer are proposed to be listed
Syndicate	The Book Running Lead Manager(s) and the Syndicate Member
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of Bid cum Application Forms by Syndicate Members
Syndicate Member(s)/SM(s)	The Syndicate Member(s) as disclosed in the RHP/Prospectus
Underwriters	The Book Running Lead Manager(s) and the Syndicate Member(s)
Underwriting Agreement	The agreement amongst the Issuer, and the Underwriters to be entered into on or after the Pricing Date

Term	Description
Working Day	Any day, other than the second and fourth Saturdays of each calendar month, Sundays and public holidays, on which commercial banks in Mumbai are open for business, provided however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, “Working Day” shall mean any day, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016.

SECTION VIII – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below.

Applicability of Table F

Article 1(a): Subject as hereinafter provided and in so far as these presents do not modify or exclude them, the regulations contained in Table 'F' of Schedule I of the Companies Act, 2013 shall apply to the Company only so far as they are not inconsistent with any of the provisions contained in these Articles or modification thereof or are not expressly or by implication excluded from these Articles.

Share capital

Article 5: The Authorized Share Capital of the Company shall be as per Clause V of the Memorandum of Association with the power to increase or reduce such capital from time to time in accordance with the Articles and the legislative provisions for the time being in force in this regard and with the power also to divide the shares in the capital for the time being into equity share capital and preference share capital and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions, in accordance with the provisions of the Act and these Articles.

Article 6: Subject to the provisions of the Act and these Articles, the Shares in the capital of the Company shall be under the control of the Directors who may issue, allot or otherwise dispose of the Shares or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or subject to compliance with Section 53 of the Act, at a discount as they may, from time to time, think fit and proper, and may also issue and allot Shares in the capital of the Company in payment or part payment for any property sold or transferred, goods or machinery supplied or for services rendered to the Company in or about the conduct of its business and the Shares which may be so allotted may be issued as fully paid up Shares and if so issued shall be deemed to be fully paid up Shares, provided that option or right to call of Shares shall not be given to any person or persons without the sanction of the Company in a General Meeting.

Article 7: Where at any time, it is proposed to increase its subscribed capital by the issue/allotment of further Shares either out of the unissued capital or increased Share Capital then, such further Shares may be offered to:

(a) persons who, at the date of offer, are holders of Shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid up on those Shares by sending a letter of offer subject to the following conditions: (i) the offer shall be made by notice specifying the number of Shares offered and limiting a time not being less than 15 (fifteen) days and not exceeding 30 (thirty) days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined; (ii) the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the Shares offered to him or any of them in favour of any other person and the notice referred to in (i) shall contain a statement of this right; and (iii) after expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the Shares offered, the Board may dispose of them in such manner which is not disadvantageous to the Members and the Company;

    Nothing in sub-Article (a) (ii) above shall be deemed to extend the time within which the offer should be accepted; or to authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

(b) Notwithstanding anything contained in Article 7(a), further shares may be offered to employees under a scheme of employees' stock option, subject to special resolution passed by the Company and subject to such conditions as may be prescribed under the Act and other applicable laws; or

(c) Notwithstanding anything contained in Article 7(a)(i), further shares may be offered to any persons, if it is authorised by the Special Resolution, whether or not those persons include the persons referred to in Article 7(a)(i) hereof, in any manner whatsoever, subject to the provisions of the Act.

(d) any persons, whether or not those persons include the persons referred to in (a) or (b) or (c) above, either for cash or for a consideration other than cash, if the price of such Shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed under the Act, if a special resolution to this effect is passed by the Company in a General Meeting.

Article 8: Nothing in Article 7 above shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the Company to convert such debentures or loans into Shares in the Company or to subscribe for Shares in the Company; provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the Company in a General Meeting.

Article 9: A further issue of Shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act. Save as otherwise provided herein, the Company shall be entitled to treat the registered holder of any Share as the absolute owner thereof and accordingly shall not, except as ordered by a Court of competent jurisdiction, or as by law required, be bound to recognize any equitable or other claim to or interest in such Shares on the part of any other person.

Article 10: Any application signed by or on behalf of an applicant for Shares in the Company, followed by an allotment of any Shares therein shall be an acceptance of Shares within the meaning of these Articles and every person who thus or otherwise accepts any Shares and whose name is on the Register of Members, shall for the purposes of these Articles, be a Shareholder.

Article 11: 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 immediately on the insertion of the name of the allottee in the Register of Members as the name of the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly. If by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable in installments, every such installment shall, when due, be paid to the Company by such person, who, for the time being, shall be the registered holder of the shares or by his executors or administrator.

Article 12: The Company may from time to time, by ordinary resolution increase the authorized Share Capital by such sum, to be divided into shares of such amount as may be specified in the resolution.

Article 13: If, owing to any inequality in the number of new shares to be issued, and the number of shares held by Members entitled to have the offer of such new shares, any difficulty shall arise in apportionment of such new shares or any of them amongst the Members, such difficulty shall, in the absence of any direction in the resolution creating or issuing the shares or by the Company in General Meeting, to be determined by the Board.

Article 14: The Company may issue the following kinds of Shares in accordance with these Articles, the Act and other applicable laws:

(i) Equity Share Capital:
  (a) with voting rights; and / or
  (b) with differential rights as to dividend, voting or otherwise; and

(ii) Preference Share Capital

For the purposes of this Clause, Equity Share capital and preference share capital shall have the same meaning as ascribed to them under section 43 of the Companies Act, 2013.

Article 15: Subject to provisions of Section 61 of the Act, the Company may, from time to time, by Ordinary Resolution increase its share capital by such sum, to be divided into shares of such amount, as the resolution shall specify.

Article 16: Notwithstanding anything contained in these Articles, subject to the provisions of Section 54 and any other applicable provisions of the Act or any law of the time being in force, the Board of Directors may from time to time issue Sweat Equity Shares.

Article 17: Except as otherwise provided by the conditions of issue of the Shares or by these Articles, any capital raised by creation of new Shares shall be considered as part of the existing Share Capital and shall be subject to the provisions of these Articles and the Act with reference to payment of calls and installments, transfer, transmission, forfeiture, lien, surrender, voting rights and otherwise.

Article 18: Subject to the provisions of the Act, any preference shares may be issued on the terms that they are, or at the option of the Company are, liable to be redeemed on such terms and in such manner as the Company before the issue of the Shares may, by special resolution determine.

Article 19: Subject to the provisions of the Act and these Articles, the Company shall have the power to issue preference share capital carrying a right of redemption out of profits which would otherwise be available for dividend or out of the proceeds of a fresh issue of Shares made for the purpose of such redemption or liable to be redeemed at the option of the Company, and the Board may, subject to the provisions of the Act, exercise such power in such manner as it may think fit. The period of redemption of such preference shares shall not exceed the maximum period for redemption provided under Section 55 of the Act.

Article 20: The Company, subject to the applicable provisions of the Act and the consent of the Board, shall have power to issue on a cumulative or non-cumulative basis convertible preference shares liable to be converted in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power as they deem fit and provide for conversion at a premium or otherwise and/or conversion of such shares into such Securities on such terms as they may deem fit.

Article 21: If at any time the Share Capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the Shares of that class) may, subject to the provisions of the Act, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the Shares of that class. To every such separate general meeting of the holders of the Shares of that class, the provisions of these Articles relating to general meetings shall mutatis mutandis apply.

Article 22: The rights conferred upon the holders of the Shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking *pari passu* therewith.

Article 23: Subject to the provisions of the Act, the Company may issue bonus Shares to its Members out of (i) its free reserves; (ii) the securities premium account; or (iii) the capital redemption reserve account, in any manner as the Board may deem fit.

Article 24: Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise, if permissible under the Act, and may be issued on the condition that they shall be convertible into Shares of any denomination and with any privileges and conditions as to redemption, surrender, drawings, allotment of Shares, attending (but not voting) at General Meetings, appointment of Directors and otherwise. Debentures with the rights to conversion into or allotment of Shares shall not be issued except with the sanction of the Company in General Meeting by a special resolution and subject to the provisions of the Act.

Article 25: Pursuant to a resolution of the Board or a Special Resolution of the Shareholders, as required under the Act, the Company may purchase its own Equity Shares or other Securities, as may be specified by the Act read with Rules made there under from time to time, by way of a buy- back arrangement, in accordance with Sections 68, 69 and 70 of the Act, the Rules and subject to compliance with the applicable Laws.

Article 26: Subject to the provisions of the Act, the Company shall have the power to make compromise or make arrangements with creditors and Members, consolidate, demerge, amalgamate or merge with other Company or companies in accordance with the provisions of the Act and any other applicable laws.

Commission

Article 27: The Company may exercise the powers of paying commissions conferred by sub-Section (6) of Section 40 or the Act (as amended from time to time), provided that the rate per cent or amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.

Article 28: The rate or amount of the commission shall not exceed the rate or amount prescribed under the applicable rules.

Article 29: The commission may be satisfied by the payment of cash or the allotment of fully or partly paid Shares or partly in the one way and partly in the other.

Shares and share certificate

Article 30: The Company shall cause to be kept a register of Members in accordance with Section 88 of the Act. The Company shall be entitled to maintain in any country outside India a “foreign register” of Members or debenture holders resident in that country.

Article 31: Every Person whose name is entered as a Member in the register of members shall be entitled to receive:

(i) one (1) or more certificates in marketable lots for all the Shares of each class or denomination registered in his name, without payment of any charge; or

(ii) several certificates, if the Board so approves (upon paying such fee as the Board so determines), each for one (1) or more of such Shares, and the Company shall complete and have ready for delivery such certificates within 2 (two) months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within 1 (one) month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its Shares as the case may be.

Article 32: Every certificate shall be under the seal, if any, and shall specify the number and distinctive numbers of the Shares to which it relates and the amount paid-up thereon and shall be in such form as the Board may prescribe and approve.

Article 33: In respect of any Share or Shares held jointly by several persons, the Company shall not be bound to issue more than 1 (one) certificate, and delivery of a certificate for a Share to 1 (one) or several joint holders shall be sufficient delivery to all such holders. Any Member of the Company shall have the right to sub-divide, split or consolidate the total number of Shares held by them in any manner and to request the Company to provide certificate(s) evidencing such sub-division, split or consolidation. Every certificate shall be issued without payment of fees if the Board so decides, or on payment of such fees (not exceeding Rs. 50 (Rupees fifty) as the Board shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer or in case of sub-division or consolidation of Shares.

Article 34: If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer or in case of sub-division or consolidation of Shares, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Board deems adequate, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Notwithstanding the foregoing provisions of this Article 26, the Board shall comply with applicable law including the rules or regulations or requirements of any stock exchange, or the rules made under the Securities Contracts (Regulation) Act, 1956, or any statutory modification or re-enactment thereof, for the time being in force.

Article 35: Subject to the provisions of the Act, the provisions of the foregoing Articles relating to issue of certificates shall mutatis mutandis apply to issue of certificates for any other securities including debentures of the Company.

Article 36: If any Share stands in the names of 2 (two) or more persons, the person first named in the Register of Members of the Company shall as regards voting at Board meetings and General Meetings, service of notice and all or any matters connected with the Company, except the transfer of Shares and any other matters herein otherwise provided, be deemed to be sole holder thereof but joint holders of the Shares shall be severally as well as jointly liable for the payment of all deposits, installments and calls due in respect of such Shares and for all incidents thereof according to the Company's Articles.

Call on Shares

Article 37: Subject to the provisions of the Act, the Board may, from time to time, make calls upon the Members in respect of any money unpaid on their Shares (whether on account of the nominal value of the Shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times, provided that no call shall exceed one-fourth of the nominal value of the Share or be payable at less than 1 (one) month from the date fixed for the payment of the last preceding call.

Article 38: Each Member shall, subject to receiving at least 14 (fourteen) days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his Shares.

Article 39: A call may be revoked or postponed at the discretion of the Board.

Article 40: A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.

Article 41: The joint-holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.

Article 42: If a sum called in respect of a Share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereof from the day appointed for payment thereof to the time of actual payment at 10 % (ten per cent) per annum or at such lower rate, if any, as the Board may determine.

Article 43: The Board shall be at liberty to waive payment of any such interest wholly or in part.

Article 44: Any sum which by the terms of the issue of a Share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the Share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue, such sum becomes payable. In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

Article 45: The Board may, if it thinks fit, subject to the provisions of the Act, agree to and receive from any member willing to advance the same, whole or any part of the moneys due upon the Shares held by him beyond the sums actually called for and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the Shares in respect of which such advance has been made, the Company may pay interest at such rate as determined by the Board and the member paying such sum in advance agree upon, provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Board may at any time repay the amount so advanced. The member shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable. The provisions of these Articles shall mutatis mutandis apply to any calls on debentures of the Company.

Article 46: Where any calls for further Share Capital are made on the Shares of a class, such calls shall be made on a uniform basis on all Shares falling under that class. For the purposes of this Article, Shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.

Dematerialisation of securities

Article 47:

(i) Notwithstanding anything contained in the Articles, the Company shall be entitled to dematerialize its securities and offer securities in a dematerialized form pursuant to the Depositories Act, 1996 and the regulations made thereunder.

(ii) Notwithstanding anything contained in the Articles, and subject to the provisions of the law for the time being in force, the Company shall on a request made by a Beneficial Owner, re-materialize the securities, which are in dematerialized form.

(iii) Every person subscribing to the securities offered by the Company shall have the option to receive share certificates or to hold the securities with a Depository. Such a person who is the Beneficial Owner of the securities can at any time opt out of a Depository, if permitted by the law, in respect of any securities in the manner provided by the Depositories Act, 1996 and the regulations made thereunder and the Company shall in the manner and within the time prescribed, issue to the Beneficial Owner the required certificate of securities.

(iv) If a person opts to hold his securities with a Depository, the Company shall intimate such Depository the details of allotment of the securities, and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the securities.

(v) All securities held by a Depository shall be dematerialized and shall be in a fungible form.

(a) Notwithstanding anything to the contrary contained in the Act or the Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting any transfer of ownership of securities on behalf of the Beneficial Owner.
(b) Save as otherwise provided in (a) above, the Depository as the registered owner of the Shares shall not have any voting rights or any other rights in respect of Shares held by it.

(vi) Every person holding securities of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be the owner of such securities. The Beneficial Owner of the securities shall be entitled to all the liabilities in respect of his securities which are held by a Depository.

(vii) Notwithstanding anything in the Act or the Articles to the contrary, where securities are held in a Depository, the records of the Beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of disks, drives or any other mode as prescribed by law from time to time.

(viii) Nothing contained in the Act or the Articles regarding the necessity to have distinctive numbers for securities issued by the Company shall apply to securities held with a Depository.

(ix) Notwithstanding anything to the contrary contained in the Act or these Articles, any reference to a registered holder or a shareholder or member shall deem to include Beneficial Owner.

Lien

Article 48: The Company shall have a first and paramount lien on every Share or debenture (not being a fully paid-up Share or debenture) registered in the name of each Member (whether solely or jointly with others) to the extent of monies called or payable in respect thereof, and upon the proceeds of sale thereof for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of such Share or debenture and no equitable interest in any Share or debenture shall be created except upon the footing and condition that this Article will have full effect. Fully paid-up Shares shall be free from all liens.

Provided that the Board may at any time declare any Shares or debentures wholly or in part to be exempt from the provisions of this Article 48. The Company's lien, if any, on a Share shall extend to all dividends and bonuses declared and payable by the Company from time to time in respect of such Shares.

Article 49: The Company may sell, in such manner as the Board thinks fit, any Shares on which the Company has a lien, provided that no sale shall be made:

(a) unless a sum in respect of which the lien exists is presently payable;

(b) until the expiration of 14 (fourteen) days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the Share or the person entitled thereto by reason of his death or insolvency.

Article 50: Unless otherwise agreed, the registration of a transfer of Shares or debentures shall operate as a waiver of the Company's lien, if any, on such Shares or debentures.

Article 51: The following shall apply to any sale of Shares referred to in Article 49 above:

(a) The Board shall authorise some person to transfer the Shares sold to the purchaser thereof;

(b) The purchaser shall be registered as the holder of the Shares that are the subject of any such transfer;

(c) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the Shares be affected by any irregularity or invalidity in the proceedings in reference to the sale;

(d) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable;

(e) The residue, if any, shall, subject to a like 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.

Article 52: A Member shall not exercise any voting rights in respect of the Shares in regard to which the Company has exercised the right of lien.

Article 53: Subject to the Act and these Articles, the right of lien under Articles 51 to 56 shall extend to other Securities.

Transfer of shares

Article 54: The securities or other interest of any Member shall be freely transferable, provided that any contract or arrangement between 2 (two) or more persons in respect of transfer of securities shall be enforceable as a contract. The instrument of transfer of any Share in the Company shall be duly executed by or on behalf of both the transferor and transferee. The transferor shall be deemed to remain a holder of the Share until the name of the transferee is entered in the register of Members in respect thereof. A common form of transfer shall be used in case of transfer of Shares. The instrument of transfer shall be in writing and all the provisions of Section 56 of the Act and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of Shares and the registration thereof.

Article 55: Subject to the provisions of the Act, these Articles and any other applicable law for the time being in force, the Directors may, at their own absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal, shall not be affected by the circumstances that the proposed transferee is already a member of the Company but in such cases, the Directors shall within 1 (one) month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration or transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the Company has a lien on the shares.

Article 56: Save as otherwise provided in the Act, no transfer of a Share shall be registered 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 has been delivered to the Company together with the certificate or certificates of shares, and is no such certificate is in existence, then the letter of allotment of the shares. Application for the registration of the transfer of a share may be made either by the transferor or by the transferee provided that where such application is made by the transferor, no registration shall, in the case of a partly paid share be affected unless the Company gives notice of the application to the transferee in the manner prescribed under the Act, and subject to the provisions of these Articles, the Company shall, unless objection is made by the transferee, within 2 weeks from the date of receipt of the notice, enter in the register the name of the transferee on the same manner and subject to the same conditions as if the application for registration of the transfer was made by the transferee. On giving not less than 7 days previous notice in accordance with the Act or any other time period as may be specified by law, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine, provided that such registration shall not be suspended for more than 30 days at any one time or for more than 45 days in the aggregate in any year.

Article 57: No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.

Transmission of shares

Article 58: On the death of a Member, the survivor or survivors where the Member was a joint holder of the Shares, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only person(s) recognised by the Company as having any title to his interest in the Shares. Nothing in these Articles shall release the estate of the deceased joint holder from any liability in respect of any Share, which had been jointly held by him with other persons.

Article 59: Any person becoming entitled to a Share in consequence of the death or insolvency of a Member may, upon such evidence being produced as the Board may from time to time require, and subject as hereinafter provided, elect, either:

(a) to be registered as holder of the Share; or
(b) to make such transfer of the Share as the deceased or insolvent Member could have made.

Article 60: The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent Member had transferred the Share before his death or insolvency.

Article 61: If the person so becoming entitled shall elect to be registered as holder of the Shares, such person shall deliver or send to the Company a notice in writing signed by him stating that he so elects.

Article 62: If the person aforesaid shall elect to transfer the Share, he shall testify his election by executing an instrument of transfer in accordance with the provisions of these Articles relating to transfer of Shares.

Article 63: All the limitations, restrictions and provisions contained in these Articles relating to the right to transfer and the registration of transfers of Shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Member had not occurred and the notice or transfer were a transfer signed by that Member.

Article 64: A person becoming entitled to a Share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the Share, except that he shall not, before being registered as a Member in respect of the Share, be entitled in respect of it to exercise any right conferred by membership in relation to the General Meetings of the Company, provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the Share, and if the notice is not complied with within 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Share, until the requirements of the notice have been complied with.

Forfeiture of shares

Article 65: If a Member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

Article 66: The notice issued under Article 65 shall:

(a) name a further day (not being earlier than the expiry of 14 (fourteen) days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) state that, in the event of non-payment on or before the day so named, the Shares in respect of which the call was made will be liable to be forfeited.

Article 67: If the requirement of any such notice as aforesaid is not complied with, any Share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

Article 68: A forfeited Share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

Article 69: At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

Article 70: A person whose Shares have been forfeited shall cease to be a Member in respect of the forfeited Shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by the person to the Company in respect of the Shares.

Article 71: The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the Shares.

Article 72: A duly verified declaration in writing that the declarant is a Director, the manager or the Secretary of the Company, and that a Share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all person claiming to be entitled to the Share.

Article 73: The Company may receive the consideration, if any, given for the Share on any sale or disposal thereof and may execute a transfer of the Share in favour of the person to whom the Share is sold or otherwise disposed of.

Article 74: The transferee shall there upon be registered as the holder of the Share.

Article 75: The transferee shall not be bound to ascertain or confirm the application of the purchase money, if any, nor shall his title to the Share be affected by any irregularity to invalidity in the proceedings in reference to the forfeiture, sale or disposal of the Share.

Article 76: The provision of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a Share, become payable at a fixed time, whether on account of the nominal value of the Share or by way of premium, as the same had been payable by virtue of a call duly made and notified.

Listing and public offer

Article 77: In the event a public offer is undertaken by the Company, the Shareholders and the Company shall evaluate possible amendments to the Articles in order to contribute to the successful completion of the public offer.

Alteration of share capital

Article 78: Subject to these Articles and the provisions of the Act, the Company may, from time to time, by ordinary resolution, increase the Share Capital by such sum, to be divided into Shares of such amount, as may be specified in the resolution.

Article 79: Subject to the provisions of the Act, the Company may from time to time by ordinary resolution, undertake any of the following:

(a) consolidate or divide, all or any of the Share Capital into Shares of larger amount than its existing Shares;

(b) convert all or any of its fully paid-up Shares into stock, and re-convert that stock into fully paid-up Shares of any denomination;

(c) sub-divide its existing Shares or any number of them into Shares of smaller amount than is fixed by the Memorandum of Association of the Company, so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced Share shall be the same as it was in the case of the Share from which the reduced Share is derived; or

(d) cancel any Shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of Share Capital by the amount of the Shares so cancelled. A cancellation of Shares in pursuance of this Article shall not be deemed to be a reduction of Share Capital within the meaning of the Act.

Article 80: Subject to the provisions of the Act, the Company may, from time to time, by special resolution reduce in any manner and with, and subject to, any incident authorised and consent required under applicable law:

(a) the Share Capital;

(b) any capital redemption reserve account; or

(c) any Share premium account.

Conversion of shares into stock

Article 81: Where Shares are converted into stock:

(a) the holders of stock may transfer the same or any part thereof in the same manner as and subject to the same Article under which, the Shares from which the stock arose might before the conversion have been transferred, or as near there to 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;

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters, as if they held the Shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of the stock which would not, if existing in Shares, have conferred that privilege or advantage; and

(c) such of the Articles, as are applicable to paid-up Shares shall apply to stock and the words "share", "shareholder" and "Member" in those Articles shall include "stock" and "stock holder" respectively.

General meetings

Article 82: An Annual General Meeting shall be held each year within the period specified by the Applicable Law. Not more than 15 (fifteen) months shall elapse between the date of one Annual General Meeting of the Company and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96 of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called during business hours on a day that is not a national holiday, and shall be held either at the registered office or at some other place within the city in which the registered office of the Company is situate, as the Board may determine.

Article 83: Any General Meeting other than an Annual General Meeting shall be called extraordinary general meeting.

Article 84: The Board may, whenever it thinks fit, call an Extraordinary General Meeting.

Article 85: The Board shall on the requisition of such number of member or members of the Company as is specified in Section 100 of the Act, forthwith proceed to call an extra-ordinary General Meeting of the Company and in respect of any such requisition and of any meeting to be called pursuant thereto, all other provisions of Section 100 of the Act shall for the time being apply.

Proceedings at general meeting

Article 86: A General Meeting of the Company may be convened by giving not less than clear 21 (twenty-one) days' notice either in writing or through electronic mode in such manner as prescribed under the Act, provided that a General Meeting may be called after giving a shorter notice if consent is given in writing or by electronic mode by not less than 95% (ninety-five percent) of the Members entitled to vote at such meeting.

Notice of every meeting shall be given to the members and to such other person or persons as required by and in accordance with Section 101 and 102 of the Act and it shall be served in the manner authorized by section 20 of the Act

Article 87: Save as otherwise provided herein, the quorum for the General Meetings shall be as provided in Section 103 of the Act.

Article 88: Notwithstanding anything contained elsewhere in these Articles, the Company:

(a) shall, in respect of such items of business as the Central Government may, by notification, declare or which are under any other applicable law required to be transacted only by means of postal ballot; and

(b) may, in respect of any item of business, other than ordinary business and any business in respect of which Directors or Auditors have a right to be heard at any meeting, transact by means of postal ballot, in such manner as may be prescribed, instead of transacting such business at a General Meeting and any resolution approved by the requisite majority of the Shareholders by means of such postal ballot, shall be deemed to have been duly passed at a General Meeting convened in that behalf and shall have effect accordingly.

Article 89: Directors may attend and speak at General Meetings, whether or not they are Shareholders.

Article 90: A body corporate being a Member shall be deemed to be personally present if it is represented in accordance with Section 113 of the Act and the Articles.

Article 91: The Chairperson, if any, of the Board shall preside as Chairperson at every General Meeting of the Company. If there is no such Chairperson or if he is not present within 15 (fifteen) minutes after the time appointed for holding the meeting, or is unwilling to act as Chairperson of the meeting, the Directors present shall choose one of the Directors present to be Chairperson of the meeting.

Article 92: If at any General Meeting no Director is willing to act as Chairperson or if no Director is present within 15 (fifteen) minutes after the time appointed for holding the general meeting, the Members present shall choose one of the Members to be Chairperson of such general meeting.

No business shall be discussed at any General Meeting except the election of the Chairperson whilst the Chair is vacant. If a poll is demanded on the election of the Chairperson it shall be taken forthwith in accordance with the provisions of the Act and these Articles.

Article 93: The Chairperson may, with the consent of Members at any general meeting at which a quorum is present, and shall, if so directed by the General Meeting, adjourn the General Meeting from time to time and from place to place.

Article 94: In the event a quorum as required herein is not present within 30 (thirty) minutes of the appointed time, then subject to the provisions of Section 103 of the Act, the General Meeting shall stand adjourned to the same place and time 7 (seven) days later, provided that the agenda for such adjourned general meeting shall remain the same. The said general meeting if called by requisitionists under Article 85 herein read with Section 100 of the Act shall stand cancelled.

Article 95: In case of an adjourned meeting or of a change of day, time or place of meeting, the Company shall give not less than 3 (three) days' notice to the Members either individually or by publishing an advertisement in the newspapers (one in English and one in vernacular language) which is in circulation at the place where the registered office of the Company is situated.

Article 96: No business shall be transacted at any adjourned General Meeting other than the business left unfinished at the General Meeting from which the adjournment took place.

Article 97: 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 General Meeting.

Article 98: The required quorum at any adjourned General Meeting shall be the same as that required at the original General Meeting.

Article 99: If at the adjourned meeting too a quorum is not present within 30 (thirty) minutes from the time appointed for holding such meeting, the Members present shall be the quorum and may transact the business for which the meeting was called.

Article 100: Any act or resolution which, under the provision of these Articles or of the Act, is permitted shall be sufficiently so done or passed if effected by an ordinary resolution unless either the Act or these Articles specifically require such act to be done or such resolution passed by a special resolution or by a unanimous approval of all the

Members.

Vote of members

Article 101: Subject to any rights or restrictions for the time being attached to any class or classes of Shares:

(a) on a show of hands, every Member present in person shall have 1 (one) vote;

(b) on a poll, the voting rights of Members shall be in proportion to their share in the paid-up Share Capital;

(c) The Chairperson at any General Meeting shall not have a second or casting vote

Article 102: At any General Meeting, a resolution put to vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the voting on any resolution on show of hands) demanded by any Member or Members present in person or by proxy, and having not less than one-tenth of the total voting power or holding Shares on which an aggregate sum of not less than Rs. 500,000 (Rupees five lakh) or such higher amount as may be prescribed has been paid up.

Article 103: Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

Article 104: A Member may exercise his vote at a meeting by electronic means in accordance with Section 108 and shall vote only once.

Article 105: In case of joint holders, the vote of the senior who tenders a vote, whether in person or proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names are stated in the register of Members of the Company.

Article 106: A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction, 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.

Article 107: No Member shall be entitled to exercise any voting rights either personally or by proxy at any general meeting or meeting of a class of Shareholders either upon a show of hands or upon a poll in respect of any Shares registered in his/her name on which any calls or other sums presently payable by him in respect of Shares in the Company have not been paid.

Article 108: No objection shall be raised to the qualification of any voter except at the General Meeting or adjourned General Meeting at which the vote objected to is given or tendered, and every vote not disallowed at such General Meeting and whether given personally or by proxy or otherwise shall be deemed valid for all purpose.

Article 109: Any such objection made in due time shall be referred to the Chairperson of the General Meeting whose decision shall be final and conclusive.

Proxy

Article 110: Subject to the provisions of the Act and these Articles, any Member of the Company entitled to attend and vote at a General Meeting of the Company shall be entitled to appoint a proxy to attend and vote instead of himself and the Proxy so appointed shall have no right to speak at the meeting.

Article 111: The proxy shall not be entitled to vote except on a poll.

Article 112: 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 not less than 48 (forty eight) 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 (twenty four) hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

Article 113: An instrument appointing a proxy shall be in the form as prescribed under the Act and the rules framed thereunder.

Article 114: A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given; provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or the adjourned meeting at which the proxy is used.

Directors

Article 115: Subject to the provisions of the Act, the number of Directors shall not be less than 3 (three) and not more than 15 (fifteen), provided that the Company may appoint more than 15 (fifteen) directors after passing a special resolution.

Article 116: The Subscribers to the Memorandum of Association are the first Directors of the Company.

Article 117: Subject to the provisions of the Act and rules made thereunder, the Company shall appoint such number of Independent Directors as it may deem fit, for a term specified in the resolution appointing him

Article 118: Subject to the provisions of the Act, the Board shall have the power to determine the Directors whose period of office is or is not liable to determination by retirement of directors by rotation.

Article 119: Subject to Section 197 and other applicable provisions of the Act, the remuneration of Directors may be a fixed sum by way of monthly payment or a percentage of the net profits or partly by one way and partly by the other.

Article 120: Subject to the provisions of the Act, every Director shall be paid out of the funds of the Company such sum as the Board may from time to time determine for attending every meeting of the Board or any committee of the Board, subject to the ceiling prescribed under the Act.

Article 121: In addition to the remuneration payable to them in pursuance of the Act, the Directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meeting of the Board or any committee thereof or General Meetings of the Company and any other expenses properly incurred by them in connection with the business of the Company. If authorized by the Board, the Directors may also be remunerated for any extra services done by them outside their ordinary duties as Directors, subject to the applicable provisions of the Act.

Article 122: A Director shall not be required to hold any qualification shares in the Company.

Article 123: Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint any other person as an additional director provided that the number of the Directors and additional Directors together shall not at any time exceed the maximum number fixed as above and any person so appointed as an additional Director shall retain his office only up to the date of the next Annual General Meeting or last date on which the Annual General Meeting should have been held, whichever is earlier, but shall then be eligible for re-appointment as Director of the Company.

Article 124: In the event that a Director is absent for a continuous period of not less than 3 (three) months from India (an "**Original Director**"), subject to these Articles, the Board may appoint another Director (an "**Alternate Director**") for and in place of the Original Director. The Alternate Director shall be entitled to receive notice of all meetings and to attend and vote at such meetings in place of the Original Director and generally to perform all functions of the Original Director in the Original Director's absence. No Person shall be appointed as an Alternate Director to an independent Director unless such Person is qualified to be appointed as an independent Director of the Company. Any person so appointed as Alternate Director shall not hold office for a period longer than that permissible to the Original Director and shall vacate the office if and when the Original Director returns to India

Article 125: The office of a Director shall automatically become vacant, if he is disqualified under any of the provisions of the Act or the rules framed thereunder. Further, subject to the provisions of the Act, a Director may resign from his office at any time by giving a notice in writing addressed to the Board and the Company shall intimate the Registrar and also place the fact of such resignation in the report of Directors laid in the immediately following general meeting. Such Director shall also forward a copy of his resignation along with detailed reasons for the resignation to the Registrar within 30 (thirty) days of resignation. The resignation of a Director shall take effect from the date on which the notice is received by the Company or the date, if any, specified by the Director in the notice, whichever is later.

The Company may, subject to the provisions of Section 169 and other applicable provisions of the Act and these Articles remove any Director before the expiry of his period of office.

Article 126: At any Annual General Meeting at which a Director retires, the Company may fill up the vacancy by appointing the retiring Director who is eligible for re-election or some other person if a notice for the said purpose has been left at the office of the Company in accordance with the provisions of the Act.

Article 127: If the office of any Director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board. Provided any person so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it had not been vacated.

Article 128: Any secured lender from which the Company has availed any loan or other financial facility shall have the right to appoint nominee director ("**Nominee Director**") on the Board of the Company in the event of any default or breach under any agreement(s) entered into between the Company and secured lender. The Nominee Director shall be entitled to receive all notices, agenda and minutes and to attend all general meetings, meetings of the Board and meetings of the committee of which he is a members and vote threat.

Proceedings of the board

Article 129: The Board may meet for the conduct of business and may adjourn and otherwise regulate its meetings, as it thinks fit.

Article 130: A Director may and the manager or Secretary on the requisition of a Director shall, at any time, summon a meeting of the Board.

Article 131: A minimum number of 4 (four) Board meetings shall be held every year in such a manner that not more than 120 (one hundred and twenty) days shall intervene between 2 (two) consecutive meetings of the Board, in accordance with the provisions of the Act.

Article 132: Subject to the provisions of the Act and the rules framed thereunder, all or any of the Directors or members of any committee of the Board may participate in a meeting of the Directors or such committee through video conferencing or other audio visual means.

Article 133: No business shall be conducted at any meeting of the Directors unless a quorum is present. The quorum for the meeting of the Board shall be one third of its total strength or 2 (two) Directors, whichever is higher, and the participation of the Directors by video conferencing or by other audio-visual means or any other means (to the extent permitted under the Act and the rules framed thereunder or otherwise provided by the Ministry of Corporate Affairs), in each case from time to time, shall also be counted for the purposes of quorum under this Article, provided that where at any time the number of interested Directors is equal to or exceeds two-thirds of the total strength of the Board, the number of remaining Directors, that is to say the number of Directors who are not interested and present at the meeting being not less than 2 (two), shall be the quorum during such time.

Article 134: If quorum is found to be not present within 30 (thirty) minutes from the time when the meeting should have begun or if during the meeting, valid quorum no longer exists, the meeting shall be reconvened at the same time and at the same place 7 (seven) days later. At the reconvened meeting, the Directors present and not being less than 2 (two) persons shall constitute the quorum and may transact the business for which the meeting was called and any resolution duly passed at such meeting shall be valid and binding on the Company.

Article 135: The continuing Directors may act notwithstanding any vacancy in the Board; but if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum, or of summoning a General Meeting of the Company, but for no other purpose.
Article 136: Subject to the provisions of the Act and the rules framed thereunder allowing for shorter notice periods, a meeting of the Board shall be convened by giving not less than 7 (seven) days' notice in writing to every Director.

Each notice of a Board meeting shall:

(a) specify a reasonably detailed agenda. Unless waived in writing by all Directors, any item not included in the agenda of a meeting shall not be considered or voted upon at that meeting of the Board;

(b) be accompanied by any relevant supporting papers; and

(c) be sent by: (i) courier if sent to an address in India; or (ii) by e-mail or facsimile transmission if sent to an address outside India.

Article 137: Save as otherwise expressly provided in the Act or these Articles, questions arising at any meeting of the Board shall be decided by a majority of votes.

Article 138: The Chairperson of the Board shall be entitled to take the Chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairperson of the Board or if at any meeting the Chairperson shall not be present within fifteen minutes of the time appointed for holding such meeting, or if the Chairperson is unable or unwilling to take the Chair, then the Directors present shall elect one of them as Chairperson. If no Director is present or if all the Directors present decline to take the Chair, then the Shareholders present shall elect one of their members to be the Chairperson of the meeting. No business shall be discussed at any General Meeting except the election of a Chairperson while the Chair is vacant.

Article 139: The Chairperson may, with the consent given in the meeting at which a quorum is present (and if so directed by the meeting) adjourn the General Meeting from time to time and from place to place within the city, town or village in which the Office of the Company is situate but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

Article 140: The Chairperson of the Board, if any, shall not have any second or casting vote.

Article 141: Subject to Act and the rules framed thereunder, the Board may transact any business, by circulating the resolution proposed in writing to all the Directors, together with the necessary explanatory papers, if any, to all Directors, and such written resolution shall be deemed to have been validly passed and shall take effect if approved by a majority of Directors entitled to vote.

Article 142: Subject to provisions of the Act, the Board may delegate any of its powers to Committees consisting of such Director or Directors as it thinks fit.

Article 143: Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

Article 144: A committee may elect a Chairperson of its meetings.

Article 145: It no such Chairperson is elected, or if at any meeting the Chairperson is not present within 5 (five) minutes after the time appointed for holding the meeting, the Directors present may choose one of themselves to be the Chairperson of the meeting.

Article 146: A committee may meet and adjourn as it thinks fit.

Article 147: Questions arising at any meeting of a committee shall be determined by a majority of votes of the Directors present. The Chairperson of the committee, if any, shall not have any second or casting vote.

Article 148: Every Director shall at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then the first meeting held after such change, disclose his concern or interest in any Company, companies or bodies corporate, firms or other associations of individuals which shall include the shareholding in such manner as may be prescribed under the Act and the rules framed thereunder.

Article 149: Subject to the provisions of the Act, no Director shall be disqualified by his office from contracting with the Company nor shall any such contract entered into by or on behalf of the Company in which any Director shall be in any way interested be avoided, nor shall any Director contracting or being so interested be liable to account to the Company for any profit realized by any such contract by reason only of such Director holding that office or of the fiduciary relations thereby established provided that every Director who is in any way whether directly or indirectly concerned or interested in a contract or arrangement, entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board and shall not participate in such meeting as required under Section 184 and other applicable provisions of the Act, and his presence shall not count for the purposes of forming a quorum at the time of such discussion or vote.

Article 150: All acts done in any meeting of the Board or of a committee thereof or by any person acting as a Director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid or that they or any of them were disqualified, be as valid as if every such Director or such person had been duly appointed and was qualified to be a Director.

Article 151: Save as otherwise expressly provided in the Act, a resolution not being a resolution required by the Act or otherwise to be passed at a meeting of the Directors, may be passed without any meeting of the Directors or of a Committee of Directors provided that the resolution has been circulated in draft in writing and signed by a majority of the Directors or of a committee of the Board, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

Article 152: Every Director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

Article 153: Minutes of each meeting of the Board shall be circulated to all Directors.

Powers of directors

Article 154: The business of the Company shall be vested in the Board of Directors and the Board shall be responsible for the overall direction and management of the Company. Subject to the provisions of the Act, the Board shall have the right to delegate any of their powers to such committee of Directors, managing director, managers, agents or other persons as they may deem fit and may at their own discretion revoke such powers.

Article 155: Subject to the provisions of the Act and these Articles, the Board shall be entitled to exercise all such powers, and to do all such acts and things as the Company is authorized to exercise and do; provided that the Board shall not exercise any power or do any act or thing which is directed or required, whether by the Act, or any other statute or by the Memorandum of Association of the Company or by these Articles or otherwise, to be exercised or done by the Company in a General Meeting; provided further that in exercising any such power or doing any such act or thing, the Board shall be subject to the provisions in that behalf contained in the Act or any other statute or in the Memorandum of Association of the Company or in these Articles, or in any regulations not inconsistent therewith and duly made thereunder, including regulations made by the Company in General Meeting, but no regulation made by the Company in General meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

Article 156: Subject to Section 179 of the Act, from time to time and at any time to delegate to any persons so appointed any of the powers, authorities and discretions for the time being vested in the Board, other than their power to make call or to make loans or borrow moneys, and any such appointment or delegation may be made on such terms, and subject to such conditions as the Board may think fit, and the Board may at any time remove any persons so appointed and may annul any such delegation. At any time and from time to time by Power of Attorney (if so resolved by the Board 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 the 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 any such appointment may (if the Board thinks fit) be made in favour of the shareholders, directors nominees or managers 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 Power of Attorney may contain such powers for the protection or convenience of persons dealing with such Attorneys as the Board may think fit, and may contain Powers enabling any such delegates or Attorneys as aforesaid to sub-delegate all or any of the Powers, authorities and discretions for the time- being vested in them.

Article 157: The Board of Directors shall, or shall authorize persons in their behalf, to make necessary filings with governmental authorities in accordance with the Act and other applicable law, as may be required from time to time.

Article 158: The Directors shall have the power to open and close bank accounts and operate the same generally, to sign cheques on behalf of the Company and to receive payments, make endorsements, draw and accept negotiable instruments, hundies and bills or may authorize any other person or persons to exercise such powers.

Managing/Whole-Time Directors

Article 159: Subject to the provisions of the Act, the Board may from time to time appoint one or more Directors to be the Managing Director/ whole-time Director of the Company on such remuneration and terms and conditions as the Board may think fit, and for a fixed term or without any limitation as to the period for which he is to hold such office and from time to time and subject to the provisions of any contract between him and the Company, remove or dismiss him from office and appoint another in his place. Subject to the provisions of the Act, in particular to the prohibitions and restrictions contained in Section 179 thereof, the Board may, from time to time, entrust to and confer upon the Managing Director / whole-time Director, for the time being, such of the powers exercisable hereunder by the Board, as it may think fit, and may confer such powers, for such time and be exercised for such objects and purposes, and upon such terms and conditions and with such restrictions as it thinks fit, and the Board may confer such power, either collaterally with or to the exclusion of, and in substitution for any of the powers of the Board in that behalf any may, from time to time, revoke, withdraw, alter or vary all or any of such powers.

Article 160: Subject to the provisions of any contract between him and the Company, the Managing Director/ whole-time director, shall be subject to the same provisions as to resignation and removal as the other Directors and shall ipso facto and immediately cease to be the Managing Director if he ceases to hold the office of Director for any cause.

Article 161: Subject to the provisions of the Act, the Managing Director/Whole-time Director shall, in addition to the remuneration payable to him as a Director of the Company, receive such remuneration as may be sanctioned by the Board from time to time and such remuneration may be fixed by way of salary or commission or participation in profit, or perquisites and benefits or by some or all of these modes.

Appointment of key managerial personnel

Article 162: Subject to the provisions of the Act, a Key Managerial Personnel such as 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.

Article 163: A Director may be appointed as chief executive officer, manager, Company Secretary or chief financial officer. Subject to the provisions of the Act, an individual may be appointed or reappointed as the Chairperson of the Company as well as the managing director or chief executive officer at the same time.

Article 164: Any 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.

Borrowing powers

Article 165: Subject to the provisions of the Act and these Articles the Board may from time to time, at their discretion raise or borrow or secure the payment of any sum or sums of money for and on behalf of the Company. Any such money may be raised or the payment or repayment thereof may be secured in such manner and upon such terms and conditions in all respect as the Board may think fit by promissory notes or by opening loan or current accounts or by receiving deposits and advances at interest with or without security or otherwise and in particular by the issue of bonds, perpetual or redeemable debentures of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being or by mortgaging or charging or pledging any lands, buildings, machinery, plant, goods or other property and securities of the Company or by other means as the Board deems expedient.

Article 166: The Board of Directors shall not except with the consent of the Company by way of a special resolution, borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceeds the aggregate of paid up capital of the Company and its free reserves.

Article 167: Subject to the provisions of these Articles, any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Board, who may issue them upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company.

Dividends and reserves

Article 168: The Company in a General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board. No dividend shall be payable except out of the profits of the Company or any other undistributed profits.

Article 169: Subject to the provisions of the Act, the Board may from time to time pay to the Members such interim dividends as appear to it to be justified by the profits of the Company.

Article 170: The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

Article 171: Subject to the rights of persons, if any, entitled to Shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the Shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the Shares in the Company, dividends may be declared and paid according to the amounts of the Shares.

Article 172: No amount paid or credited as paid on a Share in advance of calls shall be treated for the purpose of these Articles as paid on the Share.

Article 173: All dividends shall be apportioned and paid proportionately to the amounts, paid or credited as paid on the Shares during any portion or portions of the period in respect of which the dividend is paid, but if any Share is issued on terms providing that it shall rank for dividend as from a particular date such Share shall rank for dividend accordingly.

Article 174: The Board may deduct from any dividend payable to any Member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the Shares.

Article 175: Any dividend, interest or other monies payable in cash in respect of Shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of Members of the Company, or to such person and to such address as the holder or joint holders may in writing direct.

Article 176: Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

Article 177: Any one of two or more joint holders of a Share may give effectual receipts for any dividends, bonuses or other payments in respect of such Share.

Article 178: Notice of any dividend, whether interim or otherwise, that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act. No dividend shall bear interest against the Company.

Article 179: Nothing herein shall be deemed to prohibit the capitalization of profits or reserves of the Company for the purpose of issuing fully paid-up bonus shares or paying up any amount for the time being unpaid on any shares held by the Members of the Company.

Article 180: The Company shall comply with the provisions of the Act in respect of any dividend remaining unpaid or unclaimed with the Company. Where the Company has declared a dividend but which has not been paid or claimed within 30 (thirty) days from the date of declaration, the Company shall, within 7 (seven) days from the date of expiry of the 30 (thirty) day period, transfer the total amount of dividend which remains so unpaid or unclaimed, to a special account to be opened by the Company in that behalf in any scheduled bank, to be called "Unpaid Dividend of Flemingo Travel Retail Limited". Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund established under the Act. No unclaimed or unpaid dividend shall be forfeited by the Board.

Capitalisation of profits

Article 181: The Company in a General Meeting may, upon the recommendation of the Board, resolve:

(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in Article 179 amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

Article 182: The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in Article 180, either in or towards:

(a) paying up any amounts for the time being unpaid on any Shares held by such Members respectively;

(b) paying up in full, unissued Shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such Members in the proportions aforesaid; or

(c) Partly in the way specified in sub-Article (a) and partly in that specified in sub-Article (b) above.

(d) A securities premium account and a capital redemption reserve account may, for the purposes of this Article, be applied in the paying up of unissued Shares to be issued to Members of the Company as fully paid bonus Shares.

(e) The Board shall give effect to the resolution passed by the Company in pursuance of this Article.

Article 183: Whenever such a resolution as aforesaid shall have been passed, the Board shall:

(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid Shares, if any; and
(b) generally do all acts and things required to give effect thereto.

Article 184: The Board shall have power to:

(a) make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of Shares or debentures becoming distributable in fractions; and

(b) authorise any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further Shares to which they may be entitled upon such capitalisation, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing Shares.

Article 185: Any agreement made under such authority shall be effective and binding on such Members.

Seal

Article 186: The Board may provide a 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 if the Seal is provided for, the Board shall provide for the safe custody of the Seal for the time being.

Article 187: The Board may, if a Seal is required to be affixed on any instrument, affix the Seal of the Company, to any instrument by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least 2 (two) Directors and of the Secretary or such other person as the Board may appoint for the purpose; and those 2 (two) Directors and the Secretary or other person aforesaid shall sign every instrument to which the Seal of the Company is so affixed in their presence.

Indemnity

Article 188: Subject to the provisions of the Act, the Directors, Secretary and the other officers for the time being of the Company and any trustees for the time being acting in relation to any of the affairs of the Company and their heirs, executors and administrators, respectively, shall be indemnified out of the assets of the Company from and against all suits, proceedings, cost, charges, losses, damage and expenses which they or any of them shall or may incur or sustain by reason of any act done or committed in or about the execution of their duty in their respective office or trust except such suits, proceedings, cost, charges, losses, damage and expenses, if any that they shall incur or sustain, by or through their own willful neglect or default respectively and no such officer or trustees shall be answerable for the acts, receipts, neglects or defaults, of any other officer or trustees or joining in any receipts for the sake of confirming or for the solvency or honesty of any bankers or other persons with whom any money or effects belonging to the Company may be lodged or deposited for safe custody or for any insufficiency or deficiency of any securities upon which any money of the Company shall be invested or for any other loss or damage due to any such cause as aforesaid or which may happen in or about the execution of his office or trust unless the same shall happen by the willful, neglect or default of such officer or trustee.

Article 189: The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former Directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly or reasonably.

Accounts

Article 190: Subject to the provisions of the Act, the Company shall keep at its registered office, proper books of accounts and other relevant books and papers and financial statement for every financial year which give a true and fair view of the state of the affairs of the Company, including that of its branch office or offices, if any, and explain the transactions effected both at the registered office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting, provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board may decide and when the Board so decides the Company shall, within 7 (seven) days of the decision file with the Registrar a notice in writing giving the full address of that other place, provided further that the Company may keep such books of accounts or other relevant papers in electronic mode in such manner as provided in Section 128 of the Act and the rules framed thereunder.

Article 191: The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts or books or documents of the Company, or any of them, shall be open to inspection by the Members not being Directors subject to provisions of the Act and these Articles.

Article 192: No member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board or by the Company in General Meeting.

Article 193: All the aforesaid books shall give a true and fair view of the Company’s affairs with respect to the matters aforesaid and explain its transactions.

Article 194: The books of accounts of the Company relating to a period of not less than 8 (eight) years immediately preceding the current year together with the vouchers relevant to any entry in such books of account shall be preserved in good order.

Audit

Article 195: The statutory Auditors of the Company shall be appointed, their remuneration shall be fixed, rights, duties and liabilities shall be regulated and their qualifications and disqualifications shall be in accordance with the provisions of Sections 139 to 148 (both inclusive) of the Act.

Article 196. The Company shall at each Annual General Meeting appoint/ratify appointment of the statutory Auditor to hold office, in the manner and for such period as prescribed under Section 139 of the Act.

Article 197: The Directors may fill up any casual vacancy in the office of the Auditors within 30 (thirty) days subject to the provisions of Section 139 and 140 of the Act and the rules framed thereunder.

Article 198: The remuneration of the Auditors shall be fixed by the Company in the Annual General Meeting or in such a manner as the Company in the Annual General Meeting may determine except that, subject to the applicable provisions of the Act, remuneration of the first or any Auditor appointed by the Directors may be fixed by the Directors.

Article 199: The Company shall also appoint a reputed accounting firm as the internal Auditor to conduct internal audit of the functions and activities of the Company in accordance with the provisions of the Act.

Inspection

Article 200: The register of charges, register of investments, Register of Members, books of accounts and the minutes of the meeting of the shareholders shall be kept at the registered office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the board determines for inspection of any shareholder without charge. In the event such shareholder conducting inspection of the abovementioned documents requires extracts of the same, the Company may charge a fee which shall not exceed rupees ten per page or such other limit as may be prescribed under the Act or other applicable provisions of Law.

Secrecy

Article 201: Subject to the provisions of the Act, no Member shall be entitled to visit or inspect any work of the Company without the permission of the Directors, Managing Directors or Secretary or to require inspection of any books of accounts or documents of the Company or any discovery of any information or any detail of the Company's business or any other matter, which is or may be in the nature of a trade secret, mystery of secret process or which may relate to the conduct of the business of the Company and which in the opinion of the Directors or the Managing Director will be inexpedient in the collective interests of the Members of the Company to communicate to the public or any Member.

Article 202: Every Director, manager, Secretary, Auditor, trustee, member of committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Directors before entering upon his duties pledging himself or any time during his term of office to observe strict secrecy in respect of all matters of the Company including all transaction with customers, state of accounts with individual and other matters relating thereto and to not reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a court of law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

Winding Up

Article 203: Subject to the provisions of the Act, in the event of winding up of the Company whether voluntarily or otherwise, the liquidators 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, all or any of the assets of the Company whether they shall consist of property of the same kind or not.

Article 204: 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.

Article 205: 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.

Documents and Service of Documents

Article 206: A document (which expression of this purpose shall be deemed to include and shall include any summon, notice, requisition, to or in the winding up of the Company) may be served or sent by the Company on or to any Member in the manner prescribed by Section 20 of the Act.

Article 207: Every person, who by operation of law, transfer or by other means whatsoever, shall become entitled to any share, shall be bound by every document in respect of such shares which, previously to his/her name and address being entered on the register shall have been duly served on or sent to the person from whom he/she derives his/her title to share.

Article 208: Any notice to be given by the Company shall be signed by such director or Secretary or officer as the Board may appoint. The signature on any notice to be given by the Company may be written or printed or lithographed or be affixed by any other mechanical means.

Article 209: Subject to the applicable provisions of the Act, any document required to be served or sent by the Company on or to the Members or any of them and not expressly provided for by these Articles, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the District in which the Office is situated.

Article 210: If a Member does not have registered address in India, and has not supplied to the Company any address within India, for the giving of the notices to him, a document advertised in a newspaper circulating in the Neighborhood of Office of the Company shall be deemed to be duly served to him on the day on which the advertisement appears.

Authorizations

Article 211: Wherever in the Act it has been provided that the Company or the Board shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company or the Board is so authorized by its Articles, then and in that case these Articles hereby authorize and empower the Company and/ or the Board (as the case may be) to have all such rights, privileges authorities and to carry out all such transactions as have been permitted by the Act without there being any specific regulation to that effect in these Articles save and except to the extent that any particular right, privilege, authority or transaction has been expressly negated or prohibited by any other Article herein.

Article 212: If pursuant to the approval of these Articles, if the Act requires any matter previously requiring a special resolution is, pursuant to such amendment, required to be approved by an ordinary resolution, then in such a case these Articles hereby authorize and empower the Company and its Shareholders to approve such matter by an ordinary resolution without having to give effect to the specific provision in these Articles requiring a special resolution to be passed for such matter.

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years before the date of this Draft Red Herring Prospectus) which are, or may be deemed material, have been entered or to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus delivered to the RoC for registration, and also the documents for inspection referred to hereunder may be inspected at our Registered Office, from 10.00 am to 4.00 pm on Working Days from the date of the Red Herring Prospectus until the Bid/Offer Closing Date.

Material Contracts to the Offer

1. Offer Agreement dated February 15, 2018 entered into among our Company, the Selling Shareholder and the BRLMs.
2. Registrar Agreement dated February 14, 2018 entered into among our Company, the Selling Shareholder and the Registrar to the Offer.
3. Escrow Agreement dated [●] entered into among our Company, the Selling Shareholder, the BRLMs, Escrow Bank and the Registrar to the Offer.
4. Share Escrow Agreement dated [●] entered into among the Selling Shareholder, our Company and a share escrow agent.
5. Syndicate Agreement dated [●] entered into among the members of the Syndicate, our Company, the Selling Shareholder and the Registrar to the Offer.
6. Underwriting Agreement dated [●] entered into among our Company, the Selling Shareholder, the BRLMs and Syndicate Members.
7. Agreement dated [●] entered into between our Company and the Monitoring Agency.

Material Documents

1. Certified copies of our Memorandum of Association and Articles of Association as amended until date.
2. Certificate of incorporation dated December 15, 2007 and certificate of incorporation dated December 6, 2017 consequent upon conversion to a public company.
3. Board resolution of our Company dated January 31, 2018, authorising the Offer and other related matters.
4. Resolution passed by the members of our Company dated January 31, 2018, authorising the Offer and other related matters.
5. Resolutions of our Board dated February 10, 2018 and IPO Committee dated February 15, 2018, approving this Draft Red Herring Prospectus.
6. Consent letter of the Selling Shareholder dated February 9, 2018, authorising its participation in the Offer for Sale.
7. Copies of annual reports for the five Fiscal years, i.e., Fiscals 2017, 2016, 2015, 2014 and 2013.
8. The reports of the Statutory Auditor each dated January 31, 2018, on our Restated Summary Statements included in this Draft Red Herring Prospectus.
9. Copies of auditor's reports and director's reports of our Company for Fiscals 2017, 2016, 2015, 2014 and 2013.
10. Copy of ESOP 2018.
11. Statement of tax benefits dated February 8, 2018 issued by the Statutory Auditor.
12. Consent dated February 15, 2018, from the Statutory Auditors namely, S R B C & CO LLP, Chartered Accountants, to include its name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and in its capacity as a statutory auditor, in respect of its examination reports on the Restated Consolidated Summary Statements and Restated Unconsolidated Summary Statements, each dated January

31, 2018 and its report dated February 8, 2018 on the statement of tax benefits, included in this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U. S. Securities Act.

13. Consent dated February 14, 2018 from Uberoi Sood & Kapoor, Chartered Accountants, to include its name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act, 2013, in respect of its (i) examination reports dated February 7, 2018 and February 11, 2018 on the Special Purpose Financial Statements of Flemingo UK and Flemingo India, respectively, (ii) examination reports dated February 7, 2018 and February 11, 2018 on the Summary Financial Statements of Flemingo UK and Flemingo India, respectively, and (iii) assurance report dated February 11, 2018 on the Proforma Financial Statements.

14. Consents of Bankers to our Company, the BRLMs, Registrar to the Offer, Bankers to the Offer, lender to our Company, legal counsel appointed for the Offer, Avalon, Directors of our Company, Company Secretary and Compliance Officer, Chief Financial Officer as referred to act, in their respective capacities.

15. Executive summary of the Valuation Report dated February 7, 2018 issued by Duff & Phelps India Private Limited.

16. Share Purchase Agreement dated February 9, 2018 entered into between our Company, Flemingo International, Viren Ahuja, Arjun Ahuja, Karan Ahuja, Symbolic and Flemingo India.

17. Trademark License Agreement dated February 9, 2018 entered into between our Company and Flemingo International.

18. Share Purchase Agreement dated February 9, 2018 entered into between our Company, Flemingo International, Flemingo UK and Flemingo Cruise.

19. In-principle listing approvals dated [●] and [●] from BSE and NSE, respectively.

20. SEBI final observation letter bearing reference number dated [●].

21. Tripartite Agreement dated December 16, 2017 among our Company, NSDL and the Registrar to the Offer.

22. Tripartite Agreement dated December 18, 2017 among our Company, CDSL and the Registrar to the Offer.

23. Due diligence certificate to SEBI from the BRLMs, dated February 15, 2018.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders, subject to compliance with the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We hereby declare that all relevant provisions of the Companies Act and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case maybe, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations made there under, as the case may be. We further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Atul Vini Ahuja
(Chairman and Non-executive Director) ________________________

Ayyaswamy Ramamoorthy Choodamani
(Non-executive Director) ________________________

Naresh Chandra Sharma
(Independent Director) ________________________

Maya Swaminathan Sinha
(Independent Director) ________________________

SIGNED BY CHIEF FINANCIAL OFFICER

____

Suresh Jayant Nene
(Chief Financial Officer)

SIGNED BY CHIEF EXECUTIVE OFFICER

____

Manishi Mohan Sanwal
(Chief Executive Officer)

Date: February 15, 2018

Place: Mumbai

DECLARATION BY FLEMINGO DUTY FREE SHOP MUMBAI PRIVATE LIMITED, THE SELLING SHAREHOLDER

Flemingo Duty Free Shop Mumbai Private Limited, confirms and certifies that all statements and undertakings specifically made or confirmed by it in this Draft Red Herring Prospectus, about or in relation to itself and the Equity Shares offered by it through the Offer for Sale, are true and correct. Flemingo Duty Free Shop Mumbai Private Limited assumes no responsibility for any other statements, including, any of the statements made or confirmed by or relating to the Company in this Draft Red Herring Prospectus.

For and on behalf of Flemingo Duty Free Shop Mumbai Private Limited

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Name: Viren V. Ahuja

Designation: Director

Date: February 15, 2018

Place: Mumbai